

1 4. On July 14, 2022, Plaintiff filed the Second Amended Class Action Complaint for
2 Damages (“Second Amended Complaint”) with the Court.

3 5. On February 2, 2023, Plaintiff filed the Third Amended Class Action Complaint for
4 Damages (“Third Amended Complaint”) with the Court.

5 6. On February 17, 2024, Plaintiff provided written notice to the LWDA and Defendant of
6 his intent to seek civil penalties for alleged violations of the California Labor Code and Industrial
7 Welfare Commission Wage Orders (“LWDA Notice”).

8 7. On February 17, 2024, Plaintiff filed his Fourth Amended Class Action Complaint for
9 Damages and Enforcement Under the Private Attorneys General Act, Cal. Labor Code § 2698, et seq.
10 (“Fourth Amended Complaint”). Plaintiff alleged eleven (11) causes of action against Defendant, on
11 behalf of all current and former non-exempt employees of Defendant in California since November 3,
12 2018. These claims include: (1) unpaid overtime in violation of California Labor Code §§ 510 and 1198,
13 (2) meal period and meal period premium violations in violation of California Labor Code §§ 226.7 and
14 512(a), (3) rest period and rest period premium violations in violation of California Labor Code § 226.7,
15 (4) unpaid wages in violation of California Labor Code §§ 1194, 1197, and 1197.1, (5) unpaid final
16 wages in violation of California Labor Code §§ 201 and 202, (6) unpaid wages during employment in
17 violation of California Labor Code § 204, (7) non-compliant wage statements in violation of § 226(a),
18 (8) failure to keep requisite payroll records in violation of California Labor Code § 1174(d), (9)
19 unreimbursed business expenses in violation of California Labor Code §§ 2800 and 2802, (10) violations
20 of California Business & Professions Code §§ 17200, *et seq.*, and (11) violations of the California Private
21 Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*).

22 8. Defendant denies all material allegations set forth in the Action, defined below, and has
23 asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
24 Defendant desires to fully and finally settle the Action and Released Claims.

25 9. Class Counsel in the Action diligently investigated the proposed Class Members’ claims
26 against Defendant, including any and all applicable defenses and the applicable law. The investigation
27 included, inter alia, the exchange of information pursuant to informal discovery methods and the
28 review of numerous corporate policies and practices. Subsequently, the Parties engaged in extensive

1 formal discovery. The formal discovery included multiple sets of Requests for Production of
2 Documents, Requests for Admissions, and Special Interrogatories from each Party. Some of each
3 Party's written discovery responses were disputed by the other Party, and resulted in extensive meet
4 and confer discussions and eventually, discovery motion practice before the Court. Beyond written
5 discovery, the Parties engaged in extensive depositions. Specifically, Plaintiff took the depositions of
6 Defendant's 30(b)(6) witness, Defendant's Human Resources Manager at the Highlands Inn Property,
7 along with the depositions of eight (8) separate HV Global employees who submitted declarations on
8 HV Global's behalf. HV Global took the depositions of Plaintiff Nelson Ramirez, Plaintiff's Expert
9 Witness Dr. Richard Drogin, along with the depositions of seven (7) current and former HV Global
10 employees who signed declarations in support of Plaintiff's Motion for Class Certification. Prior to
11 reaching this Settlement Agreement, the Parties had also contemplated many more depositions. And
12 finally, each Party engaged an expert witness related to his or its respective Motion for Class
13 Certification and Opposition thereto. Following the extensive discovery in which the Parties engaged,
14 Plaintiff filed his Motion for Class Certification with this Court on August 18, 2023.

15 10. On October 12, 2023, the Parties participated in mediation before Deborah Crandall-
16 Saxe, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions. At the time of
17 the October 12, 2023 mediation, the Parties were unable to reach an agreement. On November 17,
18 2023, Defendant filed its Opposition to Plaintiff's Motion for Class Certification. Following the filing
19 of Defendant's Opposition to Plaintiff's Motion for Class Certification, and with the continued
20 assistance of the Mediator, the Parties subsequently reached the Settlement that is memorialized herein.
21 The settlement discussions were conducted at arm's-length, and the Settlement is the result of an
22 informed and detailed analysis of Defendant's potential liability and total exposure in relation to the
23 costs and risks associated with continued litigation. Based on the documents produced, Plaintiff's
24 Motion for Class Certification, Defendant's Opposition to Plaintiff's Motion for Class Certification,
25 as well as Class Counsel's own independent investigation and evaluation, Class Counsel believes that
26 the settlement with Defendant for the consideration and on the terms set forth in this Settlement
27 Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members and PAGA
28

1 Group Members in light of all known facts and circumstances, including the risk of significant delay
2 and uncertainty associated with litigation and the various defenses asserted by Defendant.

3 11. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
4 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
5 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
6 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

7 DEFINITIONS

8 12. The following definitions are applicable to this Settlement Agreement. Definitions
9 contained elsewhere in this Settlement Agreement will also be effective:

10 a. "Action" shall mean and refer to the legal action pending in the United States
11 District Court, Northern District of California, San Jose Division, Case No. 5:21-cv-09955-BLF, and
12 shall include by reference any and all claims and allegations included within the Fourth Amended
13 Complaint and the LWDA Notice.

14 b. "Agreement," "Stipulation," "Settlement," or "Settlement Agreement" shall
15 mean and refer to this Joint Stipulation of Class Action and PAGA Settlement and Release, including
16 all exhibits attached thereto.

17 c. "Attorneys' Fees and Costs" shall mean and refer to attorneys' fees approved by
18 the Court for Class Counsel's litigation and resolution of this Action, and all actual costs incurred and
19 to be incurred by Class Counsel in the Action, as set forth in Paragraph 17(e) below.

20 d. "CAFA" shall mean and refer to the federal Class Action Fairness Act, 28 U.S.C.
21 § 1711 et seq.

22 e. "CAFA Notice" shall mean and refer to the notice of the proposed settlement in
23 compliance with the requirements of CAFA, 28 U.S.C. § 1711 et seq.

24 f. "Class Counsel" shall mean and refer to Edwin Aiwazian, Joanna Ghosh, and
25 Selena Matavosian of Lawyers *for* Justice, P.C., counsel for Plaintiff, who will seek to be appointed
26 counsel for the Class.

27 g. "Class Data and List" shall mean and refer to a complete list of all Class Members
28 and PAGA Group Members that Defendant will diligently and in good faith compile from its records

1 and provide to the Settlement Administrator within twenty-one (21) calendar days after the date of
2 Preliminary Approval. The Class Data and List will be password protected and formatted in a readable
3 Microsoft Office Excel spreadsheet and will include each Class Members' and PAGA Group
4 Members': (1) full name; (2) last known address; (3) last known telephone number (if available); (4)
5 Social Security Number; (5) Qualifying Workweeks; and (6) Qualifying PAGA Pay Periods (if any).

6 h. "Class Member(s)" or "Class" shall mean and refer to all current and former non-
7 exempt employees employed by Defendant in California at any time during the Class Period.

8 i. "Class Notice" shall mean and refer to the Notice of Proposed Class and
9 Representative PAGA Action Settlement in a form substantially similar to the Class Notice attached
10 hereto as "**Exhibit B.**"

11 j. "Class Period" shall mean and refer to the period from November 3, 2018 through
12 the Effective Date.

13 k. "Class Settlement" means the settlement and resolution of the Settlement Class
14 Members' Released Claims.

15 l. "Court" shall mean and refer to the United States District Court, Northern District
16 of California, San Jose Division.

17 m. "Date of Finality" shall mean and refer to the date by which all the following
18 have occurred: (1) Defendant has not voided the Settlement pursuant to Paragraph 43 of this
19 Agreement; (2) Judgment is entered following a Final Approval Order signed by the Court; and (3) the
20 Judgment becomes Final.

21 n. "Defendant" shall mean and refer to HV Global Management Corporation.

22 o. "Defendant's Counsel" shall mean and refer to Kenneth D. Sulzer, Barbara I.
23 Antonucci, and Cameron Haynes of Constangy, Brooks, Smith and Prophete, LLP.

24 p. "Effective Date" shall mean and refer to the earlier of either: (1) the date of
25 Preliminary Approval or (2) February 15, 2024.

26 q. "Enhancement Payment" shall mean and refer to the amount to be paid to
27 Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members
28 and PAGA Group Members and in exchange for a general release of claims, as set forth in Paragraph

1 40(c) below.

2 r. “Final” shall mean and refer to, with respect to a judgment or order, that the
3 judgment or order is final and appealable and either (a) no appeal, motion, or petition to review or
4 intervene has been taken with respect to the judgment or order as of the date on which all times to
5 appeal, move, or petition to review or intervene therefrom have expired, or (b) if an appeal, motion or
6 petition to intervene or other review proceeding of the judgment or order has been commenced, such
7 appeal, motion or petition to intervene or other review is finally concluded and no longer is subject to
8 review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for rehearing
9 *en banc*, petitions for writ of certiorari or otherwise, and such appeal or other review has been finally
10 resolved in such manner that affirms the judgment or order in its entirety.

11 s. “Final Approval” shall mean and refer to the determination by the Court that the
12 Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based
13 thereon.

14 t. “Final Approval Hearing” shall mean and refer to the hearing at which the Court
15 will consider and determine whether the Settlement should be granted Final Approval.

16 u. “Final Approval Order and Judgment” means the order and judgment the Court
17 enters determining that the Settlement is granted final approval.

18 v. “Fourth Amended Complaint” shall mean and refer to Plaintiff’s Fourth
19 Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General
20 Act, California Labor Code § 2698, et seq., filed on February 17, 2024 with this Court, which
21 consolidated the claims, legal allegations, legal theories, factual allegations, and LWDA Notice, and
22 that is as otherwise necessary to effectuate the release in this Settlement Agreement.

