

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (the “Agreement”) is made by and between Plaintiff Chanel Vick (“Plaintiff”) and Defendant Montclair Manor Care Center, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

1.1 “Action” means Plaintiff’s lawsuit against Defendant captioned *Chanel Vick v. Montclair Manor Care Center, LLC*, Case No. CIVSB2329280 filed on November 8, 2023, and pending in the Superior Court of the State of California, County of San Bernardino.

1.2 “Administrator” means Phoenix Settlement Administrators or “Phoenix” the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Costs 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 of Three Thousand Two Hundred Ninety-Five Dollars and Zero Cents (\$3,295.00) submitted to the Court in connection with approval of this Settlement.

1.4 “Aggrieved Employee” means all current and former hourly-paid, employees employed by Montclair Manor Care Center, LLC throughout California any time during the PAGA Period.

1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession, 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 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 “Approval Order” means the Court Order Granting Approval of PAGA Settlement.

1.8 “Complaint” shall refer to the original complaint that Plaintiff filed in the Action on November 8, 2023.

1.9 “Court” means the Superior Court of California, County of San Bernardino.

1.10 “Defense Counsel” means Attorneys Linh T. Hua and Ashley N. Batiste of Gordon Rees Scully Mansukhani, LLP.

1.11 “Effective Date” means the date by when all of the following have occurred: (a) the Court grants approval of the Settlement and signs an Approval Order; (b) the Class Action is dismissed as discussed in Paragraph 9, below; and (c) the Judgment becomes final. The Judgment becomes final as of the latest of the following occurrences: (a) the day the Court entered Judgment assuming no appeal is filed; or (b) if a timely appeal is filed, the date of the resolution or withdrawal of the last such appeal in a way that does not alter the terms of the Settlement.

1.12 “Gross Settlement Amount” or “GSA” means One Hundred Fifty-Five Thousand Dollars and Zero Cents (\$155,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 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 Administration Costs Payment.

1.13 “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, which shall be calculated based on the number of Pay Periods an Aggrieved Employee worked during the PAGA Period.

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

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

1.16 “LWDA Letter” means Plaintiff’s November 8, 2023, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

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

1.18 “Net Settlement Amount” or “NSA” 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 NSA is to be paid to Aggrieved Employees as follows: 25% of the NSA shall be paid to Aggrieved Employees as Individual PAGA Payments and 75% of the NSA shall be paid to the LWDA as the LWDA PAGA Payment.

1.19 “PAGA Counsel” means Attorneys Emil Davtyan, David Yeremian, Alvin Lindsay, Rose Sorial, and Enoch Kim of D.Law, Inc., the attorneys representing Plaintiff in the Action.

1.20 “PAGA Counsel Fees Payment” and “PAGA Counsel Costs Payment” mean the amounts allocated to PAGA Counsel for their actual reasonable attorneys’ fees and for the reimbursement of their reasonable expenses and costs incurred to prosecute the Action.

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

1.22 “PAGA Period” means the period from November 8, 2022, through October 17, 2024.

1.23 “PAGA” means the California Labor Code Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

1.24 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from, and shall equal, the Net Settlement Amount. The PAGA Penalties are allocated 25% to the Aggrieved Employees (approximately \$18,113.75) as to their Individual PAGA Payments and the 75% to LWDA (approximately \$54,341.25.00) as the LWDA PAGA Payment in settlement of all PAGA claims.

1.25 “Plaintiff” means Chanel Vick, the named Plaintiff in the Action.

1.26 “Released PAGA Claims” means any and all claims for civil penalties under PAGA arising during the PAGA Period that were alleged in the LWDA Letter or the First Amended Complaint in the Action, including failure to pay minimum wages, failure to pay wages and overtime in violation of Labor Code § 510, failure to provide compliant meal and rest periods in violation of Labor Code § 226.7, failure to provide complete and accurate wage statements in violation of Labor Code § 226, failure to take back any wages already paid in violation of Labor Code § 221, failure to pay wages semi-monthly in violation of Labor Code § 204, failure to pay all wages owed at discharge or resignation in violation of Labor Code § 203, failure to keep complete and accurate payroll records in

violation of §§ 1174, 1174.5, failure to reimburse necessary business-related expenses in violation of Labor Code § 2802.

