

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Agreement”) is made by and between Plaintiff Vania Hernandez (“Plaintiff”) and Defendant Regus Management Group, LLC (“Defendant” or “Regus”). Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties” and individually as a “Party.”

I. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. “Action” means the Complaint, First Amended Complaint and Second Amended Complaint that was filed in California state court and any amendments thereto, which is currently captioned *Vania Hernandez v. Regus Management Group, LLC Case No. 37-2019-0067843-CU-OE-CTL* pending in Superior Court of the State of California, County of San Diego.
- B. “Class” means all individuals employed during the Class Period as non-exempt hourly employees working for Regus in California. “PAGA Class” are a sub-group of the Class. The PAGA Class means all individuals employed during the PAGA Period as non-exempt hourly employees working for Regus in California.
- C. “Class Counsel” means Marcus J. Bradley, Esq., Kiley L. Grombacher, Esq., and Lirit Ariella King, Esq., of Bradley/Grombacher, LLP, and Christine Adams of Adams Law, and any and all lawyers affiliated with either firm.
- D. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel as approved by the Court to compensate them for their legal work in connection with the Action.
- E. “Class Data” means, for each Class Member, his or her name; last-known mailing address; Social Security Number; his or her employee identification number; his or her dates of employment and/or number of workweeks worked during the Class Period as a Class Member.
- F. “Class Member” is a member of the Class.
- G. “Class Notice” means the Notice of Proposed Settlement of Class Action and Hearing Date for Final Court Approval, Request for Exclusion form, Objection form, substantively in the form attached hereto as Exhibit A and incorporated by reference into this Agreement.
- H. “Class Notice Packet” means the Class Notice to be provided to the Class Members by the Settlement Administrator in the form attached hereto as Exhibit A and incorporated by reference into this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator).

- I. “Class Period” means the period of time from May 31, 2017 through the date on which the Court enters an Order granting Preliminary Approval of this Settlement. “PAGA Period” means the period of time from October 16, 2018 through the date on which the Court enters an Order granting Preliminary Approval of this Settlement.
- J. “Class Representative Service Payment” means the amount approved by the court to be paid to Plaintiff in addition to her Settlement Share.
- K. “Court” means the Superior Court of California, County of San Diego.
- L. “Defendant’s Counsel” means E. Joseph Connaughton, Esq., Jennifer Fontaine, Esq., and Eva Adel, Esq. of Paul, Plevin, Sullivan & Connaughton LLP and any other lawyers affiliated with that firm.
- M. “Effective Date” means the date by which all of the following have occurred:
 - 1. This Agreement is approved by the Court; and
 - 2. The Judgment becomes Final as defined in Section I(O) of this Agreement.
- N. “Request for Exclusion” means the written request by a Class Member to exclude himself or herself from the Settlement submitted in accordance with the instructions in the Class Notice.
- O. “Final” means the last of the following dates, as applicable:
 - 1. If no objection to the Settlement is made, the date the Judgment is entered.
 - 2. If an objection to the Settlement is made and Judgment is entered, but no appeal is filed, the last date on which a notice of appeal from the Judgment may be filed and none is filed.
 - 3. If Judgment is entered and a timely appeal from the Judgment is filed, the date the Judgment is affirmed and is no longer subject to appeal.
- P. “Final Approval Hearing” means the hearing to be conducted by the Court to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- Q. “Gross Settlement Amount” means Five Hundred and Two Thousand, Two Hundred and Eighty Dollars (\$502,280.00) to be paid by Defendant as provided by this Agreement. This amount is without any reversion to Defendant and shall be inclusive of all payments of Settlement Shares to the Class Members, Settlement Administration Expenses, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the PAGA Payment contemplated in this Agreement, and excluding any employer payroll taxes due on the portion of the Settlement Shares allocated as wages, which shall not be paid from the Gross Settlement and shall be a separate additional obligation of Defendant.

