PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE

This Private Attorneys General Act ("PAGA") Settlement Agreement and Release (the "Agreement") is made by and between Plaintiff Karen Martinez ("Plaintiff"), individually and on behalf of the State of California and similarly situated employees (as defined below) and Defendants Skilled Yorba Linda, LLC ("Skilled Yorba Linda" or "Defendant"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as a "Party."

1. DEFINITIONS

1.1 "ACTION" means Karen Martinez, on behalf of herself and all others similarly situated, v. Skilled Yorba Linda, LLC, a California Limited Liability Company, San Diego County Superior Court Case No. 24CU025735C, in which Plaintiff electronically filed a First Amended Complaint alleging wage and hour violations, including a PAGA claim against Skilled Yorba Linda on March 13, 2025.

1.2 "ADMINISTRATOR" means ILYM Group the neutral entity the PARTIES have agreed to appoint to administer the Settlement.

1.3 "ADMINISTRATION EXPENSES PAYMENT" means the amount the ADMINISTRATOR will be paid from the GROSS SETTLEMENT AMOUNT to reimburse its reasonable fees and expenses in accordance with the ADMINISTRATOR'S "not to exceed" bid submitted to the COURT in connection with approval of this Settlement.

1.4 "AGGRIEVED EMPLOYEE," "AGGRIEVED EMPLOYEES" or "PAGA GROUP MEMBERS" mean all persons within the State of California who are or were employed by DEFENDANTS as hourly paid non-exempt employees during any portion of the PAGA PERIOD (defined below in 1.22).

1.5 "AGGRIEVED EMPLOYEE DATA" means AGGRIEVED EMPLOYEE identifying information in DEFENDANTS' possession including the AGGRIEVED EMPLOYEE's name, last-known mailing address, social security number and number of PAGA PAY PERIODS within the PAGA PERIOD.

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 "AGREEMENT" or "SETTLEMENT" means this Private Attorneys General Act Settlement Agreement and Release.

1.8 "SKILLED YORBA LINDA" or "DEFENDANT" means named Defendant Skilled Yorba Linda, LLC.

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

1.10 "DEFENSE COUNSEL" means Jose-Manuel A. de Castro, Esq., David G. Larmore, Esq. of DE CASTRO LAW GROUP, P.C.

1.11 "EFFECTIVE DATE" means the date the Court has (1) approved the settlement terms and (2) issues a Judgment in the ACTION. The Parties agree that there is no right to opt-out or object to this SETTLEMENT by any of the AGGRIEVED EMPLOYEES. It is therefore the Parties' intention that this SETTLEMENT shall be final at the time of Court Approval and Entry of Judgment.

1.12 "GROSS SETTLEMENT AMOUNT" means One Hundred Thousand Dollars and Zero Cents ($100,000.00) which is the total amount DEFENDANT agrees to pay under this AGREEMENT. All payments discussed in this Agreement shall be made from the Gross Settlement Amount.

1.13 "INDIVIDUAL PAGA PAYMENT" means each AGGRIEVED EMPLOYEE's pro-rata share of 35% of the PAGA PENALTIES calculated according to the number of Pay Periods the AGGRIEVED EMPLOYEE worked during the PAGA PERIOD.

1.14 "LWDA" means the California Labor and Workforce Development Agency.

1.15 "LWDA PAGA PAYMENT" means the 65% of the PAGA PENALTIES paid to the LWDA under Labor Code section 2699, subdivision (i).

1.16 "NET SETTLEMENT AMOUNT" means the GROSS SETTLEMENT AMOUNT, less the following payments in the amounts approved by the COURT: (1) PLAINTIFF'S COUNSEL FEES PAYMENT; (2) PLAINTIFF ENHANCEMENT PAYMENT; (3) PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT; and (4) the ADMINISTRATION EXPENSES PAYMENT. The remainder is to be paid to the LWDA and PAGA GROUP MEMBERS.

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

1.18 "PLAINTIFF'S COUNSEL" means Marcus Bradley, Esq. and Theodore H. Chase of Bradley/Grombacher, LLP, the attorney representing the PLAINTIFF, the State of California and the PAGA GROUP MEMBERS in the ACTION.

1.19 "PLAINTIFF'S COUNSEL FEES PAYMENT" means the amount allocated to PLAINTIFF'S COUNSEL for its reasonable attorneys' fees incurred to prosecute the ACTION, approved by the Court.

1.20 "PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT" means the amount allocated to PLAINTIFF'S COUNSEL for its reasonable costs incurred to prosecute the ACTION, approved by the Court.

1.21 "PAGA NOTICE" means PLAINTIFF's amended PAGA notice letter dated December 12, 2024 addressed to DEFENDANTS and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA PERIOD" means the period from April 1, 2024 to December 10, 2025.

1.23 "PAGA PAY PERIODS" means any pay period during which an AGGRIEVED EMPLOYEE worked for DEFENDANT for at least one day during the PAGA PERIOD.

1.24 "PAGA RELEASED CLAIMS" means those claims described in the PAGA NOTICE sent by or on behalf of PLAINTIFF to the LWDA, to the extent such claims are alleged in the Operative Complaint of the ACTION and all claims actually alleged in the ACTION, specifically those claims for PAGA penalties based on alleged violations of California Labor Code §§ 201, 202, 203, 221, 223, 226(a), 226.7, 510, 512, 516, 1174.5, 1182, 1194, 1197, 1198, 2802, and the applicable Wage Order.