23 w. “Gross Settlement Amount” shall mean and refer to the amount of Nine Hundred
24 Thousand Dollars (\$900,000) to be paid by Defendant in full resolution of all Released Claims and the
25 Action, which includes all Attorneys’ Fees and Costs, Enhancement Payment, LWDA Payment, Net
26 Settlement Amount to be paid to the Settlement Class Members, PAGA Group Civil Penalties Fund to
27 be paid to the PAGA Group Settlement Members, Employees’ share of payroll taxes resulting from
28 wages component of Individual Settlement Payments, and Settlement Administration Costs. The

1 Gross Settlement Amount is a common fund, non-reversionary amount.

2 x. "Individual Settlement Payment" shall mean and refer to the net payment of each
3 Settlement Class Member's Individual Settlement Share, after reduction for the employee's share of
4 taxes and withholdings with respect to the wages portion of his or her Individual Settlement Share, as
5 provided herein.

6 y. "Individual Settlement Share" shall mean and refer to the pro rata share of the
7 Net Settlement Amount that a Class Member may be eligible to receive under the Settlement
8 Agreement, to be calculated in accordance with this Agreement.

9 z. "Individual PAGA Payment" refers to the *pro rata* share of the PAGA Group
10 Civil Penalties Fund that a PAGA Group Member is eligible to receive for the PAGA Settlement.

11 aa. "LWDA" shall mean and refer to the California Labor and Workforce
12 Development Agency.

13 bb. "LWDA Notice" or "PAGA Letter" shall mean and refer to Plaintiff's PAGA
14 letter that was submitted on February 17, 2024 to the LWDA.

15 cc. "LWDA Payment" shall mean and refer to the amount that the Parties have
16 agreed to pay to the LWDA pursuant to the PAGA Allocation, as set forth herein.

17 dd. "Named Plaintiff" or "Plaintiff" shall mean and refer to plaintiff Nelson Ramirez.

18 ee. "Net Settlement Amount" shall mean and refer to the portion of the Gross
19 Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross
20 Settlement Amount less the Court-approved Enhancement Payment, Settlement Administration Costs,
21 PAGA Allocation, and Attorneys' Fees and Costs.

22 ff. "Notice of Objection" shall mean and refer to a Class Member's valid and timely
23 written objection to the Class Settlement, which must be in writing and include: (a) the case name and
24 number of the Action; (b) the objector's full name, signature, address, and telephone number, (c) a
25 written statement of all grounds for the objection accompanied by any legal support for such objection,
26 and (d) copies of any papers, briefs, or other documents upon which the objection is based.

27 gg. "Original Complaint" shall refer to and mean Plaintiff's complaint filed in
28 Monterey County Superior Court on November 3, 2021, Case No. 21CV003513.

1 hh. “PAGA” shall mean and refer to the California Private Attorneys General Act of
2 2004, which is codified in California Labor Code §§ 2698, *et seq.*

3 ii. “PAGA Allocation” shall mean and refer to the amount of Seventy-Five
4 Thousand Dollars (\$75,000) to be allocated to resolve the PAGA Group’s claims arising under PAGA
5 in settlement of alleged but disputed PAGA civil penalties. Pursuant to PAGA, seventy-five percent
6 (75%) of the PAGA Allocation, or Fifty-Six Thousand Two Hundred and Fifty Dollars (\$56,250) shall
7 be paid to the LWDA (the “LWDA Payment”), with the remaining twenty-five percent (25%), or
8 Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750), to be paid to the PAGA Group
9 (“PAGA Group Civil Penalties Fund”) that shall collectively be paid to the employees in the PAGA
10 Group on a pro rata basis.

11 jj. “PAGA Group Civil Penalties Fund” shall mean and refer to the twenty-five
12 percent (25%) portion, or Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750), of the
13 PAGA Allocation that shall collectively be paid to the employees in the PAGA Group on a pro rata
14 basis.

15 kk. “PAGA Group Member(s),” “PAGA Group,” and “Aggrieved Employees” shall
16 mean and refer to all current and former non-exempt employees employed by Defendant in California
17 at any time during the PAGA Period.

18 ll. “PAGA Period” shall mean and refer to the period from February 17, 2023
19 through the Effective Date.

20 mm. “PAGA Settlement” means the settlement and resolution of the PAGA Group
21 Members’ Released Claims.

22 nn. “Parties” shall mean and refer to Plaintiff and Defendant, collectively, and
23 “Party” shall mean and refer to either Plaintiff or Defendant.

24 oo. “Preliminary Approval” shall mean and refer to the entry of the Court’s order
25 granting preliminary approval of the Settlement Agreement.

26 pp. “Qualified Settlement Fund” or “QSF” shall mean and refer to a fund within the
27 meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the
28 Settlement Administrator for the benefit of Settlement Class Members.

1 qq. “Qualifying Workweeks” shall mean and refer to the number of weeks each Class
2 Member was employed by Defendant as a non-exempt employee in California in which they worked
3 at least one shift, at any time during the Class Period, excluding any weeks during which a Class
4 Member was on a leave of absence or otherwise not working. Qualifying Workweeks will be rounded
5 up to the next whole integer.

6 rr. “Qualifying PAGA Pay Periods” shall mean and refer to the number of pay
7 periods each PAGA Group Member was employed by Defendant as a non-exempt employee in
8 California in which they worked at least one shift, at any time during the PAGA Period, excluding any
9 pay periods during which a PAGA Group Member was on a leave of absence or otherwise not working.
10 Qualifying PAGA Pay Periods will be rounded up to the next whole integer.

11 ss. “Released Claims” shall mean and refer to Settlement Class Members’ Released
12 Claims (as set forth in Paragraph 40(a)), PAGA Group Members’ Released Claims (as set forth in
13 Paragraph 40(b)) and Named Plaintiff’s Released Claims (as set forth in Paragraph 40(c)).

14 tt. “Released Parties” shall mean and refer to Defendant and any of its past and
15 present parents, owners, subsidiaries, affiliates, divisions, joint employers, Marriott Vacations
16 Worldwide Corporation, and/or related entities, and their shareholders, officers, directors, employees,
17 partners, shareholders, agents, attorneys, insurers and reinsurers, predecessors, successors, assigns,
18 heirs, accountants, auditors, consultants, and/or legal representatives, and any individual or entity that
19 could be jointly or severally liable for any of the Released Claims.

20 uu. “Request for Exclusion” shall mean and refer to a timely letter submitted by a
21 Class Member indicating a request to be excluded from the Class Settlement. The Request for
22 Exclusion must: (a) contain the case name and number of the Action, (b) be signed by the Class
23 Member, (c) contain the full name, address, telephone number, and the last four digits of the Social
24 Security Number of the Class Member requesting exclusion, (d) clearly state that the Class Member
25 does not wish to be included in the Class Settlement, and (e) be returned by fax or mail to the Settlement
26 Administrator at the specified address and/or facsimile number, postmarked or faxed on or before the
27 Response Deadline. The date of the postmark on the return mailing envelope or fax-stamp on the
28 submission will be the exclusive means to determine whether a Request for Exclusion has been timely

1 submitted. A Class Member who does not request exclusion from the Settlement will be deemed a
2 Settlement Class Member and will be bound by all terms of the Settlement Agreement, if the Settlement
3 is granted Final Approval by the Court.

4 vv. “Response Deadline” shall mean and refer to the deadline by which Class
5 Members must submit a Request for Exclusion, Notice of Objection, and/or dispute of the Qualifying
6 Workweeks or Qualifying PAGA Pay Periods credited to them, which shall be the date that is forty-
7 five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator,
8 unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be
9 extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also
10 be extended by express agreement between Class Counsel and Defendant’s Counsel. Under no
11 circumstances, however, will the Settlement Administrator have the authority to extend the Response
12 Deadline. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for
13 that Class Member shall be extended by fifteen (15) calendar days.

14 ww. “Settlement Administrator” shall mean and refer to ILYM Group, Inc., or any
15 other third-party class action settlement administrator agreed to by the Parties and approved by the
16 Court for purposes of administering this Settlement. The Settlement Administrator’s duties include
17 but are not limited to: distributing and responding to inquiries about the Class Notice, determining the
18 validity of Requests for Exclusion , calculating the Net Settlement Amount and Individual Settlement
19 Payments, calculating the Individual PAGA Payments for PAGA Group Members, issuing the
20 Individual Settlement Payment and Individual PAGA Payment checks and distributing them to
21 Settlement Class Members and PAGA Group Members, establishing and maintaining the QSF, issuing
22 the payment to Class Counsel for attorneys’ fees and costs, issuing payment of the Enhancement
23 Payment check to Plaintiff, and calculating and transmitting the employment payroll taxes to the
24 appropriate taxing authorities. The Settlement Administrator shall expressly agree to all of the terms
25 and conditions of this Agreement. Each of the Parties represent that they do not have any financial
26 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
27 Administrator that could create a conflict of interest.

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1 of Finality does not occur, or if the Final Approval Order and Judgment is not entered, any certification
2 of the Class as to Defendant and any approval or award of PAGA penalties will be vacated, and
3 Plaintiff, Defendant, the Class Members, and the PAGA Group Members will be returned to their
4 positions with respect to the Action as if the Agreement had not been entered into. In addition, in the
5 event that the Date of Finality does not occur:

6 a. Any Court orders preliminarily or finally approving certification of any class
7 contemplated by this Agreement and/or awarding PAGA penalties in the Action shall be null, void,
8 and vacated, and shall not be used or cited thereafter by any person or entity;

9 b. The fact of the Settlement reflected in this Agreement, the fact that Defendant
10 did not oppose the certification of a Class under this Agreement, or the fact that the Court preliminarily
11 approved the certification of the Class and/or approved an award of PAGA penalties, shall not be used
12 or cited thereafter by any person or entity, in any manner whatsoever, including without limitation any
13 contested proceeding relating to the certification of any class;

14 c. This Agreement shall be deemed null and void, shall be of no force or effect
15 whatsoever, and shall not be referred to or used for any purpose whatsoever.

16 15. Defendant expressly reserves the right to challenge the propriety of class certification for
17 any purpose.

18 16. Because the Parties are settling claims under California Labor Code section 2698 *et. seq.*,
19 and stipulate to the certification of the class with respect to all causes of action alleged in the action
20 for settlement purposes only, this Agreement requires approval by the Court in accordance with
21 California Labor Code section 2699(1) and Federal Rule of Civil Procedure 23(e). Accordingly, the
22 Parties enter into this Agreement on a conditional basis. This Agreement is contingent upon its
23 approval by the Court.

