

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Andrea Cruz, Maria Brenda Decena, Irene Mendez Duran, Christina Falls, Cheyenne Mitchell, Jacqueline Nelson, Alma Pierre, Ashley Smith, Narkita Thomas, Clarie Tupuola, Lekecia Dukes, Ellen Duong, Joshua Rubio Flores, and Steven Gonzales (“Plaintiffs”) and Defendants Artesia Healthcare, Inc. dba Alameda Care Center, Burbank Healthcare LLC dba Burbank Healthcare and Rehabilitation Center, Burlington Convalescent Hospital LLC, Casa Bonita Convalescent Hospital LLC, Ira David Enterprises LLC dba Crofton Manor Inn, ADF Investments LLC dba Huntington Retirement Hotel, ICC Convalescent LLC dba Imperial Care Center, Normandie/Wilshire Retirement Hotel LLC dba California Healthcare Rehabilitation Center, San Dimas Retirement Center LLC, Studio City Convalescent Hospital LLC dba Studio City Rehabilitation Center, Magnolia Gardens Convalescent Hospital LLC, San Gabriel Convalescent Center LLC, Imperial Crest Healthcare Center, LLC, and Shea Healthcare Center LLC dba Whittier Pacific Care Center (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Action” means the Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendants captioned *Phellippe Carrillo, et al., v. Longwood Management Corp., et al.*, Case No. 20STCV44876 initiated on November 20, 2020, and pending in the Superior Court of the State of California, County of Los Angeles, and the PAGA Notices Plaintiffs and PAGA Counsel submitted to LWDA.

1.2 “Administrator” means CPT Group, Inc. (“CPT”), the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

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

1.5 “Court” means the Superior Court of California, County of Los Angeles.

1.6 “Covered Employee” means a person employed by and who performed work in at least one pay period at one or more Defendants in a non-exempt, hourly position during the applicable PAGA Period.

1.7 “Covered Employee Data” means Covered Employee identifying information in Defendants’ possession including the Covered Employee’s name, last-known mailing address, Social Security number and number of applicable PAGA Pay Periods.

1.8 “Covered Employee Address Search” means the Administrator’s investigation and search for current Covered 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 Covered Employees.

1.9 “Defense Counsel” means Paul Hastings LLP, and Leslie Abbott, Chris Jalian, Shera Kwak, and Aja Nunn.

1.10 “Effective Date” means the earliest date, following entry by the Court of the Judgment, upon which one of the following has occurred: (a) expiration of all potential appeal periods without a filing of a notice of appeal of the Judgment; (b) final affirmance of the Judgment by an appellate court as a result of any appeal(s); or (c) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the Judgment is no longer subject to further judicial review.

1.11 “Gross Settlement Amount” means \$1,615,000.00 which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the PAGA Plaintiffs Payment, and the Administrator’s Expenses Payment.

1.12 “Individual PAGA Payment” means the Covered Employee’s pro rata share of the PAGA Penalties calculated according to the number of PAGA Pay Periods the Covered Employee worked during either PAGA Period A or PAGA Period B, as applicable.

1.13 “Judgment” means the judgment entered by the Court based upon approval of the Settlement.

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

1.15 “LWDA PAGA Payment” means the applicable percentage of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i) or (m), as applicable.

1.16 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the PAGA Plaintiffs Payment, and the Administration Expenses Payment. The remainder is the Net Settlement Amount to be paid to Covered Employees as Individual PAGA Payments and the LWDA PAGA Payment, to be allocated pursuant to Section 1.24.

1.17 “PAGA Counsel” means Matern Law Group, PC, Matthew J. Matern, Matthew W. Gordon, and Vanessa M. Rodriguez, the attorneys representing the Plaintiffs in the Action.

1.18 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel from the Gross Settlement Amount for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action, subject to court approval.

1.19 “PAGA Plaintiffs Payment” means the amount allocated to Plaintiffs from the Gross Settlement Amount for their respective service in this Action that is conditioned on their execution of this Agreement, and is subject to court approval. Any Plaintiff who fails to execute this Agreement forfeits his or her right to receive a PAGA Plaintiffs Payment.

1.20 “PAGA Pay Period” means any Pay Period during which a Covered Employee worked for one or more Defendants for at least one day in one pay period during the applicable PAGA Period.