1.25 "PAGA PENALTIES" means the total amount of PAGA civil penalties to be paid from the NET SETTLEMENT AMOUNT, allocated as follows: 35% to the AGGRIEVED EMPLOYEES and 65% to LWDA in settlement of the ACTION.

1.26 "PARTIES" means PLAINTIFF KAREN MARTINEZ and DEFENDANT SKILLED YORBA LINDA, LLC collectively.

1.27 "PLAINTIFF" means KAREN MARTINEZ, the named plaintiff in the ACTION.

1.28 "PLAINTIFF ENHANCEMENT PAYMENT" means the payment in the amount of Seven Thousand, Five Hundred Dollars and Zero Cents ($7,500.00), or such other amount, if any, as may be approved by the Court, to PLAINTIFF for her work in bringing the ACTION and acting on behalf of the PAGA GROUP MEMBERS.

1.29 "RELEASED PARTIES" means SKILLED YORBA LINDA and their current and former officers, directors, members, subsidiary and parent companies, employees, and agents acting within the scope of their employment or agency relationship.

2. RECITALS

2.1 Commencement of Action. On December 2, 2024, Employee filed a class action lawsuit entitled *Martinez* v. *Skilled Yorba Linda, LLC* in San Diego County Superior Court, Case No. 24CU025735C, which alleges: (1) failure to pay overtime wages in violation of Labor Code §§ 510 and 1198; (2) failure to pay all wages and minimum wage in violation of Labor Code §§ 221, 223, 1182, 1194, 1197 and 1198; (3) failure to provide compliant meal breaks in violation of Labor Code §§ 226.7, 512, 516 and 1198; (4) failure to provide compliant rest breaks in violation of Labor Code §§ 226.7, 516 and 1198; (5) failure to pay all wages owed at termination in violation of Labor Code §§ 201-203; (6) failure to furnish accurate itemized wage statements in violation of Labor Code § 226 (a) and failure to maintain accurate records in violation of Labor Code § 1174.5; and (7) violations of California's Unfair Competition Law ("UCL") § 17200, *et seq*. Then on March 13, 2025, Plaintiff filed a First Amended Class and Representative Action adding an eighth (8^{th}) claim for civil penalties pursuant to PAGA Labor §§ 2698, *et seq*. The First Amended Complaint ("FAC") is the operative complaint in the ACTION (the "Operative Complaint")

2.2 Notice to LWDA. Pursuant to Labor Code section 2699.3, subdivision (a), PLAINTIFF gave written notice to DEFENDANTS and the LWDA by sending the PAGA NOTICE. The PAGA NOTICE alleged, inter alia, that DEFENDANTS engaged in conduct which violated California Labor Code §§ 201, 202, 203, 221, 223, 226(a), 226.7, 510, 512, 516, 1174.5, 1182, 1194, 1197, 1198, 2802, and the applicable Wage Order.

2.3 Defendants Deny Liability and Wrongdoing. This AGREEMENT represents a full compromise and settlement of highly disputed claims. Nothing in this AGREEMENT is intended or will be construed as an admission by DEFENDANTS that PLAINTIFF's claims in the ACTION have merit or that DEFENDANTS have any liability to PLAINTIFF, the state or to any of the PAGA GROUP MEMBERS. DEFENDANTS deny any liability and wrongdoing of any kind associated with the alleged claims. Neither this settlement, nor any document referred to or contemplated herein, nor any action taken to carry out this AGREEMENT, is, may be construed as, or may be used as, an admission, concession, or indication by or against any defendant in this ACTION of any unlawful conduct, fault, wrongdoing, or liability whatsoever. DEFENDANTS specifically deny that it has engaged in any unlawful or wrongful conduct against PLAINTIFF or the PAGA GROUP MEMBERS.

2.4 Mediation. On September 11, 2025, the PARTIES participated in an all-day mediation presided over by experienced PAGA mediator Jeffrey Fuchsman which ultimately led to this AGREEMENT to settle the ACTION.

2.5 Investigation. Prior to the mediation and prior to negotiating the terms of this AGREEMENT, the PARTIES conducted investigation and informal discovery of the relevant facts and law. Additionally, DEFENDANTS produced documents relating to its wage-and-hour policies, practices, and procedures and an agreed upon sampling of AGGRIEVED EMPLOYEES' records including, but not limited to, time records, pay records, and information relating to the size and scope of the AGGRIEVED EMPLOYEES, as well as data permitting PLAINTIFF to understand the number of PAGA PERIODS. PLAINTIFF'S COUNSEL reviewed the records and conducted their own independent investigation of the facts and law.

2.6 Compromise of Disputed Claims. The PARTIES understand, acknowledge, and agree that this AGREEMENT constitutes a compromise of the claims alleged in the ACTION and/or in the LWDA NOTICE and that it is the desire and intention of the PARTIES to effect a final and complete resolution of the ACTION and the PAGA claims alleged therein against DEFENDANTS and the RELEASED PARTIES. 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 reserves all available defenses to the claims in the ACTION and PLAINTIFF reserves the right to contest DEFENDANTS' defenses. 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 this AGREEMENT).