24 17. Settlement Payment Procedures.

25 a. Funding of the Gross Settlement Amount and Employer Payroll Taxes. Within
26 fifteen (15) calendar days after the date of Final Approval, the Settlement Administrator will provide
27 the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of the
28 Settlement Agreement, including the amount of payroll taxes owed by Defendant. Within thirty (30)

1 calendar days after the Settlement Administrator advises Defendant of the employer payroll taxes
2 owed, Defendant shall transfer the Gross Settlement Amount to the Settlement Administrator.
3 Defendant shall separately and independently handle payment of employer payroll taxes related to the
4 Settlement.

5 b. Payment of Settlement Amount. Within ten (10) calendar days of the funding of
6 the Gross Settlement Amount by Defendant, the Settlement Administrator will issue payments due
7 under the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to
8 Settlement Class Members; (b) Individual PAGA Payments to PAGA Group Members; (c) LWDA
9 Payment to the LWDA; (d) Enhancement Payment to Plaintiff; and (e) Attorneys' Fees and Costs to
10 Class Counsel.

11 c. Payment of Settlement Administration Costs. The Settlement Administrator will
12 be paid for the reasonable costs of administration of the Settlement and distribution of payments under
13 the Settlement, which is currently estimated at Ten Thousand Dollars (\$10,000). These costs, which
14 will be paid from the Gross Settlement Amount, subject to Court approval, will include, inter alia,
15 printing, translating, distributing, and tracking Class Notices and other documents for this Settlement,
16 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms
17 and all required tax reporting, filings, withholdings, and remittances (except for Defendant's share of
18 employer payroll taxes related to the Settlement, which Defendant will handle and transmit separately
19 and independently), providing necessary reports and declarations, and other duties and responsibilities
20 set forth herein to process this Settlement, and as requested by the Parties. To the extent actual
21 Settlement Administrations Costs are greater than the estimated amount stated herein, such excess
22 amount will be deducted from the Gross Settlement Amount, subject to Court approval. Any portion
23 of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact
24 required to fulfill payment to the Settlement Administrator to undertake the required settlement
25 administration duties will become part of the Net Settlement Amount. The Settlement Administrator
26 will also issue a payment to itself for Court-approved services performed in connection with the
27 Settlement, pursuant to this Agreement.

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1 d. Enhancement Payment to Plaintiff. In recognition of his efforts and work in
2 prosecuting the Action, and in exchange for a general release, Defendant agrees not to oppose or
3 impede any application or motion for an Enhancement Payment in an amount up to Fifteen Thousand
4 Dollars (\$15,000) to Plaintiff. The Enhancement Payment, which will be paid from the Gross
5 Settlement Amount, subject to Court approval, will be in addition to Plaintiff's Individual Settlement
6 Payment and/or Individual PAGA Payment that is to be paid pursuant to the Settlement. The
7 Settlement Administrator will issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and
8 Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax
9 purposes and for paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold
10 Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the
11 Enhancement Payment. Should the Court approve the Enhancement Payment to Plaintiff in an amount
12 that is less than that set forth above, the difference between the lesser amount approved by the Court
13 and the amount allocated toward the Enhancement Payment will be part of the Net Settlement Amount
14 for the benefit of Settlement Class Members.

15 e. Payment of Attorneys' Fees and Costs. Class Counsel will request attorneys'
16 fees of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to Three Hundred and
17 Fifteen Thousand Dollars (\$315,000)) and reimbursement of actual costs and expenses associated with
18 Class Counsel's litigation and settlement of the Action, in an amount estimated at One Hundred Ten
19 Thousand Dollars (\$110,000), both of which will be paid from the Gross Settlement Amount, subject
20 to Court approval. These amounts will cover any and all work performed and any and all costs incurred
21 by Class Counsel in connection with this litigation, including without limitation all work performed
22 and costs incurred to date, and all work to be performed and all costs to be incurred in connection with
23 obtaining the Court's approval of this Settlement Agreement, including any objections raised and any
24 appeals necessitated by those objections, and obtaining final dismissal of the Action. Class Counsel
25 shall be solely and legally responsible for correctly characterizing this compensation for tax purposes
26 and for paying any taxes on the amounts received. Any portion of the Attorneys' Fees and Costs not
27 awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement
28 Class Members.

1 f. Labor and Workforce Development Agency Payment. Subject to Court approval,
2 the Parties agree that the amount of Seventy-Five Thousand Dollars (\$75,000) from the Gross
3 Settlement Amount will be allocated toward penalties under the Private Attorneys General Act,
4 California Labor Code Section 2698, *et seq.* ("PAGA Penalties"), of which seventy-five percent (75%),
5 or Fifty-Six Thousand Two Hundred and Fifty Dollars (\$56,250) shall be paid to the LWDA (the
6 "LWDA Payment").

7 18. Individual Settlement Share Calculations. Individual Settlement Shares will be
8 calculated and apportioned from the Net Settlement Amount based on Class Members' Qualifying
9 Workweeks, as follows:

10 a. After Preliminary Approval, the Settlement Administrator will divide the Net
11 Settlement Amount by the Qualifying Workweeks of all Class Members to yield the "Estimated
12 Workweek Value," and multiply each Class Member's individual Qualifying Workweeks by the
13 Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she
14 may be eligible to receive under the Settlement.

15 b. After Final Approval of the Settlement, the Settlement Administrator will divide
16 the final Net Settlement Amount by the Qualifying Workweeks of all Settlement Class Member to
17 yield the "Final Workweek Value," and multiply each Settlement Class Member's individual
18 Qualifying Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

19 19. Individual PAGA Payment Calculations. Individual PAGA Payments among the PAGA
20 Group Members shall be calculated as follows:

21 a. After Preliminary Approval, the Settlement Administrator will divide the PAGA
22 Group Civil Penalties Fund (\$18,750) by the total number of Qualifying PAGA Pay Periods worked
23 by PAGA Group Members to yield the "Estimated PAGA Pay Periods Value," and multiply each
24 PAGA Group Member's individual Qualifying PAGA Pay Periods by the Estimated PAGA Pay
25 Periods Value to yield his or her estimated individual PAGA Allocation share and payment that he or
26 she may be eligible to receive under the Settlement.

27 b. After Final Approval of the Settlement, the Settlement Administrator will divide
28 the final PAGA Group Civil Penalties Fund (\$18,750) by the total number of Qualifying PAGA Pay

1 Periods worked by PAGA Group Members to yield the “Final PAGA Pay Period Value,” and multiply
2 each PAGA Group Member’s individual Qualifying PAGA Pay Periods by the Final PAGA Pay
3 Periods Value to yield his or her Individual PAGA Payment.

4 20. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
5 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
6 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement
7 shall not in any way entitle Plaintiff or any Settlement Class Member or PAGA Group Member to
8 additional compensation or benefits or to any new compensation or benefits, or any bonus, contest or
9 other compensation or benefit plan or agreement in place during the Class Period or PAGA Period, nor
10 will it entitle any Settlement Class Member or PAGA Group Member to any increased retirement,
11 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary
12 language or agreement in any benefit or compensation plan document that might have been in effect
13 during the Class Period or PAGA Period).

14 21. Delivery of the Class Data and List. No later than twenty-one (21) calendar days after
15 the date of Preliminary Approval, Defendant will provide the Class Data and List to the Settlement
16 Administrator.

17 22. Notice by First-Class U.S. Mail.

18 a. Within ten (10) business days after receiving the Class Data and List from
19 Defendant, the Settlement Administrator will perform a search based on the National Change of
20 Address Database or any other similar services available, such as provided by Experian, for
21 information to update and correct for any known or identifiable address changes, and will mail the
22 Court-approved Class Notice in English and Spanish (in the form attached as **Exhibit B** to this
23 Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing
24 addresses identified by the Settlement Administrator. The Class Notice will include a calculation of
25 each Class Member’s approximate share of the Net Settlement Amount and each PAGA Group
26 Member’s approximate share of the PAGA Group Civil Penalties Fund.

27 b. With respect to Class Notices that are returned as undeliverable on or before the
28 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-

1 trace and re-mail the Class Notice within five (5) calendar days. If a Class Member's Class Notice is
2 re-mailed, the Class Member shall have fifteen (15) calendar days from the date of re-mailing, or forty-
3 five (45) calendar days from the date of initial mailing, whichever is later, in which to postmark
4 disputes regarding Qualifying Workweeks and Qualifying PAGA Pay Periods, Notices of Objections,
5 or Requests for Exclusion.

6 c. If the Class Notice is returned with a forwarding address, the Settlement
7 Administrator shall re-mail the Class Notice to the forwarding address.

8 d. It is the intent of the Parties that reasonable means be used to locate Class
9 Members and that the Settlement Administrator be given discretion to take reasonable steps in order
10 to facilitate notice of the Settlement and delivery of the Individual Settlement Payments and Individual
11 PAGA Payments to all Class Members and PAGA Group Members.

12 e. If the Class Notice is re-mailed, the Settlement Administrator will note for its
13 own records and notify the Parties of the date of each such re-mailing as part of a weekly status report
14 provided to the Parties.

15 f. In the event that a Class Member's or PAGA Group Member's Class Notice
16 remains undeliverable forty-five (45) calendar days after the Class Notice was initially mailed, the
17 Settlement Administrator will not mail the Class Member's Individual Settlement Payment or the
18 PAGA Group Member's Individual PAGA Payment. The Settlement Administrator will hold the Class
19 Member's Individual Settlement Payment and Individual PAGA Payment (if any) during the 180-day
20 check cashing period on behalf of the Class Member or PAGA Group Member. If at the conclusion
21 of the check cashing period the Class Member's or PAGA Group Member's Class Notice, Individual
22 Settlement Payment, and/or Individual PAGA Payment (if any) remain undeliverable and/or unclaimed
23 and uncashed, the Settlement Administrator will distribute the funds from unclaimed/uncashed checks
24 in accordance with the procedures set forth herein.