1.21 “PAGA Period” means (A) the period from September 16, 2019 through the date this Agreement is executed by all Plaintiffs and their counsel, with respect to Covered Employees who, based on Defendants’ records, were employed directly by defendants Artesia Healthcare, Inc. dba Alameda Care Center, Burbank Healthcare LLC dba Burbank Healthcare and Rehabilitation Center, Burlington Convalescent Hospital LLC, Casa Bonita Convalescent Hospital LLC, Ira David Enterprises LLC dba Crofton Manor Inn, ADF Investments LLC dba Huntington Retirement Hotel, ICC Convalescent LLC dba Imperial Care Center, Normandie/Wilshire Retirement Hotel LLC dba California Healthcare Rehabilitation Center, San Dimas Retirement Center LLC, or Studio City Convalescent Hospital LLC dba Studio City Rehabilitation Center (“PAGA Period A”); and (B) the period from August 8, 2023 through the date this Agreement is executed by all Plaintiffs and their counsel, with respect to Covered Employees who, based on Defendants’ records, were employed directly by defendants Magnolia Gardens Convalescent Hospital LLC, San Gabriel Convalescent Center LLC, Imperial Crest Healthcare Center, LLC, or Shea Healthcare Center LLC dba Whittier Pacific Care Center (“PAGA Period B”).

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

1.23 “PAGA Notice” means Plaintiffs’ respective letters to Defendants and the LWDA purporting to provide notice pursuant to Labor Code section 2699.3, subdivision (a).

1.24 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of PAGA claims, allocated based on the applicable PAGA Period, as follows: (A) 25% to the Covered Employees and 75% to the LWDA for PAGA Period A; and (B) 35% to the Covered Employees and 65% to the LWDA for PAGA Period B.

1.25 “Plaintiffs” means Andrea Cruz, Maria Brenda Decena, Irene Mendez Duran, Christina Falls, Cheyenne Mitchell, Jacqueline Nelson, Alma Pierre, Ashley Smith, Narkita Thomas, Clarie Tupuola, Lekecia Dukes, Ellen Duong, Joshua Rubio Flores, and Steven Gonzales.

1.26 “Released Claims” means Plaintiffs’ general release of claims as described in Paragraph 5 below.

1.27 “Released Cost Claims” means Defendants’ release of claims for ordinary costs against Plaintiffs as described in Paragraph 7 below.

1.28 “Released PAGA Claims” means Plaintiffs’ and PAGA Counsel’s release of claims as described in Paragraph 6 below.

1.29 “Released Parties” means Defendants and each of their respective current and former, direct and indirect parents, subsidiaries, brother-sister companies, management companies, administrative services companies, and all other affiliates and related partnerships, joint ventures, or other entities, and, with respect to each of them, their predecessors and successors; and, with respect to each such entity, all of its past, present, and future employees, officers, directors, owners, representatives, assigns, trustees, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under or in concert with any of the persons or entities listed in this section.

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

2. RECITALS.

2.1 On November 20, 2020, Plaintiffs Andrea Cruz, Maria Brenda Decena, Irene Mendez Duran, Christina Falls, Cheyenne Mitchell, Jacqueline Nelson, Alma Pierre, Ashley Smith, Narkita Thomas, and Clarie Tupuola (along with other named plaintiffs who have since been dismissed) commenced this Action by filing a Complaint against Defendants Artesia Healthcare, Inc. dba Alameda Care Center, Burbank Healthcare LLC dba Burbank Healthcare and Rehabilitation Center, Burlington Convalescent Hospital LLC, Casa Bonita Convalescent Hospital LLC, Ira David Enterprises LLC dba Crofton Manor Inn, ADF Investments LLC dba Huntington Retirement Hotel, ICC Convalescent LLC dba Imperial Care Center, Normandie/Wilshire Retirement Hotel LLC dba California Healthcare Rehabilitation Center, San Dimas Retirement Center LLC, and Studio City Convalescent Hospital LLC dba Studio City Rehabilitation Center (along with other defendants who have since been dismissed). The Complaint purported to allege a single cause of action for civil penalties under PAGA arising from alleged failures to pay minimum and overtime wages, to provide meal and rest periods, to reimburse business expenses, to maintain required records, to provide accurate itemized wage statements, and to provide timely pay during employment and upon termination. On November 30, 2020, Plaintiffs filed a First Amended Complaint. On December 16, 2021, Plaintiffs filed a Second Amended Complaint. On October 7, 2024, the Court approved the Parties’ Stipulation to permit the filing of the Third Amended Complaint (“TAC”), which among other things added Plaintiffs Lekecia Dukes, Ellen Duong, Joshua Rubio Flores, and Steven Gonzales who alleged they were directly employed by Defendants Magnolia Gardens Convalescent Hospital LLC, San Gabriel Convalescent Center LLC, Imperial Crest Healthcare Center, LLC, and Shea Healthcare Center LLC dba Whittier Pacific Care Center. The TAC is the operative complaint in the Action (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability under PAGA and the underlying allegations on which the PAGA cause of action is based.