2.7 No Other Pending Matter. The PARTIES, PLAINTIFF'S 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 Section 8.2 below, DEFENDANTS agree to pay One Hundred Thousand Dollars and Zero Cents ($100,000.00) and no more as the GROSS SETTLEMENT AMOUNT to settle the ACTION. DEFENDANTS have no obligation to pay the GROSS SETTLEMENT AMOUNT prior to the deadline stated in Section 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 back 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 Final Approval Order:

3.2.1 Plaintiff Enhancement Payment: In consideration for PLAINTIFF's participation in and assistance in the ACTION and a Civil Code section 1542 waiver and release of all known and unknown claims by PLAINTIFF as set forth in section 5.1.1 below, PLAINTIFF shall seek Court approval to receive Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00) ("PLAINTIFF ENHANCEMENT PAYMENT") from the GROSS SETTLEMENT AMOUNT. The PLAINTIFF ENHANCEMENT PAYMENT shall be reported on IRS Form 1099. PLAINTIFF will be solely and legally responsible to pay all applicable taxes on any payment made pursuant to this paragraph and agrees to hold RELEASED PARTIES harmless and to indemnify RELEASED PARTIES should any taxing authority find any of the RELEASED PARTIES responsible for taxes and/or penalties owed on the payments made pursuant to this paragraph. This AGREEMENT is not contingent upon the COURT awarding PLAINTIFF any particular amount for the PLAINTIFF ENHANCEMENT PAYMENT. If the COURT reduces or does not approve the requested PLAINTIFF ENHANCEMENT PAYMENT, this AGREEMENT will remain binding on the PARTIES and the amount not approved by the COURT will be added to the NET SETTLEMENT AMOUNT and be distributed as provided in this AGREEMENT to the LWDA and PAGA GROUP MEMBERS. If the COURT does not approve the PLAINTIFF ENHANCEMENT PAYMENT in the amount requested in this paragraph, none of the RELEASED PARTIES shall be liable to PLAINTIFF for the unapproved amount. DEFENDANTS do not oppose an application by PLAINTIFF for the PLAINTIFF ENHANCEMENT PAYMENT in the amount identified in this paragraph.

3.2.2 Plaintiff's Counsel.

3.2.2.1 Attorney's Fees: A PLAINTIFF'S COUNSEL FEES PAYMENT of not more than thirty-three and one-third percent (33.33%) of the GROSS SETTLEMENT AMOUNT, which is currently estimated to be Thirty-three Thousand Three Hundred and Thirty-three Dollars and Zero Cents ($33,333.00).

3.2.2.2 PAGA Litigation Expenses Payment: PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT of up to Twelve Thousand Five Hundred and Eighty-two Dollars and Twenty-four Cents ($12,582.24) from the GROSS SETTLEMENT AMOUNT.

3.2.2.3 Unapproved Amounts Revert to Net Settlement Amount: If the COURT reduces or does not approve the requested PLAINTIFF'S COUNSEL FEES PAYMENT and/or a PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT in the amounts requested above, this AGREEMENT will remain binding on the PARTIES and the amount(s) not approved by the COURT will be added to the NET SETTLEMENT AMOUNT and be distributed as provided in this AGREEMENT to the LWDA and PAGA GROUP MEMBERS. This AGREEMENT is not contingent upon the COURT awarding PLAINTIFF'S COUNSEL FEES PAYMENT and/or a PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT in the amounts requested. If the COURT does not approve the PLAINTIFF'S COUNSEL FEES PAYMENT and/or the PLAINTIFF'S

COUNSEL LITIGATION EXPENSES PAYMENT in the amounts requested above, none of the RELEASED PARTIES shall be liable for the unapproved amount. DEFENDANTS do not oppose an application by PLAINTIFF'S COUNSEL for an award of PLAINTIFF'S COUNSEL FEES PAYMENT and/or a PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT, provided that the amounts requested do not exceed the amounts identified above in sections 3.2.2.1 and 3.2.2.2.

3.2.2.4 PLAINTIFF'S COUNSEL Responsibilities: PLAINTIFF'S COUNSEL will be responsible for submitting all documents and/or briefs to support their request for PLAINTIFF'S COUNSEL FEES PAYMENT and/or a PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT. Additionally, PLAINTIFF'S COUNSEL will be solely and legally responsible to pay all applicable taxes on the PLAINTIFF'S COUNSEL FEES PAYMENT and/or PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT they receive and to hold harmless and indemnify RELEASED PARTIES should any taxing authority find any of the RELEASED PARTIES responsible for taxes and/or penalties owed on the payments made pursuant to sections 3.2.2.1 and/or 3.2.2.2 above. The Administrator will issue an IRS Form 1099- MISC to PLAINTIFF'S COUNSEL for the payments made pursuant to sections 3.2.2.1 and 3.2.2.2 of this AGREEMENT. The RELEASED PARTIES shall not be liable for any claim by any third-party claiming entitlement to some or all of the PLAINTIFF'S COUNSEL FEES PAYMENT and/or a PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT. PLAINTIFF'S COUNSEL and PLAINTIFF agree to hold RELEASED PARTIES harmless from any dispute or controversy regarding any division or sharing of any of the payments referenced in this AGREEMENT.