1.27 “Released Parties” means Defendant and each of its divisions, subsidiaries, parents, or other related entities, past and present, and each of them, as well as each of their directors, officers, employees, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, insurers, and employees, past and present, and each of them and their marital community.

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

2. RECITALS.

2.1 Pursuant to Labor Code Section 2699.3(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the LWDA Letter. Specifically, on November 8, 2023, Plaintiff filed the LWDA Letter with the LWDA on behalf of herself and all Aggrieved Employees, alleging that Defendant committed various wage and hour violations under the California Labor Code and were entitled to civil penalties under PAGA.

2.2 On November 8, 2023, Plaintiff commenced the Action by filing the Complaint against Defendant, alleging claims for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime under Labor Code Section 510; (3) Meal Period Liability under Labor Code Section 226.7; (4) Rest Break Liability under Labor Code Section 226.7; (5) Violation of Labor Code Section 226; (6) Violation of Labor Code Section 221; (7) Violation of Labor Code Section 204; (8) Violation of Labor Code Section 203; (9) Failure to Maintain Records Required under Labor Code Sections 1174 and 1174.5; (10) Failure to Reimburse Necessary Business Expenses under Labor Code Section 2802; and (11) Violation of Business and Professions Code Section 17200 *et seq.* On January 12, 2024, Plaintiff filed her First Amended Complaint adding a cause of action for civil penalties under PAGA, Labor Code Section 2698.

2.3 Prior to mediation, Plaintiff obtained, through informal discovery, among other things, electronic payroll and timekeeping data for all alleged Aggrieved Employees, Defendant’s printed policies, and other information regarding Defendant’s wage and hour policies, including rest and meal break policies.

2.4 On October 17, 2024, the Parties attended mediation with experienced mediator Lisa Klerman, Esq., which ultimately led to a global settlement of this

Action. The Parties executed a Memorandum of Understanding dated January 16, 2025, memorializing the basic terms of this agreement.

2.5 Other than the Action, the Parties, PAGA Counsel and Defense Counsel 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, Defendant promises to pay One Hundred Fifty-Five Thousand Dollars and Zero Cents (\$155,000.00) and no more as the Gross Settlement Amount. 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 Defendant.

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% of the GSA, which is currently estimated to be Fifty-Four Thousand Two Hundred Fifty Dollars and Zero Cents (\$54,250.00) and PAGA Counsel Costs Payment of not more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts and/or percentage of the Gross Settlement Amount. Plaintiff will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Costs Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Costs Payment less than the amounts requested, the unincurred balance shall be included in the Net Settlement Amount. Defendant shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Costs Payment. The Administrator will report the PAGA Counsel Fees Payment and PAGA Counsel Costs 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 Costs Payment and indemnifies Defendant from any dispute or controversy regarding any division or sharing of the PAGA Counsel Fees Payment and the PAGA Counsel Costs Payment.

3.2.2 To the Administrator: An Administrator Costs Payment not to exceed Three Thousand Two Hundred Ninety-Five Dollars and Zero Cents (\$3,295.00), except for a showing of good cause and as approved by the Court. To the extent the administration costs are less or the Court approves payment less than Three Thousand Two Hundred Ninety-Five Dollars and Zero Cents (\$3,295.00), the balance shall be included in the Net Settlement Amount.

3.3 Payment from Net Settlement Amount/PAGA Penalties: After the payments from the Gross Settlement Amount are made as described in Paragraph 3.2 above, the remaining amount is the Net Settlement Amount, all of which shall be paid as PAGA Penalties by the Administrator to the LWDA and Aggrieved Employees in the amounts specified by the Court in the Approval Order:

3.3.1 To the LWDA and Aggrieved Employees: Of the Net Settlement Amount, 75% shall be allocated to the LWDA PAGA Payment and 25% shall be 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 in the aggregate by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying that result by each Aggrieved Employee's individual PAGA Pay Periods to get the amount of each Individual PAGA Payment.