2.2 Plaintiffs purport to have given timely written notice to Defendants and the LWDA by sending their respective PAGA Notices pursuant to Labor Code section 2699.3(a).

2.3 On August 5, 2024, the Parties participated in an all-day mediation that did not result in a settlement. The Parties engaged in additional settlement discussions after the mediation.

2.4 The Parties have engaged in extensive formal and informal discovery.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$1,615,000.00 and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Covered Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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 one-third (33-1/3%) of the Gross Settlement Amount, which is currently estimated to be \$538,333.33, and a PAGA Counsel Litigation Expenses Payment of not more than \$120,000.00. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. PAGA Counsel will file an application together with a supporting declaration for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To Plaintiffs: A PAGA Plaintiffs Payment not to exceed \$5,000.00 each, conditioned on their respective execution of this Agreement, and subject to court approval. Any Plaintiff who fails to execute this Agreement, forfeits his or her right to receive a PAGA Plaintiffs Payment. If the Court approves a PAGA Plaintiffs Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.3 To the Administrator: The Parties agree that the Administrator shall be paid reasonable Administration Expenses in an amount to be approved by the Court. In the event the Administrator's proposed expenses are determined by the Parties, in good faith, to be unreasonable, the Parties will meet and confer regarding an alternative administrator, subject to Court approval.

3.2.4 To the LWDA and Covered Employees: PAGA Penalties to be paid from the Net Settlement Amount, with 25% to the Covered Employees and 75% to the LWDA for PAGA Period A; and 35% to the Covered Employees and 65% to the LWDA for PAGA Period B.

3.2.4.1 The Administrator will calculate each Individual PAGA Payment as follows: (A) for Covered Employees covered by PAGA Period A, dividing the amount of the Covered Employees' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Covered Employees during the PAGA Period A and (b) multiplying the result by each Covered Employee's number of PAGA Pay Periods; and (B) for Covered Employees covered by PAGA Period B, dividing the amount of the Covered Employees' 35% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Covered Employees during the PAGA Period B and (b) multiplying the result by each Covered Employee's number of PAGA Pay Periods. Covered Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Covered Employee Data. No later than 15 calendar days after the Effective Date, Defendants will deliver the Covered Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Covered Employees' privacy rights, the Administrator must maintain the Covered Employee Data in confidence, use the Covered Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Covered Employee Data to Administrator employees who need access to the Covered Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if they discover that the Covered Employee Data omitted employee identifying information and to provide corrected or updated Covered Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Covered 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 Covered Employee Data.

4.2 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 calendar days after the Effective Date.

4.3 Payments from the Gross Settlement Amount. Within 15 calendar days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks or wire funds for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment and Litigation Expenses Payment, and the PAGA Plaintiffs Payment. Disbursement of the PAGA Counsel Fees Payment and Litigation Expenses 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 Covered 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. The Administrator will mail the checks along with a short cover letter that identifies the respective Covered Employee's direct employer only, and not the other current or former defendants in this Action, and is subject to review and approval by the Court.

4.3.2 The Administrator must conduct a Covered Employee Address Search for all Covered 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 Covered Employee Address Search. The Administrator need not take further steps to deliver checks to Covered Employees whose remailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Covered Employee whose original check was lost or misplaced, requested by the Covered Employee prior to the void date.