3.2.3 <u>To the Administrator</u>: An ADMINISTRATION EXPENSES PAYMENT not to exceed Four Thousand Seven Hundred and Fifty Dollars and Zero Cents ($4,750.00) to the ADMINISTRATOR. If the COURT reduces or does not approve the requested ADMINISTRATION EXPENSES PAYMENT in the amount requested, this AGREEMENT will remain binding on the PARTIES and the amount not approved by the COURT will be added to the NET SETTLEMENT AMOUNT and be distributed as provided in this AGREEMENT to the LWDA and PAGA GROUP MEMBERS. This AGREEMENT is not contingent upon the COURT awarding ADMINISTRATION EXPENSES PAYMENT in the amount requested. If the COURT does not approve the ADMINISTRATION EXPENSES PAYMENT in the amount requested above, none of the RELEASED PARTIES shall be liable for the unapproved amount. DEFENDANTS do not oppose an application by the ADMINISTRATOR or PLAINTIFF'S COUNSEL for an award of ADMINISTRATION EXPENSES PAYMENT, provided that the amount requested does not exceed the amounts identified in this paragraph. Additionally, the ADMINISTRATOR will be solely and legally responsible to pay all applicable taxes on the ADMINISTRATION EXPENSES PAYMENT they receive and to hold harmless and indemnify RELEASED PARTIES should any taxing authority find any of the RELEASED PARTIES responsible for taxes and/or penalties owed on the ADMINISTRATION EXPENSES PAYMENT.

3.3 Net Settlement Amount to the LWDA and PAGA Group Members. The NET SETTLEMENT AMOUNT after deducting the ADMINISTRATION EXPENSES PAYMENT, PLAINTIFF'S COUNSEL FEES PAYMENT, PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT and the PLAINTIFF ENHANCEMENT PAYMENT from the Gross Settlement is estimated to be at least Forty-one Thousand Eight Hundred and Thirty-four Dollars and Seventy-six Cents ($41,834.76) ("NET SETTLEMENT AMOUNT"). Subject to COURT approval, the NET SETTLEMENT AMOUNT shall be distributed by the ADMINISTRATOR as follows:

3.3.1 LWDA Distribution: 65% of the NET SETTLEMENT AMOUNT shall be distributed to the LWDA. Accordingly, an estimated minimum of Twenty-seven Thousand One Hundred and Ninety-two Dollars and Fifty-nine Cents ($27,192.59) will be paid to the LWDA ("LWDA PAGA PAYMENT").

3.3.2 Distribution to PAGA Group Members: 35% of the NET SETTLEMENT AMOUNT shall be distributed to the PAGA GROUP MEMBERS on a pro-rata basis based upon the number of pay periods worked by the individual AGGRIEVED EMPLOYEE during the PAGA PERIOD ("INDIVIDUAL PAGA PAYMENT"). Accordingly, an estimated minimum of Fourteen Thousand Six Hundred and Forty-two Dollars and Seventeen Cents ($14,642.17) will be distributed among the PAGA GROUP MEMBERS. Each AGGRIEVED EMPLOYEE's INDIVIDUAL PAGA PAYMENT will be calculated by the ADMINISTRATOR based on the information to be provided by DEFENDANTS. If an AGGRIEVED EMPLOYEE worked only a portion of a pay period during the PAGA PERIOD, they will get credit for the whole pay period. If an AGGRIEVED EMPLOYEE did not work at all during an entire PAGA pay period, that/those pay period(s) will be excluded from their pro-rata share. The INDIVIDUAL PAGA PAYMENTS to the PAGA GROUP MEMBERS are in settlement of the claims for civil penalties alleged and/or sought in the ACTION and the PAGA NOTICE and in exchange for their release of the PAGA RELEASED CLAIMS within the PAGA PERIOD.

3.3.2.1 Taxability on Individual PAGA Payment: Each AGGRIEVED EMPLOYEE assumes full responsibility and liability for any taxes owed on their INDIVIDUAL PAGA PAYMENT. The PARTIES agree that 100% of the INDIVIDUAL PAGA PAYMENT shall be allocated to penalties. The ADMINISTRATOR will be responsible for meeting tax reporting obligations including the issuance of IRS Form 1099 as appropriate. No later than January 31 of the year following payment of the GROSS SETTLEMENT AMOUNT, the ADMINISTRATOR will prepare and issue an IRS Form 1099 to the recipients, including itself, who received a payment under this AGREEMENT, to the extent the payments require issuance of such a form under applicable law.

3.4 Settlement Awards Do Not Trigger Additional Benefits. It is expressly understood and agreed that the receipt of an INDIVIDUAL PAGA PAYMENT under this AGREEMENT will not entitle any PAGA GROUP MEMBER or PLAINTIFF to additional compensation or benefit under any company bonus or other compensation or benefit plan or agreement in place during the period covered by the AGREEMENT.