- R. “Judgment” means the Final Approval Order and the Judgment entered by the Court substantially in the forms attached hereto as Exhibit C and incorporated by reference into this Agreement.
- S. “Net Settlement Amount” means the Gross Settlement Amount less the Court-approved amounts for the Class Representative Service Payment, the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the PAGA Payment, and the Settlement Administration Expenses.
- T. “Non-Participating Class Member” means a Class Member who submits a valid and timely Request for Exclusion.
- U. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion.
- V. “Preliminary Approval of the Settlement” means the Court’s Order Granting Preliminary Approval of the Settlement substantially in the form attached hereto as Exhibit B and incorporated by reference into this Agreement.
- W. “Released Parties” means Defendant and its parents, subsidiaries and related entities (including but not limited to IWG plc and its affiliated entities), their officers, directors, shareholders, persons, employees, agents, servants, representatives, members, attorneys, insurers, re-insurers, assigns, and all other entities with whom Defendant has been, is now, or may hereafter be affiliated with.
- X. “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement.
- Y. “Settlement Administrator” means ILYM Settlement Administrator, the administrator proposed by the Parties and appointed by the Court to administer the Settlement.
- Z. “Settlement Share” means each Participating Class Member’s share of the Net Settlement Amount as provided by this Agreement.

II. RECITALS

- A. On December 20, 2019, Plaintiff filed a class-action Complaint in San Diego Superior Court alleging (1) Failure to Pay Wages and/or Overtime; (2) Meal Break Violations (*Labor Code* §226.7); (3) Rest Break Violations (*Labor Code* §226.7); (4) Waiting Time Penalties (*Labor Code* §203); (5) Unreimbursed Mileage (*Labor Code* §§ 221, 2802); (6) Wage Statement Violations (*Labor Code* §226(a)); and, (7) Unfair Business Practices (*Business & Professions Code* § 17200).
- B. On or about February 7, 2020, Defendant filed an Answer to the Complaint.
- C. On or about September 30, 2020, Plaintiff filed a First Amended Complaint adding an eighth cause of action for Civil Penalties for Violation of California *Labor Code* §§ 2698, et. seq. (“PAGA”).

- D. On or about July 26, 2021, Plaintiff filed a Second Amended Complaint in which the statutory period under the definition of “Class Period” was limited to May 31, 2017 – present.
- E. On August 27, 2021 Defendant filed an Answer to the Second Amended Complaint.
- F. On April 14, 2022, the Parties and their counsel participated in an all-day mediation with Scott Markus, Esq., an experienced and highly-regarded mediator of wage and hour class actions.
- G. The Parties intend to resolve all wage and hour claims that have been, or could be, alleged by Hernandez or any Class Member.
- H. This Agreement shall supersede and replace any and all prior understandings, agreements or representations between the Parties.
- I. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiff or the Class have merit or that Defendant bears any liability to Plaintiff or the Class with relation to those claims or any other claims, or as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The Parties agree to provisional certification of the Class for purposes of this Settlement only. If for any reason the Settlement does not become effective, Defendant reserves the right to contest certification of any class for any reason, and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount that Defendant will pay under this Settlement is Five Hundred and Two Thousand, Two Hundred and Eighty Dollars (\$502,280.00). This amount is inclusive of all payments contemplated in this Settlement, excluding any employer-side payroll taxes on the portion of the Settlement Shares allocated as wages, which amount shall be separately paid by Defendant to the Settlement Administrator. All of the Gross Settlement Amount will be disbursed pursuant to this Agreement without the need to submit a claim form and none of the Gross Settlement Amount will revert to Defendant.
- B. **Payments from the Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount:
 - 1. **To Plaintiff:** In addition to the Settlement Share to be paid to Plaintiff, Plaintiff will apply to the Court for an award of not more than \$15,000 as a Class Representative Service Payment. Defendant will not oppose a Class Representative Service Payment not to exceed \$15,000 for the Plaintiff. The Settlement Administrator will pay the Class Representative Service

Payment approved by the Court out of the Gross Settlement Amount. If the Court approves a Class Representative Service Payment of less than \$15,000 for the Plaintiff, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. Payroll tax withholding and deductions will not be taken from the Class Representative Service Payment and instead a Form 1099 will be issued to the Plaintiff with respect to the payment. To receive the Class Representative Service Payment and the Settlement Share to be paid to Plaintiff, the Plaintiff agrees to a waiver of California Civil Code §1542 and a general release of all claims as set forth below.