3.2.3.2. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.3. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Data. Within thirty (30) days of the Court filing the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet, containing the following information for each Aggrieved Employee: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; and (6) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement. This is a material

term of the Settlement, and if Defendant fails to comply, Plaintiff shall have the right to void the Settlement if the non-compliance is not cured within seven (7) days. 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. The Parties and their counsel will expeditiously use good-faith efforts to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2 Funding of Gross Settlement Amount. Except as otherwise noted in Paragraphs 8 and 10.1, Defendant shall fund the Gross Settlement Amount in six (6) equal installments on a monthly basis, starting thirty (30) days following entry of the Approval Order, into an interest-bearing escrow account held by the Settlement Administrator selected by Plaintiff, and continuing every thirty (30) days thereafter until the Gross Settlement is fully paid to the Settlement Administrator. Any amounts exceeding \$155,000.00 in the escrow account shall be returned to Defendant.

4.3 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the PAGA Counsel Fees Payment and the PAGA Counsel Costs Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Costs Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1 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.

4.3.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (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 if requested by the Aggrieved Employee prior to the void date.

- 4.3.3 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.
- 4.3.4 The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those expressly specified in this Agreement.
- 4.3.5 Whereas the Parties agree that there is no statutory obligation to provide notice of the Settlement to Aggrieved Employees, at the same time that the Administrator distributes the Individual PAGA Payments to the Aggrieved Employees, every Aggrieved Employee will be provided with the letter attached hereto as Exhibit A in the form evidenced by Exhibit A, which shall be addressed to the Aggrieved Employee and reference the Aggrieved Employee's Individual PAGA Payment.

- 5. **RELEASE OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Amount, Plaintiff, the LWDA, and the Aggrieved Employees shall be deemed to have released claims against all Released Parties as follows:

- 5.1 **Release by Plaintiff, Aggrieved Employees and the LWDA:**

Plaintiff, Aggrieved Employees, and the LWDA shall fully and finally release and discharge Released Parties from the Released PAGA Claims that have arisen during the PAGA Period.

Plaintiff and all Aggrieved Employees may not opt out of the Release in this paragraph.

- 6. **MOTION FOR APPROVAL OF SETTLEMENT.**

6.1 Within thirty (30) days of all Parties executing this Agreement, Plaintiff shall file a Motion for Approval of the Settlement.

6.2 Plaintiff's Responsibilities. Plaintiff, by and through her counsel, is responsible for expeditiously drafting, finalizing and filing the Motion for Approval and obtaining a prompt hearing date for the Motion and appearing in Court to advocate in favor of the motion. Plaintiff is also responsible for delivering the Court's Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Court does not grant the Motion for 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 or videoconference, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns, provided that Defendant shall not be required to contribute any additional funds to the Gross Settlement Amount.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator. PAGA Counsel has verified that, as a condition of appointment, Phoenix 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 Costs. 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 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 designated tasks contained in this Agreement or otherwise required by law.

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant represents that there are no more than 3,010 PAGA Pay Periods in the PAGA Period. If the total number of PAGA Pay Periods in the PAGA Period increases by more than 10% (i.e., an increase of 301 or more), then Defendant will increase the GSA in proportion to the number of

PAGA Pay Periods in excess of 10% (3,311 pay periods). For example, if the number of PAGA Pay Periods increases by 15% over 3,010 PAGA Pay Periods, then the GSA will increase by 5%. If this provision is triggered and the GSA is increased, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the total amount of the PAGA Counsel Fees Payment remains 35% of the GSA after the upward adjustment required by this provision is implemented, subject to court approval.

9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after final approval or 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 pursuant to California Code of Civil Procedure Section 664.6. If any Party brings an action to enforce this Agreement, the prevailing party shall be entitled to its/her reasonable attorneys' fees and costs.

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 Costs 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 individual or entity who is not a Party to this Agreement 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.

9.2 **Attorneys' Fees and Costs Appeal.** The specific amount of the attorneys' fees and costs awards discussed herein shall be subject to Court approval, and the award of any amounts less than that requested by PAGA Counsel will not be grounds for Plaintiff or PAGA Counsel to terminate the Settlement, but may be subject to appeal, however Plaintiff and/or PAGA Counsel will not request or demand an increase to the Gross Settlement Amount on that basis. Any amount not awarded in attorneys' fees and costs shall be added to the Net Settlement Amount for distribution to the Aggrieved Employees.