3.5 Unexpected Pay Periods. DEFENDANTS represent that there are an estimated 4,934 pay periods worked by PAGA GROUP MEMBERS during the PAGA PERIOD as of September 11, 2025. If the actual number of pay periods during the PAGA PERIOD exceeds 4,934 by more than 10% (i.e., if there are 5,427.4 or more pay periods), DEFENDANTS may choose to either increase the GROSS SETTLEMENT AMOUNT on a proportional basis by the amount by which it exceeds

10% (i.e., if there was a 11% increase in the number of pay periods, DEFENDANTS would increase the GROSS SETTLEMENT AMOUNT by 1%), or cap the PAGA Period so that the PAGA Period ends on a date as of which the number of pay periods within the PAGA Period does not exceed 5,427 pay periods.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1 PAGA Group Member Pay Periods. Based on a review of its records, DEFENDANTS estimate that as of September 11, 2025 (mediation date) there were 293 AGGRIEVED EMPLOYEES who worked approximately 4,934 PAGA PAY PERIODS within the PAGA PERIOD.

4.2 Aggrieved Employee Data. Within fifteen (15) business days after the COURT issues its Order approving this SETTLEMENT, DEFENDANTS 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.

4.3 Deadline for Funding of Gross Settlement Amount. DEFENDANTS shall fully fund the GROSS SETTLEMENT AMOUNT by transmitting the funds to the ADMINISTRATOR no later than thirty (30) days after the EFFECTIVE DATE.

4.4 Deadline and Method for Distribution of the Gross Settlement Amount. Within fourteen (14) business days after DEFENDANTS fund the GROSS SETTLEMENT AMOUNT, the ADMINISTRATOR will mail checks for all INDIVIDUAL PAGA PAYMENTS, the LWDA PAGA PAYMENT, the ADMINISTRATION EXPENSES PAYMENT, PLAINTIFF ENHANCEMENT PAYMENT, the PLAINTIFF'S COUNSEL FEES PAYMENT and the PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT. The checks will be sent 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 ADMINISTRATOR must update the recipients' mailing addresses using the National Change of Address Database. See Section 7 below, for additional ADMINISTRATOR duties and responsibilities.

5. RELEASE OF CLAIMS

5.1 Effective Date of Release of Claims. Effective on the date when DEFENDANT fully funds the entire GROSS SETTLEMENT AMOUNT, PLAINTIFF, LWDA, PAGA GROUP MEMBERS and PLAINTIFF'S COUNSEL will release claims against all RELEASED PARTIES as follows:

5.1.1 Plaintiff's General Release: Upon DEFENDANTS' fulfillment of the GROSS SETTLEMENT PAYMENT under Section 4 of this AGREEMENT, PLAINTIFF, on behalf of herself and her former and present spouses, representatives, agents, attorneys (including PLAINTIFF'S COUNSEL), heirs, administrators, successors and assigns, forever releases, remises and discharges DEFENDANT and the RELEASED PARTIES from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, expenses (including attorney's fees and costs), transactions, occurrences, known and unknown, at law or in equity, which she and/or they may now have, including, but not limited to: claims arising out of or in any way connected with PLAINTIFF's employment with DEFENDANT including, but, not limited to, the PAGA RELEASED CLAIMS, claims that were asserted in the LWDA Notice and/or ACTION or which could have been asserted, and any and all transactions, occurrences or matters between the PARTIES occurring prior to the date this AGREEMENT is fully executed. Without limiting the generality of the foregoing, this release includes, but is not limited to, any and all claims under the: (a) Americans With Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Labor Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; (r) the California Family Rights Act and (s) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, wages, back pay, front pay, premiums, penalties, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs ("Plaintiff's General Release"). With respect to Plaintiff's General Release, PLAINTIFF stipulates and agrees that, upon DEFENDANTS' fulfillment of its settlement payment obligations under this AGREEMENT, PLAINTIFF shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

> **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**.

5.1.1.1 Plaintiff's Release of Known and Unknown Claims: PLAINTIFF understands the significance and consequences of a California Civil Code Section 1542 waiver, and understands that she hereby waives all claims, known or unknown, suspected or unsuspected against DEFENDANTS and RELEASED PARTIES. PLAINTIFF alone shall assume full responsibility for any damages or losses caused by this waiver. Plaintiff's General Release does not extend to any claims or actions to enforce this AGREEMENT, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time or any other claim or right which as a matter of law cannot be waived or released. PLAINTIFF acknowledges that PLAINTIFF may discover facts or law different from, or in addition to, the facts or law that PLAINTIFF now knows or believes to be true but agrees, nonetheless, that PLAINTIFF's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or PLAINTIFF's discovery of them.

5.1.2 PAGA Release: Upon the Effective Date and full funding of the GROSS SETTLEMENT AMOUNT, PLAINTIFF, on behalf of herself and the State of California, releases DEFENDANTS and the RELEASED PARTIES from the PAGA RELEASED CLAIMS during the PAGA PERIOD. The PARTIES acknowledge that the release on behalf of the State of California will extinguish any claims for civil penalties under PAGA that the Labor Commissioner could have brought on behalf of the PAGA GROUP MEMBERS or that any of the PAGA GROUP MEMBERS could have brought on behalf of the State of California against the RELEASED PARTIES for claims encompassed within the PAGA RELEASED CLAIMS.

5.1.3 Release by PLAINTIFF'S COUNSEL: PLAINTIFF'S COUNSEL release on behalf of their present and former attorneys, employees, agents, successors and assigns the RELEASED PARTIES from all claims for PAGA fees and costs incurred in connection with the ACTION and the PAGA NOTICE.