2. **To Class Counsel:** Class Counsel will apply to the Court for an award of not more than One-Third of the Gross Settlement Amount, which is currently \$167,426.67 as their Class Counsel Fees Payment and an additional amount not more than \$15,000 for all litigation expenses incurred as their Class Counsel Litigation Expenses Payment. Defendant will not oppose their request for a Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment consistent with this Agreement and approved by the Court. The Settlement Administrator will pay the amounts approved by the Court (but not more than One-Third of the Gross Settlement Amount, which is currently \$167,426.67, and \$15,000, respectively) out of the Gross Settlement Amount. If the Court approves a Class Counsel Fees Payment or a Class Counsel Litigation Expenses Payment of less than One-Third of the Gross Settlement Amount, which is currently \$167,426.67 and \$15,000, respectively, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. Payroll tax withholding and deductions will not be taken from the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment and instead one or more Forms 1099 will be issued to Class Counsel with respect to those payments.
3. **To LWDA.** The Parties will seek approval from the Court for a PAGA Payment in the amount of \$25,000 out of the Gross Settlement Amount, which shall be allocated \$18,750 as the LWDA's share for the settlement of civil penalties paid under this Agreement pursuant to the PAGA (the "LWDA Payment") and \$6,250 to the Net Settlement Amount for distribution to the Participating Class Members. If the Court approves a PAGA Payment of less than \$25,000, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members.
4. **To the Settlement Administrator.** The Settlement Administrator will pay out of the Gross Settlement Amount to itself its reasonable fees and expenses that are documented and approved by the Court in an amount not to exceed \$15,590 ("Settlement Administration Expenses"). To the extent the Settlement Administration Expenses that are documented and approved by the Court are less than \$15,590, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members.

- C. **Payments From the Net Settlement Amount.** The Net Settlement Amount shall include the following payments after the deductions have been made from the Gross Settlement Amount as described in this Agreement. The Net Settlement Amount shall include the following:
1. **Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member. The submission of a claim form is not required for payment to a Participating Class Member.
 2. **Calculation.** The Settlement Share for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of workweeks worked for all Participating Class Members that occurred during the Class Period and (b) multiplying the result by each individual Participating Class Member's workweeks worked that occurred during the Class Period. In addition, each Participating Class Member who separated employment during the Class Period shall receive an additional ten (10) workweeks credit in determining that Class Member's Settlement Share; provided that such employee separated employment during the Class Period and worked a total of six (6) or more workweeks. The pro-rata shares for PAGA Class will be similarly determined by comparing the PAGA pay periods worked by each PAGA Class member to the total PAGA Pay Periods for all PAGA Class worked during the PAGA Period.
 3. **Withholding.**
 - a. Subject to approval by the Court, One-Third of each Participating Class Member's Settlement Share is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2 and shall be paid for from the Gross Settlement Amount. For the avoidance of doubt, the wage withholdings described in this Section III.C.3.a are taxes for which the Participating Class Member is solely responsible, and, as further described in this Agreement, employer payroll taxes shall not be paid from the Gross Settlement Amount and shall be a separate additional obligation of Defendant.
 - b. Subject to approval by the Court, Two-Third of each Participating Class Member's Settlement Share is in settlement of claims for interest and claims for penalties allegedly due to employees ("Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. Each Participating Class Member shall be solely responsible for the payment of income or other taxes attributable to the Non-Wage Portion payment.
 4. **Effect of Non-Participating Class Members.** Non-Participating Class Members will receive no Settlement Share, and their Request for Exclusion

will not reduce the Gross Settlement Amount. Their respective Settlement Shares will remain a part of the Net Settlement Amount for distribution to Participating Class Members on a *pro rata* basis relative to their Settlement Shares.

5. **Class Size Modification.** Defendant has represented that the class consists of an estimated total of approximately 1300 Class Members who will collectively work approximately 115,000 workweeks throughout the Class period and until The Final Approval Hearing. In the event that the actual number of workweeks in the Class Period exceeds the estimated Class Member amount by more than fifteen percent (15%), as of the end of the Class Period, Plaintiff has the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement.

- D. **Appointment of Settlement Administrator.** The Parties have agreed to ask the Court to appoint ILYM Settlement Administrators as the qualified administrator, to serve as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number to receive calls from Class Members; receiving and reviewing for validity completed Request for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of completed Request for Exclusion; calculating Settlement Shares; issuing the checks to effectuate the payments due under the Settlement; issuing the tax forms required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator will have the authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share, subject to the dollar limitations and calculations set forth in this Agreement. The Settlement Administration Expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Gross Settlement Amount.