4.3.3 For any Covered 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 Covered Employee.

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

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, the Parties shall release the following claims:

5.1 Plaintiffs' Release. Plaintiffs each release (i.e., give up) all known and unknown claims that they have as of the time they sign this Agreement against the Released Parties. For example, they are releasing all common law contract, tort, or other claims they have or might have, as well as all claims they have or might have under the Worker Adjustment & Retraining Notification Act (the WARN Act), the Family and Medical Leave Act (FMLA), Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, the Americans With Disabilities Act (ADA), the Employee Retirement Income Security Act of 1974 (ERISA), and any similar domestic or foreign laws, such as the California Fair Employment and Housing Act, California Labor Code Section 200 et seq., California Private Attorneys General Act (PAGA), California Business and Professions Code Section 17200, et seq., and any applicable California Industrial Welfare Commission order. Plaintiffs understand and agree that this release is a good-faith compromise of disputed wage claims. However, Plaintiffs are not releasing (i) any of the few claims that the law does not permit them to release by private agreement, including claims for unemployment benefits, social security benefits, and workers' compensation benefits; (ii) vested benefits (except already-denied benefits) under any employee-benefit plan governed

by ERISA; (iii) any right they have to be indemnified by the Company (other than their claim for expense reimbursement as alleged in the Operative Complaint and the PAGA Notices); or (iv) their right to enforce this Agreement.

5.1.1 Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish 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 Covered Employees: All Covered Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, during the PAGA Period based on the facts stated in the Operative Complaint and the PAGA Notices.

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 attorneys' fees and litigation costs incurred in connection with the Action, with the exception of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment.

5.4 Release by Defendants: Defendants release all claims for attorneys' fees and costs against Plaintiffs and PAGA Counsel that Defendants incurred in connection with defending the Action.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file a Stipulation and Proposed Approval Order or, if required by the Court, a Motion and Proposed Order, for approval of this Settlement within 28 calendar days of the execution of this Agreement.

6.1 PAGA Counsel's Responsibilities. Within 21 calendar days of the execution of this Agreement, PAGA Counsel will prepare and deliver to Defense Counsel for review all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft Stipulation and [Proposed] Order Granting Approval of PAGA Settlement; (ii) the Administrator's bid for administering the Settlement; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); and (iv) a signed declaration from PAGA Counsel providing detailed support for its request for fees and expenses.

6.2 PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Stipulation and [Proposed] Order Granting Approval of PAGA Settlement (and supporting documents) no later than 28 calendar days after the full execution of

this Agreement. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

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

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected CPT to serve as the Administrator. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

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

8. COVERED EMPLOYEE SIZE ESTIMATES. Based on their records, Defendants estimate that, as of the date of this Agreement, Covered Employees worked a total of 227,252 PAGA Pay Periods.

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

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved

and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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 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.

10.5 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 Plaintiffs, PAGA Counsel, Defendants 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.

10.7 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, and approved by the Court.

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. 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 Covered 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 Defendants 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, Plaintiffs shall destroy all paper and electronic versions of Covered Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants makes a written request to PAGA Counsel for the return, rather than the destruction, of Covered Employee Data.

10.13 Enforcement Action. In the event that one or more of the Parties initiates any legal action or other proceeding against any other Party or Parties to enforce the terms of this Agreement or to declare rights and/or obligations under this Agreement, the successful party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action.

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

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

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

To Plaintiffs:

MATERN LAW GROUP, PC
Matthew J. Matern
Matthew W. Gordon
Vanessa M. Rodriguez
2101 E. El Segundo Boulevard, Suite 403
El Segundo, CA 90245
Telephone: (310) 531-1900
Facsimile: (310) 531-1901

To Defendants:

PAUL HASTINGS LLP
Leslie L. Abbott
Chris A. Jalian
Shera Y. Kwak
Aja S. Nunn
515 South Flower Street
Twenty-Fifth Floor
Los Angeles, California 90071-2228
Telephone: (213) 683-6000
Facsimile: (213) 627-0705

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 by the Parties' respective counsel, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that if the Court does not approve this Agreement, the Parties shall stipulate to request the Court to continue the trial to the first available date. The Parties further agree that Code of Civil Procedure section 583.330 applies 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—i.e., the period from the date on which this Agreement is fully executed to the date on which the Court enters Judgment or the date on which the Court enters an order declining to grant approval of this Agreement.