5.2 No Right to Opt Out. The PARTIES agree that there is no statutory right for any PAGA GROUP MEMBER to opt out or otherwise exclude himself or herself from the AGREEMENT.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT

6.1 Responsibilities of PLAINTIFF'S COUNSEL. PLAINTIFF'S COUNSEL is responsible for expeditiously preparing, finalizing and filing the application or motion for approval of this settlement with the COURT after the full execution of this AGREEMENT and, if necessary, obtaining a prompt hearing date for the motion and appearing in COURT to advocate in favor of the motion. To the extent necessary to obtain approval of this settlement in full and final disposition of the ACTION, PLAINTIFF'S COUNSEL is responsible for securing dismissal of all claims asserted in the ACTION other than PAGA claims, including but not limited to claims asserted on behalf of a putative class. PLAINTIFF'S COUNSEL is responsible for delivering the COURT's Approval of this settlement to the ADMINISTRATOR and DEFENSE COUNSEL.

6.2 Duty to Cooperate. If the PARTIES disagree on any aspect of the proposed application or motion for approval of this AGREEMENT and/or the supporting declarations and documents, PLAINTIFF'S 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 the motion for approval of this AGREEMENT or conditions its approval on any material change to this AGREEMENT, PLAINTIFF'S 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.

6.3 Submission of Settlement to LWDA. Within five (5) business days after the execution of the AGREEMENT and its submission to the COURT for approval by Motion, PLAINTIFF'S COUNSEL shall submit the AGREEMENT to the LWDA through its on-line procedures, and shall provide DEFENSE COUNSEL with a copy of the LWDA's acknowledgment of receipt of the AGREEMENT.

7. SETTLEMENT ADMINISTRATION

7.1 Selection of Administrator. The PARTIES have jointly selected ILYM Group, Inc. to serve as the ADMINISTRATOR and verified that, as a condition of appointment, ILYM Group, Inc. 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 respective 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 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.

7.3 Administrator Duties. In addition to all the other ADMINISTRATOR duties identified in this AGREEMENT, the ADMINISTRATOR has the following duties and responsibilities under this AGREEMENT: (a) preparing, printing, and mailing the Notice of Individual Shares to the PAGA GROUP MEMBERS in a form substantially similar to Exhibit A appended hereto and/or as modified and approved by the COURT; (b) calculating the pro-rata share for each PAGA GROUP MEMBER based upon the pay periods worked in California by the PAGA GROUP MEMBER within the PAGA PERIOD; (c) performing skip traces and/or using other more up to date technology to find current address information; (d) remailing Notice of Individual Shares to the PAGA GROUP MEMBERS following a skip trace; (e) calculating and mailing each PAGA GROUP MEMBERS' INDIVIDUAL PAGA PAYMENT; (f) mailing the LWDA's portion of the NET SETTLEMENT AMOUNT; (g) distributing the PLAINTIFF'S COUNSEL FEES PAYMENT and the PLAINTIFF'S COUNSEL LITIGATION EXPENSES PAYMENT to PLAINTIFF'S COUNSEL; (h) distributing the PLAINTIFF ENHANCEMENT PAYMENT to PLAINTIFF; (i) providing the applicable IRS 1099 forms; (j) providing a due diligence declaration for submission to the COURT upon completion of the Settlement Payment distribution; (k) turning over any funds remaining in the Qualified Settlement Fund at the close of the 180-day period as a result of uncashed checks to the California State Controller: Unclaimed Property Fund in the name of the PAGA GROUP MEMBER; (l) providing DEFENSE COUNSEL a copy of each Notice sent to each PAGA GROUP MEMBER identifying their individual PAGA settlement share; (m) providing DEFENDANTS and/or its counsel at their request, copies of any and all documents confirming the ADMINISTRATOR performed all duties and responsibilities as provided for in this AGREEMENT; (n) ensuring that the PAGA GROUP MEMBERS' data is properly secured to avoid a data breach or privacy violation; (o) abiding by its fiduciary duties under this AGREEMENT; (p) responding to inquiries from PAGA GROUP MEMBERS; (q) providing information to counsel as necessary and/or (r) performing other tasks as the PARTIES mutually agree. 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) business 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 remailed 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. 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.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES

8.1 Aggrieved Employee Size. Based on its records, DEFENDANTS estimate that, as of September 11, 2025, there are 293 allegedly AGGRIEVED EMPLOYEES who worked approximately 4,934 Pay Periods during the PAGA PERIOD. Within the PAGA PERIOD, DEFENDANTS paid its non-exempt employees twice a month.

9. CONTINUING JURISDICTION OF THE COURT

9.1 Continuing Jurisdiction. The PARTIES agree that, after entry of Judgment, the COURT will retain jurisdiction over the PARTIES, ACTION and this 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.

9.2 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this AGREEMENT, 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.

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 DEFENDANTS that any of the allegations in the ACTION or PAGA NOTICE have merit or that DEFENDANTS have any liability for any claims asserted; nor should it be intended or construed as an admission by PLAINTIFF 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 this AGREEMENT).

10.2 Integrated Agreement. Upon execution by all PARTIES and their counsel, this AGREEMENT together with its attached exhibit shall constitute the entire agreement between the PARTIES relating to the settlement of the ACTION, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.