The Settlement Administrator shall have its own Employer Identification Number under Internal Revenue Service Form W-9 and shall use its own Employer Identification Number in calculating payroll withholdings for taxes and shall transmit the required employers' and employees' share of the withholdings to the appropriate state and federal tax authorities. The Settlement Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

- E. **Procedure for Approving Settlement.**

1. **Motion for Preliminary Approval of Settlement by the Court.**

- a. After execution of this Agreement, Plaintiff will file a Preliminary Approval Motion with the Court for an order giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice (the “Motion for Preliminary Approval”).
 - b. At the hearing on Motion for Preliminary Approval, the Parties will appear, support the granting of the motion, and submit an Order granting Preliminary Approval of the Settlement substantially in the form attached hereto as Exhibit B and incorporated by reference into this Agreement.
 - c. Should the Court decline to preliminarily approve material aspects of the Settlement (including but not limited to the scope of release to be granted by Participating Class Members or the binding effect of the Settlement on Participating Class Members), the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Settlement for the Court’s approval, if necessary.
2. **Notice to Class Members.** After the Court enters an Order Granting Preliminary Approval of the Settlement, every Class Member will be sent the Class Notice Packet (which will include the Class Notice completed to reflect the Order Granting Preliminary Approval of the Settlement and showing the Class Member’s Settlement Share) as follows:
 - a. No later than fourteen (14) business days after the Court enters an Order Granting Preliminary Approval of the Settlement, Defendant will provide to the Settlement Administrator an electronic database containing each Class Member’s Class Data. Class Data will otherwise remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, in order to carry out the reasonable efforts described in section III.E.2.c., or pursuant to Defendant’s express written authorization or by order of the Court. All Class Data will be used for settlement notification and settlement administration and shall not be used for any other purpose by Class Counsel.
 - b. The Settlement Administrator will mail the Class Notice Packets to all Class Members via first-class regular U.S. Mail no later than seven (7) calendar days after receiving the Class Data, using the mailing address information provided by Defendant, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
 - c. If a Class Notice Packet is returned because of an incorrect address, the Settlement Administrator will promptly, and not longer than ten (10) days from receipt of the returned packet, search for a more

current address for the Class Member and re-mail the Class Notice Packet to the Class Member. The Settlement Administrator will use the Class Data and otherwise work with Defendant to find that more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, Court orders, and fee, as agreed to with Class Counsel and according to the following deadlines, to trace the mailing address of any Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records and notify Class Counsel and Defendant's Counsel of the date and address of each such re-mailing as part of a weekly status report provided to the Parties.

- d. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Request for Exclusion it receives (including the numbers of valid and deficient), and number of objections received.
- e. Not later than twenty (20) days before the date by which the Plaintiff files the motion for final approval of the Settlement, the Settlement Administrator will provide Class Counsel a declaration of due diligence setting forth its compliance with its obligations under this Agreement and detailing the number of valid and timely opt outs and objections received. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Objections to Settlement; Disputes as to Workweeks allocated to Class Members; Objections to Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment; Request for Exclusion.** Participating Class Members may submit objections to the Settlement and objections to Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. Class Members may also submit disputes as to workweeks allocated to them and Request for Exclusion pursuant to the following procedures:

- a. **Objections to Settlement and Disputes as to Workweeks.** The Class Notice will provide that only Participating Class Members who wish to object to the Settlement may object to the proposed Settlement, either in writing or orally at the Final Approval Hearing. Objections in writing must be submitted to the Settlement Administrator no later than forty-five (45) days after the Settlement

Administrator mails the Class Notice Packets and must set forth the grounds for the objection and comply with the instructions in the Class Notice. A Participating Class Member who does not submit an oral and/or a written objection in the manner and by the deadline specified above will be deemed to have waived any objection and will be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. Non-Participating Class Members shall have no ability to comment on or object to the Settlement.

Each Class Member shall also have forty-five (45) days from the date of mailing the Class Notice Packet in which to dispute the number or workweeks which the Class Notice allocates to them during the Class Period. Any Notice of Dispute shall be directed to the Settlement Administrator. In the event of any such dispute, the employment, time and payroll records of Defendant shall be entitled to a presumption of accuracy and any Class Member asserting a dispute shall have the burden to prove the accuracy of his or her claim. Any dispute as to this allocation shall be resolved by the Settlement Administrator. In resolving any such dispute, the Settlement Administrator may request additional information from Defendant's Counsel and/or Class Counsel.