25 g. No later than twenty (20) business days prior to the Final Approval Hearing, the
26 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to
27 completion of the notice process, including any attempts to obtain valid mailing addresses for and re-
28 sending of the returned Class Notice, objections that the Settlement Administrator received, and the

1 identity of those individuals who submitted a valid request for exclusion from the Settlement.

2 23. CAFA Notice. Within ten (10) business days following the filing of the Plaintiff's
3 Motion for Preliminary Approval, Plaintiff shall serve the CAFA Notice upon: (1) the Attorney
4 General of the United States and (2) the "Appropriate State Official" (as that term is defined by 28
5 U.S.C. § 1715(a)(2) in each state in which Class Members reside, which for purposes of this Settlement
6 Agreement shall be the Attorney General of each such state. The CAFA Notice shall provide notice of
7 the proposed Settlement in compliance with the requirements of CAFA, 28 U.S.C. § 1711 et seq.

8 24. Final Approval No Earlier than Ninety (90) Days Following Service of CAFA Notice.
9 In compliance with 28 U.S.C. § 1715(d), the Parties agree that a Final Approval Order of the Settlement
10 will issue no earlier than ninety (90) days following service of the CAFA Notice on: (1) the Attorney
11 General of the United States and (2) the "Appropriate State Official" in each state in which Class
12 Members reside.

13 25. Dispute Regarding Qualifying Workweeks and/or Qualifying PAGA Pay Periods. Class
14 Members and PAGA Group Members will have an opportunity to dispute the number of Qualifying
15 Workweeks or Qualifying PAGA Pay Periods to which they have been credited, as reflected in their
16 respective Class Notices. In order to dispute Qualifying Workweeks or Qualifying PAGA Pay Periods,
17 Class Members and/or PAGA Group Members must submit a written letter to the Settlement
18 Administrator that: (a) contains the case name and number of the Action, (b) is signed by the Class
19 Member or PAGA Group Member, (c) contains the full name, address, telephone number, and the last
20 four digits of the Social Security Number of the disputing Class Member or PAGA Group Member,
21 (d) clearly states that the Class Member or PAGA Group Member disputes the number of Qualifying
22 Workweeks or Qualifying PAGA Pay Periods credited to him or her and what he or she contends is
23 the correct number to be credited to him or her, (e) includes information and/or attaches documentation
24 demonstrating that the number of Qualifying Workweeks or Qualifying PAGA Pay Periods that he or
25 she contends should be credited to him or her are correct, and (f) is returned by fax or mail to the
26 Settlement Administrator at the specified address and/or facsimile number, postmarked or fax-stamped
27 on or before the Response Deadline. The date of the postmark on the return mailing envelope or fax-
28 stamp on the submission will be the exclusive means to determine whether a dispute has been timely

1 submitted. Absent evidence rebutting the accuracy of Defendant's records and data as they pertain to
2 the number of Qualifying Workweeks or Qualifying PAGA Pay Periods to be credited to a disputing
3 Class Member, Defendant's records will be presumed correct and determinative of the dispute.
4 However, if a Class Member produces information and/or documents to the contrary, the Settlement
5 Administrator will evaluate the materials submitted by the Class Member and the Settlement
6 Administrator will resolve and determine the number of Qualifying Workweeks or Qualifying PAGA
7 Pay Periods that the disputing Class Member should be credited with under the Settlement. The
8 Settlement Administrator's decision on such disputes will be final and non-appealable.

9 26. Settlement Checks. The Settlement Administrator will be responsible for undertaking
10 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments and
11 Individual PAGA Payments by way of check to the Settlement Class Members and PAGA Group
12 Members in accordance with this Settlement Agreement. Each Individual Settlement Payment and
13 Individual PAGA Payment will be valid and negotiable for one hundred and eighty (180) calendar
14 days from the date the checks are issued, and thereafter, shall be cancelled. All funds associated with
15 such cancelled checks will be transmitted to the California State Controller Unclaimed Property Fund
16 in the name of the Settlement Class Member or PAGA Group Member for whom the funds are
17 designated. The Settlement Administrator shall undertake amended and/or supplemental tax filings
18 and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to
19 the cancellation of any Individual Settlement Payment or Individual PAGA Payment. To the extent
20 that the Settlement Administrator is able to obtain or receive the return or refund of the amounts that
21 were transmitted to taxing authorities for the employer's and employees' share of taxes, contributions,
22 and/or withholding associated with cancelled Individual Settlement Payments, the employees' amounts
23 shall also be transmitted to the State Controller Unclaimed Property Fund in the name of the Settlement
24 Class Member or PAGA Group Member for whom the funds are designated, while the employer's
25 amount (which was funded by Defendant, separate and apart from the Gross Settlement Amount) will
26 be returned to Defendant. Settlement Class Members and PAGA Group Members whose Individual
27 Settlement Payment and/or Individual PAGA Payment are cancelled shall, nevertheless, be bound by
28 this Settlement Agreement.

1 27. Procedure for Requesting Exclusion from the Class Settlement.

2 a. Any Settlement Class Member wishing to be excluded from the Class Settlement
3 must submit a written Request for Exclusion to the Settlement Administrator, by mail or fax, no later
4 than the Response Deadline. The date of fax or the postmark on the return mailing envelope will be
5 the exclusive means to determine whether a Request for Exclusion has been timely submitted. The
6 Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the Requests
7 for Exclusion that were timely submitted, and also identify the individuals who have submitted a timely
8 and valid Request for Exclusion in a declaration that is to be filed with the Court in advance of the
9 Final Approval Hearing. Any Class Member who timely and validly submits a Request for Exclusion:
10 (1) is prohibited from making any objection to the Settlement Agreement, (2) will not be entitled to
11 their portion of the Individual Settlement Payment which would have been paid to him or her, and (3)
12 will not be bound by the terms and conditions of this Agreement. No Class Member may submit a
13 Request for Exclusion from the PAGA Group.

14 b. Any Class Member who fails to timely and/or validly submit a Request for
15 Exclusion shall automatically be deemed a Settlement Class Member whose rights and claims with
16 respect to the issues raised in the Action are determined by the Court's Final Approval Order and
17 Judgment, and by the other rulings in the Action. Thus, said Settlement Class Member's rights to
18 pursue any claims covered by the Action and/or released in this Agreement will be extinguished.

19 28. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class
20 Member who does not affirmatively request exclusion from the Settlement by submitting a timely and
21 valid Request for Exclusion will be bound by all of the terms of the Settlement Agreement, including
22 and not limited to those pertaining to the Released Claims, as well as any judgment that may be entered
23 by the Court if it grants Final Approval of the Settlement.

24 29. Settlement Terms Bind All PAGA Group Members Regardless of Exclusion from the
25 Class Settlement. Notwithstanding any Class Member's Request for Exclusion from the Class
26 Settlement, all PAGA Group Members shall be bound by the terms of this Agreement as they relate to
27 PAGA, including but not limited to the PAGA Allocation and the PAGA Group Members' Released
28 Claims.

1 30. Procedures for Objecting to the Settlement.

2 a. To object to the Class Settlement, a Class Member must submit a timely and
3 complete Notice of Objection to the Settlement Administrator, by fax or mail, on or before the
4 Response Deadline. The Notice of Objection must be signed by the Class Member and contain all
5 information required by this Settlement Agreement. The postmark or fax-stamp date will be deemed
6 the exclusive means for determining whether a Notice of Objection is timely. Class Members who fail
7 to object in the specific and technical manner specified in this Settlement Agreement, or as otherwise
8 ordered by the Court, will be deemed to have waived all objections. At no time will any of the Parties
9 or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement
10 Agreement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent
11 any Class Members with respect to any such objections to this Settlement. The Court retains the final
12 authority with respect to the consideration and admissibility of any Class Member objections.

13 b. The Settlement Administrator shall send any objections it receives to counsel for
14 the Parties within three (3) business days of receipt.

15 31. Encouragement of Class Members. The Parties shall not, directly, or indirectly through
16 any person, encourage or solicit any Class Member to exclude him or herself from this Settlement,
17 object to it, or dispute his or her Qualifying Workweeks or Qualifying PAGA Pay Periods.

18 32. Reports by the Settlement Administrator Regarding Settlement Administration. The
19 Settlement Administrator will provide Defendant’s Counsel and Class Counsel a weekly report which
20 certifies: (a) the number of Class Members who have submitted a dispute of Qualifying Workweeks;
21 (b) the number of PAGA Group Members who have submitted a dispute of Qualifying PAGA Pay
22 Periods; (c) the number of Class Members who have submitted timely and valid Requests for Exclusion
23 or timely and complete Notices of Objection; and (d) the number of undeliverable and re-mailed Class
24 Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any
25 updated reports regarding the administration of the Settlement Agreement as needed or requested, and
26 immediately notify the Parties when it receives a request from an individual or any other entity
27 regarding inclusion in the Class and/or Settlement.

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1 33. Payroll Taxes. Separately and in addition to the Gross Settlement Amount, Defendant
2 shall be solely responsible for the timely payment of the employer’s portion of payroll taxes and
3 contributions with respect to the wages portion of Individual Settlement Shares (“Employer Taxes”).
4 Except for its obligations for payment of the employer’s share of payroll taxes, upon the transfer of
5 funds to the Settlement Administrator, Defendant shall have no further payment or defense obligation
6 whatsoever with respect to any claims covered by this Settlement Agreement made or asserted by any
7 person or entity anywhere in the world in connection with the Class Members.

8 34. Certification of Completion. Upon completion of administration of the Settlement, the
9 Settlement Administrator will provide a written declaration under oath to certify such completion to
10 the Court and counsel for all Parties.

11 35. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be
12 allocated as follows: thirty percent (30%) as wages and seventy percent (70%) as penalties, interest,
13 and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the
14 portions allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement
15 Administrator. The Settlement Administrator will withhold the employee’s share of taxes and
16 withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks
17 to Settlement Class Members for their Individual Settlement Payment (i.e., payment of their Individual
18 Settlement Share net of these taxes and withholdings).