10. **ADDITIONAL PROVISIONS.**

10.1 **No Admission of Liability.** 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 Defendant that any allegation in the LWDA Letter, Complaint and/or Action has merit or that Defendant has any

liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. Defendant denies all liability in the Action. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant'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 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits, if any, 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, as well as the prior Memorandum of Agreement executed by the Parties, except for the Individual Settlement Agreement signed by the Parties, which still remains in full force and effect.

10.3 Attorney Authorization. The Parties separately warrant and represent that PAGA Counsel and Defense Counsel are authorized by Plaintiff and Defendant, 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.

10.4 Cooperation. The Parties will cooperate with each other and use their good-faith efforts to implement the Settlement by, among other things, modifying the 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 Lisa Klerman, Esq. and/or the Court for resolution.

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

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel is 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 C.F.R. Part 10, as amended) or otherwise.

10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives.

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

10.9 Applicable Law. All terms and conditions of this Agreement 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.

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

10.11 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.

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the 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 rule of court.

10.13 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.

10.14 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.

10.15 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:

D.LAW, INC.

Emil Davtyan

emil@d.law

David Yeremian

d.yeremian@d.law

Alvin Lindsay

a.lindsay@d.law

Rose Sorial

r.sorial@d.law

Enoch Kim

e.kim@d.law

Antonia McKee

a.bliznets@d.law

450 N. Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

To Defendant:

GORDON REES SCULLY

MANSUKHANI, LLP

Linh T. Hua, Esq.

lhua@grsm.com

Ashley N. Batiste, Esq.

abatiste@grsm.com

633 West Fifth Street, 52nd Floor

Los Angeles, CA 90071

(213) 576-5000/FAX (213) 680-4470

10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign or AdobeSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that, upon the execution of this Agreement, the litigation shall continue to be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement and, pursuant to CCP Section 583.330, the date to bring a case to trial under CCP Section 583.310 shall be extended for the entire period of this settlement process.

Dated: _____

APPROVED:

EXECUTED this _____ day of March 2025, at Oakland, California.

PLAINTIFF

Chanel Vick

EXECUTED this 2nd day of ~~March~~^{April} 2025, at Los Angeles, California

DEFENDANT MONTCLAIR MANOR CARE CENTER, LLC

By: _____

Name: Sam Lin

Its: Acting Manager

APPROVED AS TO FORM:

D.LAW, INC.

By: _____

Emil Davtyan
David Yeremian
Alvin Lindsay
Enoch J. Kim
Rose Sorial
Attorneys for Plaintiff CHANEL VICK

Dated: April 3, 2025

GORDON REES SCULLY MANSUKHANI, LLP

By: _____

~~Linh T. Hua~~
Ashley N. Batiste, Esq.
Attorneys for Defendant MONTCLAIR
MANOR CARE CENTER, LLC

Dated: April 2, 2025

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment from *Chanel Vick v. Montclair Manor Care Center, LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Chanel Vick v. Montclair Manor Care Center, LLC*, San Bernardino Superior Court Case No. CIVSB2329280.

WHAT IS THE CASE ABOUT?

This case was brought by Plaintiff, Chanel Vick (“Plaintiff”), and filed against Montclair Manor Care Center, LLC (“Defendant”), pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). Plaintiff filed the lawsuit on behalf of herself, the State of California and all persons who are employed or were previously employed by Montclair Manor Care Center, LLC, in California and are or were classified as non-exempt employees at any time during the “PAGA Period,” which covers the time period of November 8, 2022, through October 17, 2024. The group of employees referenced above are called the “Aggrieved Employees,” and you have been identified as an Aggrieved Employee.

WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

In this case, Plaintiff claimed that Defendant owed civil penalties under PAGA for certain California Labor Code (the “Labor Code”) violations because Defendant allegedly (1) failed to pay minimum wage; (2) failed to pay wages and overtime; (3) failed to comply with meal-period laws; (4) failed to comply with rest-period laws; (5) violated Labor Code Section 226; (6) violated Labor Code Section 221; (7) violated Labor Code Section 204; (8) violated Labor Code Section 203; (9) failed to maintain records in violation of Labor Code Sections 1174 and 1174.5; and (10) failed to reimburse for necessary business expenses in violation of Labor Code Section 2802. Defendant denies the allegations in the Complaint, denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged.