10.3 Agreement Conditioned on Court Approval. This AGREEMENT is subject to and conditioned upon obtaining COURT approval under Labor Code Section 2699. The PARTIES expressly acknowledge that the COURT's approval of this AGREEMENT is a condition precedent to any payments described in this AGREEMENT.

10.4 Attorney Authorization. PLAINTIFF'S COUNSEL and DEFENSE COUNSEL separately warrant and represent that they are authorized by PLAINTIFF 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.

10.5 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 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, PLAINTIFF'S 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.

10.8 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 No Public Comment. PLAINTIFF and PLAINTIFF'S COUNSEL will not make any public disclosure of the settlement or this AGREEMENT, except through the public filing for COURT approval of this AGREEMENT, until after the COURT enters an order approving the settlement and judgment. The PARTIES will use their best efforts to reach agreement on all COURT filings. PLAINTIFF'S COUNSEL will take all steps necessary to ensure the PLAINTIFF is aware of, and will ensure that she adheres to the restrictions against public comment on the settlement.

10.14 Use and Return of Aggrieved Employee Data. Information provided to PLAINTIFF'S COUNSEL pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PLAINTIFF'S 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 all of the settlement funds, PLAINTIFF'S COUNSEL shall destroy all paper and electronic versions of AGGRIEVED EMPLOYEE DATA received from DEFENDANTS unless, prior to the ADMINISTRATOR's payment of all settlement funds, DEFENDANTS make a written request to PLAINTIFF'S COUNSEL for the return, rather than the destruction, of AGGRIEVED EMPLOYEE DATA.

10.15 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.

10.16 Business Days. Unless otherwise noted, all reference to "days" in this AGREEMENT shall be to business days, defined as Monday through Friday. 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.

10.17 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:

Marcus Bradley, Esq.
Theodore Chase, Esq.
BRADLEY/GROMBACHER, LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, CA 91361
(805) 270-7100

To DEFENDANTS:

Jose-Manuel A. de Castro, Esq.,
David G. Larmore, Esq.
DE CASTRO LAW GROUP, P.C.
7590 N. Glenoaks Blvd. Suite 201
Los Angeles, CA 91504
(310) 270-9877

10.18 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.

10.19 Voiding the Settlement. Except as otherwise provided herein, a failure of the COURT to approve any material condition of this Settlement shall render the entire Settlement voidable and unenforceable as to PLAINTIFF and DEFENDANTS, at the option of PLAINTIFF or DEFENDANTS. Each party may exercise its option to void this Settlement as provided above by giving notice, in writing, to the other, and to the COURT within fifteen (15) COURT days after the Order granting approval of the settlement has been received by the party seeking to void the settlement, except that no party will be permitted to void the settlement if the settlement is not approved only because of a filing or administrative error or a request for additional information or documents by the court, in which case the parties will use their best efforts to remedy any error and supply the court with requested information.

10.20 Amendments. The terms and provisions of this AGREEMENT may be amended only by a written agreement that is signed by: (a) PLAINTIFF, (b) PLAINTIFF'S COUNSEL, (c) DEFENDANTS and (d) DEFENSE COUNSEL who executed this AGREEMENT and (e) approved by the COURT. Any waiver of any provision of this AGREEMENT shall not constitute a waiver of any other provision of this AGREEMENT unless expressly so indicated otherwise.

10.21 Agreement Binding on Successors. This AGREEMENT shall be binding upon and inure to the benefit of the PARTIES and the RELEASED PARTIES hereto, and their respective heirs, trustees, executors, administrators, successors and assigns.

10.22 Integration Clause. This AGREEMENT regarding settlement of PLAINTIFF's ACTION contains the entire agreement between the PARTIES relating to the settlement and transaction contemplated hereby, and prior or contemporaneous written agreements are merged herein. No rights hereunder may be waived except in writing.

10.23 California Law. All terms of this AGREEMENT will be governed by and interpreted according to the laws of the State of California provided, however, that parole evidence shall not be admissible to alter, vary or supplement the terms of this AGREEMENT.

10.24 Invalidity of Any Provision; Severance. If any provision, term, section, or paragraph of this AGREEMENT shall be found to be invalid, illegal or unenforceable, all remaining provisions, terms, sections, or paragraphs shall continue in full force and effect and remain binding on all PARTIES. If any provision, term, section or paragraph of this AGREEMENT is determined to be unenforceable, such provision, term, section or paragraph shall be modified so that the unenforceable provision, terms, section or paragraph is enforceable to the extent possible while maintaining the objective intent of the AGREEMENT.

10.25 Breach. In the event of a breach of any provision of this AGREEMENT, any Party reserves the right to institute an action specifically to enforce any term of this AGREEMENT or seek damages for breach. In an action to enforce any term of this AGREEMENT or to seek damages for breach of this AGREEMENT, the prevailing Party in that action shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing Party.

10.26 Stay of Litigation. The PARTIES agree that upon the execution of this AGREEMENT the litigation of the ACTION shall be stayed, except to effectuate the terms of this AGREEMENT. Further, that pursuant to Code of Civil Procedure section 583.330, upon signing of this AGREEMENT, the date to bring this case to trial under Code of Civil Procedure section 583.310 is extended for the entire period of this settlement process.