19 36. Treatment of Individual PAGA Allocation Payments. Each Individual PAGA Payment
20 will be allocated entirely as penalties, interest, and non-wage damages, and will thus be reported on an
21 IRS Form-1099 by the Settlement Administrator.

22 37. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
23 will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Group Members, and
24 Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid
25 pursuant to this Agreement. The Settlement Administrator will also be responsible for forwarding all
26 employee payroll tax deductions, contributions, and withholdings to the appropriate government
27 authorities.

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1 38. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant’s Counsel make no
2 representations or warranties as to the tax consequences, treatment, or legal effect of any payments
3 made under this Settlement Agreement, do not intend anything contained in this Settlement Agreement
4 to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be
5 relied on as such. Plaintiff and Settlement Class Members understand and agree that, except for
6 Defendant’s payment of the Employer Taxes, Plaintiff and Settlement Class Members will be solely
7 responsible for correctly characterizing any compensation received under the settlement on his/her
8 personal income tax returns and paying any and all taxes due for any and all amounts paid to them
9 under the Settlement.

10 39. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
11 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
12 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
13 of action or right herein released and discharged.

14 40. Releases: Upon Final Approval of the Settlement Agreement and payment of amounts
15 set forth herein, and except as to such rights or claims as may be created by this Settlement Agreement,
16 Plaintiff (including on behalf of the LWDA and the Aggrieved Employees), all Class Members, and
17 all PAGA Group Members shall and hereby do release and discharge all Released Parties, finally,
18 forever and with prejudice, from any and all claims as follows:

19 a. **Settlement Class Released Claims.** The Settlement Class Members shall
20 release the Released Parties from any and all claims that are alleged in the Fourth Amended Complaint,
21 or that could have been alleged in the Fourth Amended Complaint, based upon or arising out of, or
22 which are derivative to the facts and/or claims alleged in the Fourth Amended Complaint during the
23 Class Period. This includes claims for violations of the California Labor Code or any applicable
24 California Wage Order for: the purported payment or nonpayment of compensation (including, but not
25 limited to, wages, minimum wage, straight time, overtime, and/or premium pay); failure to pay
26 compensation at the regular rate of pay; failure to pay for all hours worked, including any and all work
27 performed off-the-clock or under the control of Defendant; failure to pay overtime in violation of
28 California Labor Code §§ 510, 551, 552 and 1198; failure to provide meal periods and meal period

1 premiums in violation of California Labor Code §§ 226.7 and 512(a); failure to provide rest period and
2 rest period premiums in violation of California Labor Code § 226.7; failure to pay minimum wage in
3 violation of California Labor Code §§ 1194, 1197, and 1197.1; failure to pay timely wages during
4 employment pursuant to Labor Code § 204; failure to pay final wages in violation of California Labor
5 Code §§ 201, 202, and 203; failure to reimburse business expenses in violation of California Labor Code
6 §§ 2800 and 2802; failure to provide complete and compliant wage statements in violation of California
7 Labor Code § 226; failure to keep complete and accurate records in violation of California Labor Code
8 § 1174(d); improper recordkeeping; unfair business practices; including related premiums; statutory
9 penalties; waiting time penalties; liquidated damages; interest; punitive damages; costs; attorneys'
10 fees; injunctive relief; declaratory relief; or accounting, whether such causes of action are in tort,
11 contract, or pursuant to a statutory remedy.

12 **b. PAGA Group Released Claims.** Plaintiff fully releases the claims and rights to
13 recover civil penalties against the Released Parties on behalf of the LWDA and Aggrieved Employees,
14 to recover civil penalties under PAGA, costs, expenses, attorneys' fees, or interest against the Released
15 Parties on behalf of Aggrieved Employees and LWDA for any Labor Code or Wage Order violation
16 that are alleged in the Fourth Amended Complaint, or that could have been alleged in the Fourth
17 Amended Complaint, based upon or arising out of or which are derivative to the facts and/or claims
18 alleged in the Fourth Amended Complaint and/or the LWDA Notice, during the PAGA Period. This
19 includes, but is not limited to PAGA claims for violations of the California Labor Code and the
20 California Wage Orders for: the purported payment or nonpayment of compensation (including, but
21 not limited to, wages, minimum wage, straight time, overtime, and/or premium pay); failure to pay
22 compensation at the regular rate of pay; failure to pay all hours worked, including any and all work
23 performed off-the-clock or under the control of Defendant; failure to pay overtime in violation of
24 California Labor Code §§ 510, 551, 552 and 1198; failure to provide meal periods and meal period
25 premiums in violation of California Labor Code §§ 226.7 and 512(a); failure to provide rest period and
26 rest period premiums in violation of California Labor Code § 226.7; failure to pay minimum wage in
27 violation of California Labor Code §§ 1194, 1197, and 1197.1; failure to pay final wages in violation of
28 California Labor Code §§ 201, 202, and 203; failure to timely pay wages during employment in violation

1 of California Labor Code § 204; failure to reimburse business expenses in violation of California Labor
2 Code §§ 2800 and 2802; failure to provide complete and compliant wage statements in violation of
3 California Labor Code § 226; and failure to keep complete and accurate records in violation of California
4 Labor Code § 1174(d). The Parties agree that there shall be no right for any Aggrieved Employee to
5 opt out or otherwise exclude himself or herself from the release of PAGA claims. The Parties intend
6 and agree that the Final Approval Order and the Judgment entered as a result of this Settlement shall
7 have *res judicata* and preclusive effect to the fullest extent allowed by law.

8 c. **General Release of Claims by Named Plaintiff.** In addition, upon the date that
9 Defendant pays the Gross Settlement Amount, Named Plaintiff will be deemed to have fully released
10 and discharged the Released Parties of and from all claims arising from his employment with
11 Defendant, separation of employment from Defendant, and any acts that have or could have been
12 asserted in any legal action or proceeding against Defendant, whether known or unknown, arising
13 under any federal, state, or local law, or statute, including, inter alia, those arising under the California
14 Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights
15 Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California
16 Corporations Code, California Business and Professions Code, California Fair Employment and
17 Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for
18 discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment
19 compensation, emotional distress, medical expenses, other economic and non-economic damages,
20 attorney fees, and costs, arising on or before the execution of this Agreement by the Parties. With
21 respect to those claims released by Plaintiff in his individual capacity, Named Plaintiff acknowledges
22 and waives any and all rights and benefits available under California Civil Code Section 1542, which
23 provides:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
25 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR
26 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF
27 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR
28 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Named Plaintiff understands and agrees that claims or facts in addition to or different from those which

1 are now known or believed by him to exist may hereafter be discovered. It is Named Plaintiff's
2 intention to settle fully and release all claims he now has against the Released Parties, whether known
3 or unknown, suspected, or unsuspected. The Enhancement Payment shall be paid to Named Plaintiff
4 specifically in exchange for the general release of the Released Parties from all claims, including those
5 specified in this Paragraph and a covenant not to sue the Released Parties. Notwithstanding the above,
6 the general release by Named Plaintiff shall not extend to claims for workers' compensation benefits,
7 claims for unemployment benefits, or other claims that may not be released by law.

8 41. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

9 Upon execution of this Settlement Agreement, Class Counsel shall promptly obtain a hearing date for
10 the Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel
11 will be responsible for drafting, and shall submit this Settlement Agreement to the Court in support of
12 said motion. Class Counsel will provide Defendant's Counsel a draft of the Plaintiff's Motion for
13 Preliminary Approval at least five (5) business days before the filing deadline. Defendant agrees not
14 to oppose the Plaintiff's Motion for Preliminary Approval of the Settlement consistent with this
15 Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval
16 Order") seeking the following:

- 17 a. Conditionally certifying the Class for settlement purposes only;
- 18 b. Granting Preliminary Approval of the Settlement;
- 19 c. Preliminarily appointing Plaintiff as representative of the Class;
- 20 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 21 e. Approving, as to form and content, the mutually agreed upon and proposed Class
22 Notice and directing its mailing to the Class by first class mail;
- 23 f. Approving the manner and method for Class Members to request exclusion from
24 the Settlement as contained herein and within the Notice of Class Action Settlement; and
- 25 g. Scheduling a Final Approval Hearing at which the Court will determine whether
26 the Settlement should be finally approved as fair, reasonable, and adequate as to the Settlement Class
27 Members.

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1 42. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
2 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted
3 to determine whether Final Approval of the Settlement should be granted, along with the amounts
4 properly payable for: (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA
5 Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (e) Settlement Administration
6 Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the
7 Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking
8 Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the Final
9 Approval Motion at least five (5) business days before the filing deadline. By way of said motion,
10 Plaintiff will apply for the entry of the mutually agreed upon proposed Final Approval Order and
11 Judgment, which will provide for, in substantial part, the following:

12 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
13 consummation of its terms and provisions;

14 b. Certification of the Settlement Class;

15 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

16 d. Approval of the application for Enhancement Payment to Plaintiff;

17 e. Setting a date when the Settlement Administrator shall report to the Court the
18 completion of the distribution process and the total amount that was actually paid to the Settlement
19 Class Members;

20 f. Directing Defendant to fund all amounts due under the Settlement Agreement
21 and ordered by the Court;

22 g. Directing that the Action be dismissed finally, fully, forever and with prejudice
23 and in full and final discharge of any and all Settlement Class Members' Released Claims, Named
24 Plaintiff's Released Claims and the PAGA Released Claims of the LWDA.

25 h. Directing that a Final Judgment be entered; and

26 i. Retaining continuing jurisdiction over this Action for purposes only of
27 overseeing all settlement administration matters.

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1 43. Termination or Revocation of Settlement.

2 a. If five percent (5%) or more of the Class Members request exclusion from the
3 Settlement, Defendant may, at its election and in its sole discretion, rescind and nullify the Settlement
4 Agreement. Defendant must exercise this right of rescission in a writing that is provided to Class
5 Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of
6 the total number of Requests for Exclusion received by the Response Deadline.

7 b. If Defendant exercises its right to rescind and or nullify the Settlement
8 Agreement pursuant to Subsection (a) of this Paragraph, Defendant shall pay the Settlement
9 Administrator costs incurred by the Settlement Administrator as of the date of Defendant's rescission
10 and/or nullification.