The Parties agreed to resolve the case, and as part of that settlement, Defendant agreed to pay \$155,000.00, which is called the Gross Settlement Amount. From the Gross Settlement Amount, and as approved by the Court, Plaintiff's counsel will receive a PAGA Counsel Fees Payment of \$54,250.00 for attorneys' fees and a PAGA Counsel Costs Payment of \$25,000.00 for litigation expenses. In addition, and as approved by the Court, the Settlement Administrator will receive an Administration Costs Payment of \$3,295.00 for helping to administer the settlement. The balance of the monies, called the Net Settlement Amount, in the amount of \$72,455, represents the PAGA Penalties.

Under PAGA, the law requires that PAGA Penalties get divided between the California Labor and Workforce Development Agency (the LWDA") and the Aggrieved Employees, with 75% of the settlement going to the LWDA and 25% being divided amongst the Aggrieved Employees. As a result, and as approved by the Court, \$54,341.25 will be paid to the LWDA for its share of PAGA penalties, and \$18,113.75 will be paid to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$20,833.33) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods, which is any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

As an Aggrieved Employee, you will assume full responsibility and liability for any taxes owed on your Individual PAGA Payment. The Administrator will report all Individual PAGA Payments on IRS 1099 Forms.

The settlement of this action does not constitute an admission by Defendant of any of the matters alleged in the case or an admission of liability. Defendant strongly denies violating any laws or failing to pay any wages. Defendant contends it complied with all applicable laws.

YOUR SETTLEMENT CHECK AND THE RELEASE OF CLAIMS

The enclosed check, in the amount of \$.00, represents your Individual PAGA Payment, which is based on the number of pay periods you worked during the PAGA Period.

As an Aggrieved Employee, you are legally barred from asserting any of the claims released under the Settlement. This means that you, along with all Aggrieved Employees, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the facts alleged in the case to have occurred during the PAGA Period and resolved by this settlement. The Aggrieved Employees' Release is as follows:

Plaintiff, Aggrieved Employees, and the LWDA are deemed to fully and finally release and discharge Released Parties from the Released PAGA Claims that have arisen during the PAGA Period.

The "PAGA Period" means the period from November 8, 2022, through October 17, 2024.

"Released PAGA Claims" means any and all claims for civil penalties under PAGA arising during the PAGA Period that were alleged in the LWDA Letter or the First Amended Complaint in the Action, including failure to pay minimum wages, failure to pay wages and overtime in violation of Labor Code § 510, failure to provide compliant meal and rest periods in violation of Labor Code § 226.7, failure to provide complete and accurate wage statements in violation of Labor Code § 226, failure to take back any wages already paid in violation of Labor Code § 221, failure to pay wages semi-monthly in violation of Labor Code § 204, failure to pay all wages owed at discharge or resignation in violation of Labor Code § 203, failure to keep complete and accurate payroll records in violation of §§ 1174, 1174.5, failure to reimburse necessary business-related expenses in violation of Labor Code § 2802, and Business & Professions Code § 17200 *et seq.*

"Released Parties" means Defendant and each of its divisions, subsidiaries, parents, or other related entities, past and present, and each of them, as well as each of their directors, officers, employees, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, insurers, and employees, past and present, and each of them and their marital community.

This release applies to you, regardless of whether you cash your check, and regardless of whether this letter can be delivered to you. **Aggrieved Employees have no right to object to this settlement, and they cannot opt out of this settlement. You will be bound by this release whether you cash your check or not.**

QUESTIONS?

If you have any questions, you can contact the Settlement Administrator (whose contact information is at the top of this letter) or Plaintiff's counsel, whose contact information is as follows:

Counsel for Plaintiff:

Emil Davtyan, Esq.
David Yeremian, Esq.
Alvin B. Lindsay, Esq.
Rose Sorial, Esq.
Enoch J. Kim, Esq.
Antonia McKee, Esq.
D.Law, Inc.
450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Very Truly Yours,

Phoenix Settlement Administrators
[INSERT CONTACT INFORMATION]