- b. **Request for Exclusion.** The Class Notice also will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator not later than forty-five (45) days after the Settlement Administrator mails the Class Notice Packets, a signed Request for Exclusion. To be valid, a Request for Exclusion must be timely and must comply with the instructions in the Class Notice. If a question is raised about the authenticity of a signed Request for Exclusion, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity and will give the Class Member notice of the deficiency and the opportunity to cure. A Non-Participating Class Member will not participate in or be bound by the Settlement and the Judgment. Defendant will remain free to contest any claim brought by the Class Member that would have been barred by this Agreement, and nothing in this Agreement will constitute or be construed as a waiver of any defense Defendant has or could assert against such a claim. In the event of any claim brought by a Non-Participating Class Member, nothing in this Agreement, nor in the proceedings that resulted in the Settlement, nor in the mediation referenced above, or in any other aspect connected with the Settlement, shall be offered as evidence for any purpose. A Class Member who does not complete and mail a timely Request for Exclusion in the manner and by the deadline specified above will automatically become a Participating Class Member and be bound by all terms and conditions of the Settlement, including the Released Class Claims by the Participating Class Members, if the Settlement

is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement. Persons who submit a Request for Exclusion shall not be permitted to file objections to the Settlement or appear at the Final Approval Hearing to voice any objections to the Settlement.

All Participating Class Members who do not submit a valid and timely Request for Exclusion will receive a Settlement Share, without the need to file a claim form, and will be bound by all of the terms of the Settlement, including without limitation, the release of the Released Class Claims by the Participating Class Members set forth in this Agreement. The Settlement Administrator shall withhold from the Settlement Share of any Participating Class Member any amount necessary to comply with any lawful withholding order (such as orders for child support, garnishments, tax liens, or the like).

- c. **Report.** Not later than ten (10) days after the deadline for submission of Request for Exclusion, the Settlement Administration will provide the Parties with a complete and accurate list of all Participating Class Members and all Non-Participating Class Members.

- 4. **Right of Defendant to Reject Settlement.** If more than five percent (5%) of the Class Members timely submit valid Request for Exclusion, Defendant will have the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Agreement, except that Defendant will pay the Settlement Administration Expenses incurred as of the date that Defendant exercises the right to void the Settlement. Defendant will notify Class Counsel and the Court whether it is exercising this right to void the Settlement not later than seven (7) days after the Settlement Administrator notifies the Parties of the number of valid Request for Exclusion it has received.
- 5. **No Solicitation and No Publicity.** The Parties and their counsel represent that neither the Parties nor their respective counsel have or will solicit or otherwise encourage, directly or indirectly, any Class Member to object to the Settlement, appeal from the Judgment, or elect not to participate in the Settlement. If a Class Member submits an Request for Exclusion, Class Counsel will not solicit, represent, or otherwise encourage that Non-Participating Class Member to participate in separate litigation against Defendant. Further, the Parties and their counsel shall hold the Settlement and its terms in confidence and will not disclose its proposed terms to third parties, other than experts and Defendant's financial or legal professionals, until a Motion for Preliminary Approval is filed with the Court.
- 6. **Additional Briefing and Final Approval.**

- a. Class Counsel will file with the Court their motion for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment no later than the date the Plaintiff files the motion for final approval, and the application will be scheduled to be heard by the Court at the Final Approval Hearing.
 - b. Not later than sixteen (16) court days before the Final Approval Hearing, the Plaintiff will file with the Court a motion for final approval of the Settlement.
 - c. If any opposition is filed, then not later than five (5) court days before the Final Approval Hearing, both Parties may file a reply or replies in support of the motion for final approval of the Settlement, and Plaintiff and Class Counsel may also file a reply in support of their motions for the Class Representative Service Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.
 - d. If the Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), then the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Settlement for the Court's approval. However, an award by the Court of a lesser amount than that sought by Plaintiff and Class Counsel for the PAGA Payment, Class Representative Service Payment, the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment, will not constitute a material modification to the Settlement within the meaning of this paragraph.
 - e. Upon final approval of the Settlement by the Court at or after the Final Approval Hearing, the Parties will present for the Court's approval and entry the Judgment substantially in the form attached hereto as Exhibit C. After entry of the Judgment, the Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.
7. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, Plaintiff and Participating Class Members who did not timely submit an objection to the Settlement, Defendant, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, and any extraordinary writ. The Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. If an appeal

is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final.

8. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion, petition, or application, the reviewing Court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), and that Court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then the Parties shall work together in good faith to address any concerns raised by the reviewing court and propose a revised Settlement for the approval of the court not later than fourteen (14) days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Court's award of the Class Representative Service Payment or the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph, provided that Defendant's obligation to make payments under this Settlement will remain limited by the Gross Settlement Amount.
9. **Timing of Provision of Settlement Shares and Other Payments.** Defendant will fund the Gross Settlement Amount by depositing the money with the Settlement Administrator. Defendant shall fund the Gross Settlement Amount and the amount necessary to pay Defendant's share of payroll taxes within fifteen (15) days of the Effective Date. Within fifteen (15) days after Defendant funds the Gross Settlement Amount, the Settlement Administrator will pay to Participating Class Members, their Settlement Shares; to Plaintiff, the Class Representative Service Payment; to Class Counsel, their Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment; to the LWDA, their LWDA Payment; and to the Settlement Administrator, the Settlement Administration Expenses.
10. **Uncashed Settlement Share Checks.** A Participating Class Member must cash his or her Settlement Share check within 180 days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Participating Class Member at his or her correct address. If the check remains uncashed by the expiration of the 180-day period after it is mailed to the Participating Class Member, the funds from such uncashed checks will be paid to the California State Controller's Unclaimed Property Fund in the name of the Participating Class Member, and the Participating Class Member will remain bound by the Settlement.
11. **Final Report by Settlement Administrator to Court.** Within ten (10) days after final disbursement of all funds from the Gross Settlement

Amount, the Settlement Administrator will serve on the Parties and file with the Court a declaration proving a final report on the disbursements of all funds from the Gross Settlement Amount.

F. Release of Claims.

1. **Participating Class Members.** As of the date the Judgment becomes Final, Defendant and the other Released Parties shall be entitled to a release of any and all claims, debts, liabilities, demands, actions or causes of action which are alleged, or reasonably could have been alleged based on the facts and claims asserted in the Second Amended Complaint, including all claims for restitution and other equitable relief, claims for unpaid minimum and overtime wages, commissions, liquidated damages, sick pay, meal and rest period premiums, unreimbursed business expenses, waiting time penalties, calculation or payment of the regular rate of pay, unfair business practices, failure to provide accurate wage statements, and civil penalties brought under the PAGA, (“Released Claims”), and all claims for civil or statutory penalties arising out of the Participating Class Members’ Released Claims. The Released Claims expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and claims arising outside of the Class Period. Plaintiff agrees to file, and Defendant agrees to stipulate to, a Third Amended Complaint, if necessary to encompass all released wage and hour claims by all Class Members.
2. **Plaintiff.** As of the date the Judgment becomes Final, Plaintiff hereby fully and finally releases Defendant and the other Released Parties from any and all claims, losses, debts, charges, damages, demands, obligations, causes of action, lawsuits, liabilities, breaches of duty, misfeasance, malfeasance, promises, controversies, contracts, judgments, awards, penalties, costs, and expenses of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any local, state, or federal statute, rule, regulation, ordinance or common law, including but not limited to those claims raised in the Action and/or that could have been raised in the Action, and those arising from or related to his work with Defendant (“Plaintiff’s Released Claims”) and the Released Claims, as set forth above. This release excludes only the release of claims not permitted by law.
3. **Plaintiff’s Waiver of Rights Under California Civil Code Section 1542.** As partial consideration for the Class Representative Service Payment, the Plaintiff’s Released Claims shall include all such claims, whether known or unknown by the Plaintiff. Thus, even if Plaintiff discovers facts and/or claims in addition to or different from those that he now knows or believes to be true with respect to the subject matter of the Plaintiff’s Released Claims, those claims will remain released and forever barred. Therefore, with respect to Plaintiff’s Released Claims, Plaintiff expressly waives and

relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads:

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

4. **Class Counsel.** As of the date the Judgment becomes Final, and except as otherwise provided by this Agreement and the Judgment, Class Counsel and any counsel associated with Class Counsel waive any claim to costs and attorneys' fees and expenses against Defendant arising from or related to the Action.
- G. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff or Participating Class Members, and Plaintiff and Participating Class Members will be deemed to have waived all such claims, whether known or unknown by them, as part of their release of claims under this Agreement.
- H. **Limitation on Public Statements About Settlement.** Plaintiff and Class Counsel represent that they have not and will not issue any press, publications, or other media releases about the Settlement (including, but not necessarily limited to advertising or marketing materials or on social media) or have any communication with the press or media or anyone else regarding the Settlement. This provision shall not prohibit Class Counsel from communicating with Class Members after preliminary approval is granted for the sole purpose of administering the Settlement. This provision also does not limit Class Counsel from complying with ethical obligations or from posting court-filed documents on their website for viewing by Class Members.
- I. **Miscellaneous Terms.**
 1. **No Admission of Liability or Class Certification for Other Purposes.**
 - a. Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant or the Released Parties, or an admission by Plaintiff that any of the claims were non-meritorious or any defense asserted by Defendant was meritorious. This Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in

connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement).