10.27 Voluntary Agreement. The PARTIES expressly declare and represent that they have read this AGREEMENT and have consulted with counsel, or had the opportunity to consult with counsel, regarding the meaning of the provisions, terms, and conditions contained herein. The PARTIES further expressly declare and represent that they understand the content and effect of this AGREEMENT and they approve and accept the terms and conditions contained herein, and that the AGREEMENT is executed freely and voluntarily.

Dated: 11/17/2025, 2025

Signed by:
1FA6BCBCB118420...
Karen Martinez, Plaintiff

Dated: ________________, 2025

SKILLED YORBA LINDA, LLC

By: ____

Print____

Title ____

Dated: November 24, 2025

BRADLEY/GROMBACHER, LLP

____
Marcus Bradley, Esq.
Theodore Chase, Esq.
Attorneys for Plaintiff, LWDA and Aggrieved Employees

Dated: ________________, 2025

DE CASTRO LAW GROUP, P.C.

____
Jose Manuel A. de Castro, Esq.
Attorneys for Defendant

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Dated: _______________, 2025

____
Karen Martinez, Plaintiff

Dated: November 19, 2025

SKILLED YORBA LINDA, LLC

By: _______________________________

Print Scott B. Kirby

Title Manager

Dated: _______________, 2025

BRADLEY/GROMBACHER, LLP

____
Marcus Bradley, Esq.
Theodore Chase, Esq.
Attorneys for Plaintiff, LWDA and Aggrieved Employees

Dated: _______________, 2025

DE CASTRO LAW GROUP, P.C.

Jose-Manuel A. de Castro

Digitally signed by Jose-Manuel A. de Castro
Date: 2025.11.24 13:49:19 -08'00'

____
Jose Manuel A. de Castro, Esq.
Attorneys for Defendant

Exhibit A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Karen Martinez v. Skilled Yorba Linda, LLC,
Superior Court of California, County of San Diego
Case No. 24CU025735C

[Date]

[Address]

Dear [Employee]:

The San Diego County Superior Court (the "Court") has approved a settlement in the above-captioned lawsuit filed by Karen Martinez ("Plaintiff) under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), on behalf of herself and all other allegedly aggrieved employees, against Skilled Yorba Linda, LLC ("Defendant"). This Notice is being sent to you because you have been identified as part of a group of employees who worked for Defendant during the relevant time period (referred to as "Aggrieved Employees") and defined as: all persons within the State of California who are or were employed by Defendant as hourly paid non-exempt employees during any time between April 1, 2024 and December 10, 2025. Receipt of this Notice means that you are entitled to your share of the negotiated resolution of the disputed lawsuit.

In this lawsuit, Plaintiff claims non-compliance with various requirements of the California Labor Code. Defendants dispute and deny all allegations of wrongdoing and maintain that they were in compliance with the California Labor Code at all times. No court has ruled that Defendants engaged in any wrongdoing. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claim. Nevertheless, to avoid the expense, time and distraction of litigation, Defendants have agreed to resolve the matter and pay a compromise sum of money to the State of California and to the Aggrieved Employees and Plaintiff's attorneys in the total amount of $100,000.00 ("Settlement"). After deduction of the Plaintiff's attorneys' fees/costs, administration costs, and service payment to Plaintiff; the State of California will receive 65% of the remaining amount, and the Aggrieved Employees will receive the other 35% of the remaining amount, all of which are being paid as civil penalties.

Each individual PAGA payment was calculated on a pro rata basis (*i.e.,* proportional) based on the number of pay periods worked by each Aggrieved Employee divided by the total number of pay periods worked by all Aggrieved Employees during the relevant time period. Your share of the Settlement is enclosed in one check made out to you. The enclosed check constitutes your portion of the Settlement.

Notice of PAGA Settlement and Release of Claims
Karen Martinez v. Skilled Yorba Linda, LLC
Superior Court of California, County of San Diego
Case No. 24CU025735C

Regardless of whether or not you negotiate this check, any claim for PAGA penalties that you may have otherwise been able to assert against Defendants based on:

(i) the allegations in the Labor and Workforce Development Agency Letter ("LWDA Letter") and Plaintiff's lawsuit including but not limited to alleged: (a) failure to pay overtime wages; (b) failure to pay all wages and minimum wages; (c) failure to provide compliant meal breaks; (d) failure to provide compliant rest breaks; (e) failure to pay all wages owed at termination; (g) failure to timely furnish accurate itemized wage statements and failure to maintain accurate records; and/or

(ii) facts that reasonably could have been asserted in the lawsuit based upon the facts alleged in the LWDA Letter and Plaintiff's lawsuit have been fully and finally compromised, waived and released.

Upon entry of the Order approving the Settlement, any Aggrieved Employee covered by this Agreement will be barred from proceeding with any claim released by this Settlement.

***It is strongly recommended that you cash or deposit this check immediately*. Even if you fail to cash the enclosed check, you will still be deemed to have released all claims arising from the lawsuit, including all claims set forth in the release of claims described above.**

Please do not call or write the Court about this notice. If you wish to obtain further information about the lawsuit or the Settlement, you may review the Court's file during regular business hours. Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, all unclaimed funds will be directed to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee to whom the check was issued.

[Administrator]