11 c. If there is a material change in the scope of the Released Claims, Released Period,
12 or Released Parties under the Settlement Agreement, Defendant may, at its election, rescind the
13 Settlement Agreement and all actions taken in furtherance of it will thereby be null and void, however
14 this option to rescind the Settlement Agreement may only be exercised within ten (10) business days
15 of a change in the scope of the Released Claims, Released Period, or Released Parties under the
16 Settlement.

17 d. If the Court finds the Gross Settlement Amount to be insufficient to warrant
18 Preliminary Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the
19 Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

20 44. Effects of Termination of the Settlement. Termination of the Settlement Agreement
21 (pursuant to Paragraph 43) shall have the following effects:

22 a. The Settlement Agreement shall be void and shall have no force or effect, and no
23 Party shall be bound by any of its terms;

24 b. In the event the Settlement Agreement is terminated, Defendant shall have no
25 obligation to make any payments to any Party, Class Member or attorney, except that the terminating
26 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
27 Administrator is notified that the Settlement has been terminated;

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1 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
2 any order certifying the Class, shall be vacated;

3 d. The Settlement Agreement and all negotiations, statements and proceedings
4 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
5 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

6 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
7 statements, or filings in furtherance of the Settlement (including all matters associated with the
8 mediation) shall be admissible or offered into evidence in the Action or any other action for any
9 purpose whatsoever; and

10 f. Any documents generated to bring the Settlement into effect will be null and
11 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
12 likewise be treated as void from the beginning.

13 45. Nullification. The Parties have agreed to the certification of the Class encompassing all
14 claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should
15 for any reason fail to certify this Class for settlement, (b) the Court should for any reason fail to approve
16 this Settlement, (c) the Court should for any reason fail to enter the Final Approval Order and
17 Judgment, or (d) the Final Approval Order and Judgment is reversed, or declared or rendered void, or
18 (e) the Court should for any reason fail to dispose of the Action in its entirety, then (i) this Agreement
19 shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or
20 proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the same
21 position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court;
22 and (iv) the fact that the Parties were willing to stipulate to class certification of all causes of action
23 pled in the Action as part of the Settlement will have no bearing on, and will not be admissible in
24 connection with, the issue of whether the Class should be certified by the Court in a non-settlement
25 context in the Action or any other action, and in any of those events, Defendant expressly reserves the
26 right to oppose certification of the Class.

27 46. Reduced Enhancement Payment and/or Attorneys' Fees and Costs Awards Not a Basis
28 for Voiding Settlement. If the Court approves the Enhancement Payment and/or Attorneys' Fees and

1 Cost award in amounts less than what Named Plaintiff and/or Class Counsel request, the Parties agree
2 that the reduction in the Enhancement Payment and/or Attorneys' Fees and Cost award will not be a
3 basis for nullification of this Settlement. Nor will a reduction in the Enhancement Payment and/or
4 Attorneys' Fees and Cost award in any way delay or preclude the judgment from becoming Final or
5 the Settlement from becoming effective. Any amount resulting from the reduction in the Enhancement
6 Payment and/or Attorneys' Fees and Cost award shall be included in the Net Settlement Amount.

7 47. Non-Evidentiary Use. Whether or not the Date of Finality occurs, neither this
8 Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted
9 in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any
10 other of the Released Parties, including but not limited to, evidence of a presumption, concession,
11 indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission,
12 concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released
13 Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement
14 pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his
15 or her claims released through this Agreement.

16 48. Escalator Clause. Defendant represents that, for the period of November 3, 2018 to
17 October 12, 2023 (the date of Mediation) the total Qualifying Workweeks for the Class were 28,000.
18 If it is determined that the Qualifying Workweeks for the Class Period actually exceeds 29,400
19 Workweeks, then Defendant may elect to either:

- 20 a. End the Class Period on the date on which the number of Workweeks reached 29,400,
21 or
22 b. Increase the Gross Settlement Amount in proportion to the increased Workweeks
23 exceeding 29,400 as a percentage of 28,000 Qualifying Workweeks. For example, if the
24 actual Qualifying Workweeks amount to 29,960, the Gross Settlement Amount will
25 increase by 2% (i.e., 29,960 minus 29,400 equals 560 divided by 28,000 is 2%).

26 49. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
27 will have continuing jurisdiction for purposes of addressing: (a) the interpretation and enforcement of
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1 the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters
2 as may be appropriate under court rules or as set forth in this Agreement.

3 50. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include
4 the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
5 set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

6 51. Limitation on Publicity. Named Plaintiff and Class Counsel will not make any public
7 disclosure of the Settlement or discuss the Settlement or this Settlement Agreement with anyone other
8 than those necessary to effectuate the filing of the Plaintiff's Motion for Preliminary Approval, until
9 after the Plaintiff's Motion for Preliminary Approval is filed. Class Counsel will take all steps
10 necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against
11 any public disclosure of the Settlement until after the Plaintiff's Motion for Preliminary Approval is
12 filed. Prior to and following Preliminary Approval of the Settlement, Plaintiff and Class Counsel will
13 not have any communications with any media other than to direct any media inquiries to the public
14 records of the Action on file with the Court and will not publicize the Settlement, including on social
15 media. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage
16 him to adhere to, the restriction against any media comment on the Settlement and its terms. Class
17 Counsel further agrees not to use the Settlement of the Action or any of its terms for any marketing or
18 promotional purposes. Nothing herein will restrict Class Counsel from including publicly available
19 information regarding this Settlement in future judicial submissions regarding Class Counsel's
20 qualifications and experience. Furthermore, Plaintiff and Class Counsel will undertake any and all
21 disclosures required to be made to the LWDA in conformity with PAGA. Neither Plaintiff nor Class
22 Counsel shall engage in any disparagement of any type related to this Settlement or the Released
23 Parties. Plaintiff and Class Counsel agree not to respond to any press inquiries except to refer reporters
24 to the papers filed with the Court.

25 52. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
26 the Action, except such proceedings necessary to implement and complete the Settlement Agreement,
27 pending the Final Approval hearing to be conducted by the Court.

28 ///

1 53. Stay Pending Timely Appeal from Final Order. In the event of a timely appeal from the
2 Final Approval Order and Judgment, the Final Approval Order and Judgment shall be stayed, and the
3 Gross Settlement Amount shall not be distributed pending the completion of the appeal.

4 54. Waiver and Amendment. The Parties may not waive, amend, or modify any provision
5 of this Settlement Agreement except by written agreement signed by all of the Parties, and subject to
6 any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement
7 will not constitute a waiver of any other provision.

8 55. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
9 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
10 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
11 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
12 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
13 full authority to enter into this Agreement, and further intend that this Agreement will be fully
14 enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in
15 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
16 otherwise might apply under state or federal law.

17 56. Signatories. It is agreed that because the members of the Class are so numerous, it is
18 impossible or impractical to have each Settlement Class Member execute this Settlement Agreement.
19 The Notice of Class Action and Settlement will advise all Class Members of the binding nature of the
20 release as to the Settlement Class Members, and the release shall have the same force and effect as if
21 this Settlement Agreement were executed by each Settlement Class Member.

22 57. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
23 and inure to the benefit of, the successors or assigns of the Parties.

24 58. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
25 will be governed by and interpreted according to the laws of the State of California.

26 59. Execution and Counterparts. This Settlement Agreement is subject only to the execution
27 by all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
28

1 executed counterparts and each of them, including facsimile and scanned copies of the signature page,
2 will be deemed to be one and the same instrument.

3 60. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
4 Settlement Agreement is a fair, reasonable, and adequate settlement of the Action and have arrived at
5 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
6 account all relevant factors, present and potential. The Parties further acknowledge that they are each
7 represented by competent counsel and that they have had an opportunity to consult with their counsel
8 regarding the fairness and reasonableness of this Agreement. In addition, the Mediator may execute a
9 declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in
10 its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is
11 objectively fair and reasonable.

12 61. Invalidity of Any Provision. Before declaring any provision of this Settlement
13 Agreement invalid, the Court will first attempt to construe the provision as valid and enforceable to
14 the fullest extent possible consistent with applicable law.

15 62. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement
16 Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein and hereby
17 waives any right to be excluded from the Settlement.

18 63. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
19 the dispute that has arisen between them and to avoid the burden, expense, and risk of continued
20 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it has
21 violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant
22 to any statute or any other applicable laws, regulations, or legal requirements; breached any contract;
23 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other
24 unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its
25 terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission
26 or concession by Defendant of any such violations or failures to comply with any applicable law.
27 Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its
28 terms and provisions shall not be offered or received as evidence in any action or proceeding to

1 establish any liability or admission on the part of Defendant or to establish the existence of any
2 condition constituting a violation of, or non-compliance with state, federal, local, or other applicable
3 law.

4 64. Captions. The captions, paragraph numbers, and section numbers in this Agreement are
5 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or
6 intent of the provisions of this Agreement.

7 65. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
8 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
9 one Party than another merely by virtue of the fact that it may have been prepared by counsel for one
10 of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
11 all Parties have contributed equally to the preparation of this Agreement.

12 66. Representation by Counsel. The Parties acknowledge that they have been represented
13 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
14 Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further,
15 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

16 67. All Terms Subject to Final Court Approval. All amounts and procedures described in
17 this Settlement Agreement herein will be subject to final Court approval.

18 68. Notices. All notices, demands, and other communications to be provided concerning
19 this Settlement Agreement shall be in writing and delivered by receipted delivery and e-mail at the
20 addresses set for below, or such other addresses as either Party may designate in writing from time to
21 time:

22 To Plaintiff and Class Counsel:
Edwin Aiwazian, Esq.
23 Joanna Ghosh, Esq.
Selena Matavosian, Esq.
24 **LAWYERS for JUSTICE, PC**

25 edwin@calljustice.com
joanna@calljustice.com
26 selena@calljustice.com
410 West Arden Avenue, Suite 203
27 Glendale, California 91203

22 To Defendant:
Kenneth D. Sulzer, Esq.
Barbara I. Antonucci, Esq.
Cameron Haynes, Esq.
24 **Constangy, Brooks, Smith, & Prophete,**
LLP

ksulzer@constangy.com
bantonacci@constangy.com
26 chaynes@constangy.com
2029 Century Park East, Suite 1100
27 Los Angeles, CA 90067

1 69. Final Approval Order and Judgment. The Parties shall provide the Settlement
2 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
3 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website
4 within three (3) business days of receipt. No individualized notice to the Class will be required.