PLAINTIFFS:

Name: Andrea Cruz

Date: Aug 29, 2025

Signature: 
Andrea Cruz (Aug 29, 2025 16:05:36 PDT)

Name: Maria Brenda Decena Date: Sep 4, 2025

Signature: 
Maria B Decena (Sep 4, 2025 23:16:42 PDT)

Name: Irene Mendez Duran Date: _____

Signature: _____

Name: Christina Falls Date: _____

Signature: _____

Name: Cheyenne Mitchell Date: _____

Signature: _____

Name: Jacqueline Nelson Date: _____

Signature: _____

Name: Alma Pierre Date: _____

Signature: _____

Name: Maria Brenda Decena

Date: _____

Signature: _____

Name: Irene Mendez Duran

Date: Sep 3, 2025

Signature: 
Irene Mendez-Duran (Sep 3, 2025 17:48:25 PDT)

Name: Christina Falls

Date: _____

Signature: _____

Name: Cheyenne Mitchell

Date: _____

Signature: _____

Name: Jacqueline Nelson

Date: _____

Signature: _____

Name: Alma Pierre

Date: _____

Signature: _____

Name: Maria Brenda Decena

Date: _____

Signature: _____

Name: Irene Mendez Duran

Date: _____

Signature: _____

Name: Christina Falls

Date: Aug 29, 2025

Signature: 
Christina Falls (Aug 29, 2025 09:49:52 PDT)

Name: Cheyenne Mitchell

Date: _____

Signature: _____

Name: Jacqueline Nelson

Date: _____

Signature: _____

Name: Alma Pierre

Date: _____

Signature: _____

Name: Maria Brenda Decena

Date: _____

Signature: _____

Name: Irene Mendez Duran

Date: _____

Signature: _____

Name: Christina Falls

Date: _____

Signature: _____

Name: Cheyenne Mitchell

Date: Sep 4, 2025

Signature: 
Cheyenne Mitchell (Sep 4, 2025 16:16:56 EDT)

Name: Jacqueline Nelson

Date: _____

Signature: _____

Name: Alma Pierre

Date: _____

Signature: _____

Name: Maria Brenda Decena

Date: _____

Signature: _____

Name: Irene Mendez Duran

Date: _____

Signature: _____

Name: Christina Falls

Date: _____

Signature: _____

Name: Cheyenne Mitchell

Date: _____

Signature: _____

Name: Jacqueline Nelson

Date: Aug 29, 2025

Signature: 

Jacqueline Nelson (Aug 29, 2025 00:44:47 PDT)

Name: Alma Pierre

Date: _____

Signature: _____

Name: Maria Brenda Decena

Date: _____

Signature: _____

Name: Irene Mendez Duran

Date: _____

Signature: _____

Name: Christina Falls

Date: _____

Signature: _____

Name: Cheyenne Mitchell

Date: _____

Signature: _____

Name: Jacqueline Nelson

Date: _____

Signature: _____

Name: Alma Pierre

Date: Sep 2, 2025

Signature:  _____

Alma D. Pierre (Sep 2, 2025 13:42:26 PDT)

Name: Ashley Smith Date: Sep 3, 2025

Signature: 
Ashley Smith (Sep 3, 2025 14:41:15 PDT)

Name: Narkita Thomas Date:

Signature:

Name: Clarie Tupuola Date:

Signature:

Name: Lekecia Dukes Date:

Signature:

Name: Ellen Duong Date:

Signature:

Name: Joshua Rubio Flores Date:

Signature:

Name: Ashley Smith

Date: _____

Signature: _____

Name: Narkita Thomas

Date: Aug 28, 2025

Signature: 
Narkita Thomas (Aug 28, 2025 20:43:09 CDT)

Name: Clarie Tupuola

Date: _____

Signature: _____

Name: Lekecia Dukes

Date: _____

Signature: _____

Name: Ellen Duong

Date: _____

Signature: _____

Name: Joshua Rubio Flores

Date: _____

Signature: _____

Name: Ashley Smith

Date: _____

Signature: _____

Name: Narkita Thomas

Date: _____

Signature: _____

Name: Clarie Tupuola

Date: Aug 29, 2025

Signature:  _____
Clarie Tupuola (Aug 29, 2025 13:09:39 PDT)