5 70. Privacy of Documents and Information. Plaintiff and Class Counsel agree that they will
6 destroy all confidential documents and information provided to them by Defendant within thirty
7 calendar (30) days of the Date of Finality, except for documents that must be saved for malpractice
8 purposes or ethical rules governing attorney conduct in California and the United States. Plaintiff and
9 Class Counsel further agree that none of the documents and information provided to them by Defendant
10 shall be used for any purpose other than prosecution of the Action or the defense or prosecution of a
11 malpractice action or defense of any state bar complaint.

12 71. Confidentiality of PAGA Group Member Data. The Parties agree that any and all data
13 regarding PAGA Group Members that is provided to the Settlement Administrator will not be provided
14 to Class Counsel whatsoever. Further, as part of this Agreement, Settlement Administrator agrees to
15 maintain strict confidentiality of all data and information related to the PAGA Group, to the fullest
16 extent allowed by law.

17 72. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
18 cooperate with each other in good faith and use their best efforts to implement the Settlement, including
19 and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms
20 of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of
21 any document needed to implement the Settlement Agreement, or on any supplemental provisions that
22 may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the
23 assistance of the Mediator and then the Court to resolve such disagreement.


24 73. No Claim Based Upon Distributions or Payments in Accordance with this Settlement
25 Agreement. No person shall have any claim against Defendant, Class Counsel, or Defendant's Counsel
26 based on distributions or payments made in accordance with this Settlement Agreement.

27 74. Entire Agreement. This Agreement with exhibits constitutes the entire Agreement
28 among the Parties, and no oral or written representations, warranties or inducements have been made

1 to any Party concerning this Agreement other than the representations, warranties, and covenants
2 contained and memorialized in such documents. All prior or contemporaneous negotiations,
3 memoranda, agreements, understandings, and representations, whether written or oral, are expressly
4 superseded hereby and are of no further force and effect. The Parties each acknowledge that they have
5 not relied on any promise, representation or warranty, express or implied, not contained in this
6 Agreement. No rights hereunder may be waived except in writing.

7 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
8 Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

9 **IT IS SO AGREED.**

10 **PLAINTIFF:**  Electronically Signed - 2024-04-08 18:11:24 UTC - 166.198.34.103
Hintox AssureSign® - 193c-2727-c09f-4377-6296-b14c-0128c3af Date: 04/08/2024
11 Nelson Ramirez

12
13 **DEFENDANT:** _____ Date: _____
14 On behalf of HV Global Management Corporation
15 Name: _____
16 Title: _____

17 **APPROVED AS TO FORM BY CLASS COUNSEL:**

18 By:  Date: April 8, 2024
19 Edwin Aiwazian
20 Joanna Ghosh
21 Selena Matavosian
Lawyers for Justice, P.C.

22 **APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:**

23
24 By:  Date: May 1, 2024
25 Kenneth D. Sulzer
26 Barbara I. Antonucci
27 Cameron Haynes
Attorneys for Defendant
28 HV GLOBAL MANAGEMENT CORPORATION

1 to any Party concerning this Agreement other than the representations, warranties, and covenants
2 contained and memorialized in such documents. All prior or contemporaneous negotiations,
3 memoranda, agreements, understandings, and representations, whether written or oral, are expressly
4 superseded hereby and are of no further force and effect. The Parties each acknowledge that they have
5 not relied on any promise, representation or warranty, express or implied, not contained in this
6 Agreement. No rights hereunder may be waived except in writing.

7 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
8 Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

9 **IT IS SO AGREED.**

10 **PLAINTIFF:** _____ Date: _____
11 Nelson Ramirez

12
13 **DEFENDANT:** _____ Date: 3/20/24
14 On behalf of HV Global Management Corporation
15 Name: Stephanie Beck Britera
16 Title: President

17 **APPROVED AS TO FORM BY CLASS COUNSEL:**

18 By: _____ Date: _____
19 Edwin Aiwasian
20 Joanna Ghosh
21 Selena Matavosian
Lawyers for Justice, P.C.

22 **APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:**

23
24 By: _____ Date: _____
25 Kenneth D. Sulzer
26 Barbara I. Antonucci
27 Cameron Haynes
Attorneys for Defendant
HV GLOBAL MANAGEMENT CORPORATION

28

EXHIBIT B

[MAILING DATE], 2024
[Full Name]
[Address]
[City] [State] [Zip]

Claims Admin Contact Information
Claims Administration ID [INSERT]

**NOTICE OF PROPOSED CLASS AND REPRESENTATIVE PAGA ACTION
SETTLEMENT**

Nelson Ramirez v. HV Global Management Corporation
United States District Court, Northern District of California, Case Number 5:21-cv-09955-BLF

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because HV Global Management Corporation's records indicate that you are a current or former non-exempt employee of HV Global Management Corporation in California between November 3, 2018 and February 15, 2024.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected. This Notice is designed to advise you of your rights and options, and how you can request to be excluded from the settlement, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Nelson Ramirez ("Plaintiff") and Defendant HV Global Management Corporation ("Defendant") (Plaintiff and Defendant are together referred to as the "Parties") in the case entitled *Nelson Ramirez v. HV Global Management Corporation*, United States District Court, Northern District of California, Case Number 5:21-cv-09955-BLF ("Action"), which may affect your legal rights. On [PRELIMINARY APPROVAL DATE], the Court granted preliminary approval of the settlement and scheduled a hearing on [FINAL APPROVAL HEARING DATE] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.¹

I. IMPORTANT DEFINITIONS

- "Class" or "Class Member(s)" means all current and former non-exempt employees employed by Defendant in California at any time during the Class Period.
- "Class Period" means the period from November 3, 2018 through February 15, 2024.
- "Class Settlement" means the settlement and resolution of the Settlement Class Members' Released Claims.
- "PAGA" means the California Private Attorneys General Act of 2004.
- "PAGA Group," "PAGA Group Member" or "Aggrieved Employees" means all current and former non-exempt employees employed by Defendant in California at any time during the PAGA Period.
- "PAGA Group Civil Penalties Fund" means the twenty-five percent (25%), or Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750), of the \$75,000 PAGA Allocation that shall collectively be paid to the employees in the PAGA Group on a pro rata basis.
- "PAGA Period" means the period from February 17, 2023 through February 15, 2024.
- "PAGA Settlement" means the settlement and resolution of the PAGA Group Members' Released Claims.

¹ The date and/or time of the Final Approval Hearing may change without further notice to the class. To check whether the date and/or time changed, please visit the Court's website: <https://ecf.cand.uscourts.gov>

II. BACKGROUND OF THE ACTION

On November 3, 2021, Plaintiff commenced the Action by filing the Class Action Complaint for Damages in the Monterey County Superior Court, Case No. 21CV003513. On February 17, 2024, Plaintiff filed the Fourth Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, et seq. in the United States District Court, Northern District of California. Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination and during employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby seeks penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law, and contends that at all times it has complied with federal, state, and local laws. The Parties participated in a mediation session with a respected class action mediator, and as a result, the Parties subsequently reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement").

On [DATE OF PRELIMINARY APPROVAL], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Nelson Ramirez as representative of the Class and PAGA Group ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel").

Edwin Aiwazian, Joanna Ghosh, Selena Matavosian
Lawyers *for* Justice, PC
410 West Arden Avenue, Suite 203, Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Qualifying Workweeks credited to you, if you so choose, as explained more fully in Section IV below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff or to Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members and PAGA Group Members. The Court has made no ruling on the merits of the Class Members' or PAGA Group Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The gross settlement amount is Nine Hundred Thousand Dollars (\$900,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members

who do not timely and validly request exclusion from the Settlement is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys’ Fees and Costs, consisting of an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$315,000) and reimbursement of litigation costs and expenses in an amount estimated at One Hundred Ten Thousand Dollars (\$110,000) to Class Counsel; (2) an Enhancement Payment in an amount estimated at Fifteen Thousand Dollars (\$15,000) to Plaintiff Nelson Ramirez for his services in the Action; (3) the PAGA Allocation of \$75,000 to resolve all PAGA claims against Defendant; and (4) Settlement Administration Costs in an amount estimated at Ten Thousand Dollars (\$10,000) to the Settlement Administrator. Note: a total of Seventy-Five Thousand (\$75,000) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act (“PAGA Allocation”), of which the Labor Workforce Development Agency (“LWDA”) will be paid 75% (i.e., Fifty-Six Thousand Two Hundred and Fifty Dollars (\$56,250)) (“LWDA Payment”) and the remaining 25% (i.e., Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750)) will be distributed to PAGA Group Members (“PAGA Group Civil Penalties Fund”).

Class Members are eligible to receive payment under the Settlement of their pro rata share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of Qualifying Workweeks they were employed by Defendant as an hourly-paid or non-exempt employee in California during the Class Period. PAGA Group Members are eligible to receive payment under the Settlement of their pro rata share of the PAGA Group Civil Penalties Fund (“Individual PAGA Payment”) based on the number of Qualifying PAGA Pay Periods they were employed by Defendant as a non-exempt employee in California during the PAGA Period.

The Settlement Administrator has divided the Net Settlement Amount by the Qualifying Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Qualifying Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III(C) below) as part of the Settlement Class. Class Members who do not submit a valid and timely Request for Exclusion (“Settlement Class Members”) will be issued payment of their final Individual Settlement Share.