Name: Lekecia Dukes

Date: _____

Signature: _____

Name: Ellen Duong

Date: _____

Signature: _____

Name: Joshua Rubio Flores

Date: _____

Signature: _____

Name: Ashley Smith

Date: _____

Signature: _____

Name: Narkita Thomas

Date: _____

Signature: _____

Name: Clarie Tupuola

Date: _____

Signature: _____

Name: Lekecia Dukes

Date: Sep 2, 2025

Signature: 

Lekecia Dukes (Sep 2, 2025 08:20:51 PDT)

Name: Ellen Duong

Date: _____

Signature: _____

Name: Joshua Rubio Flores

Date: _____

Signature: _____

Name: Ashley Smith

Date: _____

Signature: _____

Name: Narkita Thomas

Date: _____

Signature: _____

Name: Clarie Tupuola

Date: _____

Signature: _____

Name: Lekecia Dukes

Date: _____

Signature: _____

Name: Ellen Duong

Date: Aug 29, 2025

Signature: 

Ellen Ann Duong (Aug 29, 2025 14:18:52 PDT)

Name: Joshua Rubio Flores

Date: _____

Signature: _____

Name: Ashley Smith

Date: _____

Signature: _____

Name: Narkita Thomas

Date: _____

Signature: _____

Name: Clarie Tupuola

Date: _____

Signature: _____

Name: Lekecia Dukes

Date: _____

Signature: _____

Name: Ellen Duong

Date: _____

Signature: _____

Name: Joshua Rubio Flores

Date: Aug 28, 2025

Signature: 

Joshua Flores (Aug 28, 2025 17:45:09 PDT)

Name: Steven Gonzales

Date: Aug 28, 2025

Signature:  Steven Gonzales (Aug 28, 2025 17:31:10 PDT)

MATERN LAW GROUP, PC:

Name: Matthew W. Gordon

Date: September 4, 2025

Signature: 

DEFENDANTS:

Artesia Healthcare, Inc.

Name: _____

Date: _____

Signature: _____

Burbank Healthcare LLC

Name: _____

Date: _____

Signature: _____

Burlington Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Name: Steven Gonzales

Date: Aug 28, 2025

Signature: Steven Gonzales (Aug 28, 2025 17:51:30 PDT)

MATERN LAW GROUP, PC:

Name: Matthew W. Gordon

Date: September 4, 2025

Signature: Matthew W. Gordon

DEFENDANTS:

Name: Artesia Healthcare, Inc.
BARBARA CZARNIK

Date: 9-8-25

Signature: B Czarnik

Name: Burbank Healthcare LLC

Date: _____

Signature: _____

Name: Burlington Convalescent Hospital LLC

Date: _____

Signature: _____

Name: Steven Gonzales

Date: Aug 28, 2025

Signature: Steven Gonzales (Aug 28, 2025 17:31:30 PDT)

MATERN LAW GROUP, PC:

Name: Matthew W. Gordon

Date: September 4, 2025

Signature: Matthew W. Gordon

DEFENDANTS:

Artesia Healthcare, Inc.

Name: _____

Date: _____

Signature: _____

Burbank Healthcare LLC

Name: _____

Date: 9/9/2025

Signature: Ermine Alaverdyan

Burlington Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Name: Steven Gonzales

Date: Aug 28, 2025

Signature: Steven Gonzales (Aug 28, 2025 17:51:10 PDT)

MATERN LAW GROUP, PC:

Name: Matthew W. Gordon

Date: September 4, 2025

Signature: Matthew W. Gordon

DEFENDANTS:

Artesia Healthcare, Inc.

Name: _____

Date: _____

Signature: _____

Burbank Healthcare LLC

Name: _____

Date: _____

Signature: _____

Burlington Convalescent Hospital LLC

Name: Jeffrey Huang

Date: 9/19/25

Signature: [Signature]

Casa Bonita Convalescent Hospital LLC

Name: Richard Escontrias

Date: 9-8-2025

Signature: Richard Escontrias

Ira David Enterprises LLC

Name: _____

Date: _____

Signature: _____

ADF Investments LLC

Name: _____

Date: _____

Signature: _____

ICC Convalescent LLC

Name: _____

Date: _____

Signature: _____

Normandie/Wilshire Retirement Hotel LLC

Name: _____

Date: _____

Signature: _____

Casa Bonita Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Ira David Enterprises LLC

Name: Amalia Esquivias

Date: 9-9-25

Signature: Amalia Esquivias

ADF Investments LLC

Name: _____

Date: _____

Signature: _____

ICC Convalescent LLC

Name: _____

Date: _____

Signature: _____

Normandie/Wilshire Retirement Hotel LLC

Name: _____

Date: _____

Signature: _____

Casa Bonita Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Ira David Enterprises LLC

Name: _____

Date: _____

Signature: _____

ADF Investments LLC

Name: Heather Argueta

Date: 9-9-25

Signature: Heather Argueta

ICC Convalescent LLC

Name: _____

Date: _____

Signature: _____

Normandie/Wilshire Retirement Hotel LLC

Name: _____

Date: _____

Signature: _____

Casa Bonita Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Ira David Enterprises LLC

Name: _____

Date: _____

Signature: _____

ADF Investments LLC

Name: _____

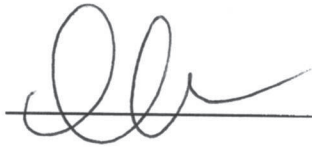
Date: _____

Signature: _____

ICC Convalescent LLC

Name: Olivia Pouda

Date: 09/08/2025

Signature: 

Normandie/Wilshire Retirement Hotel LLC

Name: _____

Date: _____

Signature: _____

Casa Bonita Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Ira David Enterprises LLC

Name: _____

Date: _____

Signature: _____

ADF Investments LLC

Name: _____

Date: _____

Signature: _____

ICC Convalescent LLC

Name: _____

Date: _____

Signature: _____

Normandie/Wilshire Retirement Hotel LLC

Name: _____

Date: 9/9/25

Signature: David Alemi

San Dimas Retirement Center LLC

Name:

Pn'sulla Gaytan

Date:

9/9/25

Signature:

Pn'sulla Gaytan

Studio City Convalescent Hospital LLC

Name:

Date:

Signature:

Magnolia Gardens Convalescent Hospital LLC

Name:

Date:

Signature:

San Gabriel Convalescent Center LLC

Name:

Date:

Signature:

Imperial Crest Healthcare Center, LLC

Name:

Date:

Signature:

San Dimas Retirement Center LLC

Name: _____

Date: _____

Signature: _____

Studio City Convalescent Hospital LLC

Name: Heather Shouhed

Date: 9/10/2025

Signature:  _____

Magnolia Gardens Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

San Gabriel Convalescent Center LLC

Name: _____

Date: _____

Signature: _____

Imperial Crest Healthcare Center, LLC

Name: _____

Date: _____

Signature: _____

San Dimas Retirement Center LLC

Name: _____

Date: _____

Signature: _____

Studio City Convalescent Hospital LLC

Name: _____

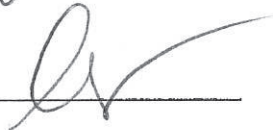
Date: _____

Signature: _____

Magnolia Gardens Convalescent Hospital LLC

Name: Amy Velazquez

Date: 9/9/25

Signature: 

San Gabriel Convalescent Center LLC

Name: _____

Date: _____

Signature: _____

Imperial Crest Healthcare Center, LLC

Name: _____

Date: _____

Signature: _____

San Dimas Retirement Center LLC

Name: _____

Date: _____

Signature: _____

Studio City Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Magnolia Gardens Convalescent Hospital LLC

Name: _____

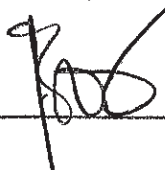
Date: _____

Signature: _____

San Gabriel Convalescent Center LLC

Name: BRENDA NICOLAS

Date: 9/9/2025

Signature: 

Imperial Crest Healthcare Center, LLC

Name: _____

Date: _____

Signature: _____

San Dimas Retirement Center LLC

Name: _____

Date: _____

Signature: _____

Studio City Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

Magnolia Gardens Convalescent Hospital LLC

Name: _____

Date: _____

Signature: _____

San Gabriel Convalescent Center LLC

Name: _____

Date: _____

Signature: _____

Imperial Crest Healthcare Center, LLC

Name: Rahul Dharwadkar

Date: 9/23/25

Signature: RL

Shea Healthcare Center LLC

Name:

Yong Kim

Date:

9/9/2025

Signature:



PAUL HASTINGS LLP:

Name:

Chris A. Jalian

Date: 9/23/2025

Signature:



LEGAL_US_W # 183808483.1