The Settlement Administrator has also divided the PAGA Group Civil Penalties Fund by the total number of Qualifying PAGA Pay Periods of all PAGA Group Members to yield the “Estimated Pay Period Value,” and multiplied each PAGA Group Member’s individual Qualifying PAGA Pay Periods by the Estimated Qualifying PAGA Pay Periods Value to yield his or her estimated individual PAGA Allocation share that he or she may be eligible to receive under the Settlement (which is listed in Section III(C) below), as part of the PAGA Group. Regardless of whether PAGA Group Members submit a valid and timely Request for Exclusion, all PAGA Group Members will be issued payment of their final Individual PAGA Payment.

Each Individual Settlement Share will be allocated thirty percent (30%) as wages which will be reported on an IRS Form W-2 and seventy percent (70%) as penalties, interest, and other non-wage damages which will be reported on an IRS Form 1099. Each Individual PAGA Payment will be allocated one hundred percent (100%) as penalties, interest, and other non-wage damages which will be reported on an IRS Form 1099. Defendant’s share of payroll taxes and contributions with respect to the wages portion of the Individual Settlement Shares will be paid by Defendant, separately and in addition to the Gross Settlement Amount. Each Individual Settlement Share shall be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of his or her Individual Settlement Share, resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”).

If the Court grants final approval of the Settlement, Individual Settlement Payments and Individual PAGA Payments will be mailed to Settlement Class Members and PAGA Group Members at the address that is on

file with the Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.

B. Your Qualifying Workweeks & Qualifying PAGA Pay Periods Based on Defendant's Records

According to Defendant's records:

From November 3, 2018 through February 15, 2024, you were employed by Defendant as a non-exempt employee in California for [INSERT QUALIFYING WORKWEEKS].

From February 17, 2023 through February 15, 2024, you were employed by Defendant as a non-exempt employee in California for [INSERT QUALIFYING PAGA PAY PERIODS].

If you wish to dispute the Qualifying Workweeks or Qualifying PAGA Pay Periods credited to you, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. The written letter must: (a) contain the case name and number of the Action (*Nelson Ramirez v. HV Global Management Corporation*, Case Number 5:21-cv-09955-BLF); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of Qualifying Workweeks and/or Qualifying PAGA Pay Periods credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of Qualifying Workweeks and/or Qualifying PAGA Pay Periods that you contend should be credited to you is correct; and (f) be returned by fax or mail to the Settlement Administrator at the address or fax number specified in Section IV(B) below, postmarked or fax-stamped no later than [RESPONSE DEADLINE].

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment is based on the number of Qualifying Workweeks and/or Qualifying PAGA Pay Periods credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [INSERT] and your Individual PAGA Payment is estimated to be \$ [INSERT]. The Individual Settlement Share is subject to reduction for employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share. Your Individual Settlement Payment and Individual PAGA Payment will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take six months or more. Your Individual Settlement Share and Payment and Individual PAGA Payment reflected above is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment may be higher or lower.

D. Release of Claims

If the Court grants final approval of the Settlement and enters judgment, as of the Date of Finality, the Class Representatives and each Class Member who has not submitted a valid and timely Request for Exclusion from the Settlement (i.e., Settlement Class Members) each fully release and discharge HV Global

Management Corporation, and any of its past and present parents, owners, subsidiaries, affiliates, divisions, joint employers, Marriott Vacations Worldwide Corporation, and/or related entities, and their shareholders, officers, directors, employees, partners, shareholders, agents, attorneys, insurers and reinsurers, predecessors, successors, assigns, heirs, accountants, auditors, consultants, and/or legal representatives, and any individual or entity that could be jointly or severally liable for any of the Released Claims (“Released Parties”).

Settlement Class Members shall release the Released Parties from any and all claims that are alleged in the Fourth Amended Complaint, or that could have been alleged in the Fourth Amended Complaint, based upon or arising out of, or which are derivative to the facts and/or claims alleged in the Fourth Amended Complaint during the Class Period. This includes claims for violations of the California Labor Code or any applicable California Wage Order for: the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wage, straight time, overtime, and/or premium pay); failure to pay compensation at the regular rate of pay; failure to pay for all hours worked, including any and all work performed off-the-clock or under the control of Defendant; failure to pay overtime in violation of California Labor Code §§ 510, 551, 552 and 1198; failure to provide meal periods and meal period premiums in violation of California Labor Code §§ 226.7 and 512(a); failure to provide rest period and rest period premiums in violation of California Labor Code § 226.7; failure to pay minimum wage in violation of California Labor Code §§ 1194, 1197, and 1197.1; failure to pay timely wages during employment pursuant to Labor Code § 204; failure to pay final wages in violation of California Labor Code §§ 201, 202, and 203; failure to reimburse business expenses in violation of California Labor Code §§ 2800 and 2802; failure to provide complete and compliant wage statements in violation of California Labor Code § 226; failure to keep complete and accurate records in violation of California Labor Code § 1174(d); improper recordkeeping; unfair business practices; including related premiums; statutory penalties; waiting time penalties; liquidated damages; interest; punitive damages; costs; attorneys’ fees; injunctive relief; declaratory relief; or accounting, whether such causes of action are in tort, contract, or pursuant to a statutory remedy (“Settlement Class Released Claims”).

Regardless of whether any PAGA Group Members request exclusion from the Settlement Class, Plaintiff fully releases the claims and rights to recover civil penalties against the Released Parties on behalf of the LWDA and Aggrieved Employees, to recover civil penalties under PAGA, costs, expenses, attorneys’ fees, or interest against the Released Parties on behalf of Aggrieved Employees and LWDA for any Labor Code or Wage Order violation that are alleged in the Fourth Amended Complaint, or that could have been alleged in the Fourth Amended Complaint, based upon or arising out of or which are derivative to the facts and/or claims alleged in the Fourth Amended Complaint and/or the LWDA Notice, during the PAGA Period. This includes, but is not limited to PAGA claims for violations of the California Labor Code and the California Wage Orders for: the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wage, straight time, overtime, and/or premium pay); failure to pay compensation at the regular rate of pay; failure to pay all hours worked, including any and all work performed off-the-clock or under the control of Defendant; failure to pay overtime in violation of California Labor Code §§ 510, 551, 552 and 1198; failure to provide meal periods and meal period premiums in violation of California Labor Code §§ 226.7 and 512(a); failure to provide rest period and rest period premiums in violation of California Labor Code § 226.7; failure to pay minimum wage in violation of California Labor Code §§ 1194, 1197, and 1197.1; failure to pay final wages in violation of California Labor Code §§ 201, 202, and 203; failure to timely pay wages during employment in violation of California Labor Code § 204; failure to reimburse business expenses in violation of California Labor Code §§ 2800 and 2802; failure to provide complete and compliant wage statements in violation of California Labor Code § 226; and failure to keep complete and accurate records in violation of California Labor Code § 1174(d). The Parties agree that there shall be no right for any Aggrieved Employee to opt out or otherwise exclude himself or herself from the release of PAGA claims. The Parties intend and agree that the Final Approval Order and the Judgment entered as a

result of this Settlement shall have res judicata and preclusive effect to the fullest extent allowed by law (“PAGA Group Released Claims”).

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$315,000) and reimbursement of litigation costs and expenses in an amount of up to One Hundred Ten Thousand Dollars (\$110,000) (collectively, “Attorneys’ Fees and Costs”), subject to Court approval. All Attorneys’ Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff Ramirez will seek the amount of Fifteen Thousand Dollars (\$15,000) (“Enhancement Payment”), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payment and/or Individual PAGA Payment that he is entitled to under the Settlement.

G. PAGA Allocation

Seventy-Five Thousand Dollars (\$75,000) of the Gross Settlement Amount is allocated for penalties pursuant to PAGA (“PAGA Allocation”). Pursuant to California Labor Code section 2699(i), and subject to approval by the Court under California Labor Code section 2699(l), seventy-five percent (75%) of the PAGA Payment (i.e., \$56,250) will be paid to the LWDA (“LWDA Payment”) and the remaining twenty-five percent (25%) of the PAGA Payment (i.e., \$18,750) will be distributed to the PAGA Group Members.

H. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated at Ten Thousand Dollars (\$10,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objections, and disputes of Qualifying Workweeks and/or Qualifying PAGA Pay Periods, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax form under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and be issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III(D) above. As a Class Member, you will not be separately responsible for the payment of attorney’s fees or litigation

costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must seek exclusion from the Settlement by submitting a written request ("Request for Exclusion") to the Settlement Administrator. A Request for Exclusion must: (a) contain the case name and number of the Action (*Nelson Ramirez v. HV Global Management Corporation*, Case Number 5:21-cv-09955-BLF); (b) be signed by you; (c) contain your full name, address, telephone number, and last four digits of your Social Security Number; (d) contain a statement clearly indicating that you do not wish to be included in the Settlement; and (e) be submitted to the Settlement Administrator by mail or fax, postmarked or fax-stamped no later than **[RESPONSE DEADLINE]**), at the following mailing address or fax number:

ILYM Group, Inc.

[MAILING ADDRESS]

[FAX NUMBER]

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment from the Class Settlement, will not be bound by the Class Settlement (and the release of claims described in Section III(D) above), and will not have any right to object to, appeal, or comment on the Class Settlement. Any Class Members who do not submit a valid and timely Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III(D) above, as well as any judgment that may be entered by the Court based thereon. PAGA Group Members may not opt out of, or otherwise exclude himself or herself from the PAGA Settlement or release of PAGA claims.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection ("Notice of Objection") to the Settlement Administrator. A Notice of Objection must: (a) contain the case name and number of the Action (*Nelson Ramirez v. HV Global Management Corporation*, Case Number 5:21-cv-09955-BLF); (b) contain your full name, signature, address, and telephone number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be mailed or faxed to the Settlement Administrator at the address listed in Section IV(B) above, postmarked or fax-stamped no later than **[RESPONSE DEADLINE]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Courtroom 3, 5th Floor of the United States District Court, Northern District of California, San Jose Division, located at 280 South 1st Street, San Jose, CA 95113, on **[DATE]**, at **[TIME]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, the Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator. The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

This Notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement by: (1) contacting Class Counsel at **(818) 265-1020**, (2) by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at

<https://ecf.cand.uscourts.gov>, or (3) by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, San Jose Division, located at 280 South 1st Street, San Jose, CA 95113, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.