- b. Whether or not the Judgment becomes Final, neither the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or this Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Plaintiff or Defendant or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.
 - c. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings for the limited purpose of enforcing any or all terms of this Agreement or defending any claims released or barred by this Agreement.
2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
 3. **Attorney Authorization.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement including any amendments to this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the mediator for resolution.
 4. **No Prior Assignments:** The Parties represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity and

portion of any liability, claim, demand, action, cause of action, or right released and discharged in this Settlement.

5. **No Tax Advice:** Neither Class Counsel nor Defendant's Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
6. **Modification of Agreement.** Except as set forth in III.I.3 hereinabove this Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their authorized representatives.
7. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
8. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California.
9. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
10. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
11. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
12. **Use and Return of Documents and Data.** All originals, copies, and summaries of documents and data provided to Class Counsel by Defendant in connection with the mediation or other settlement negotiations in this matter may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule. Within thirty (30) days after the Judgment becomes Final, Class Counsel will confirm in writing to Defendant the destruction of all such documents and data including those provided by Class Counsel to experts and third parties for mediation or other settlement purposes.

13. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the Class:

BRADLEY/GROMBACHER, LLP
Marcus J. Bradley, Esq.
Kiley L. Grombacher, Esq.
Lirit A. King, Esq.
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: (805) 270-7100
Facsimile: (805) 270-7589
mbradley@bradleygrombacher.com
kgrombacher@bradleygrombacher.com
lking@bradleygrombacher.com

ADAMS LAW
Christine Adams
351 Paseo Nuevo, Second Floor
Santa Barbara, California 93101
christine@adamsemploymentlaw.com

To Defendant:

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP
E. Joseph Connaughton
Jennifer M. Fontaine
Eva A. Adel
101 West Broadway, Ninth Floor
San Diego, California 92101-8285
Telephone: 619-237-5200
Facsimile: 619-615-0700
jconnaughton@paulplevin.com
jfontaine@paulplevin.com
eadel@paulplevin.com

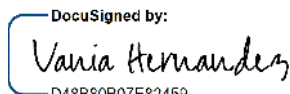
14. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument provided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

15. **Stay of Litigation.** The Parties agree that upon the signing of this Agreement by the Parties hereto the continuing litigation of the Action shall be stayed including but not limited to any outstanding written discovery request, and the time to bring the Action to trial shall be extended pending the outcome of the settlement process.
16. **Continuing Jurisdiction.** The Court shall retain continuing jurisdiction over the Action to ensure the continuing implementation of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

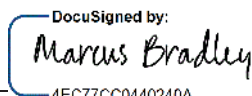
The Parties and their counsel hereby execute this Agreement.

Dated: April ¹⁵ ___, 2022

By:  _____
Vania Hernandez
Plaintiff on behalf of himself and all others
similarly situated


Dated: April ¹⁵ ___, 2022

BRADLEY/GROMBACHER, LLP

By:  _____
Marcus J. Bradley
Attorneys for Plaintiff, Vania Hernandez and the
Putative Classes

Dated: April ¹⁵ ___, 2022

ADAMS LAW

By:  _____
Christine Adams
Attorneys for Plaintiff, Vania Hernandez and the
Putative Classes

Dated: April ___, 2022

REGUS MANAGEMENT, LLC

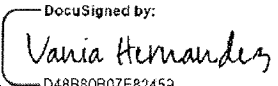
By: _____
Sharon Edmondson

15. **Stay of Litigation.** The Parties agree that upon the signing of this Agreement by the Parties hereto the continuing litigation of the Action shall be stayed including but not limited to any outstanding written discovery request, and the time to bring the Action to trial shall be extended pending the outcome of the settlement process.
16. **Continuing Jurisdiction.** The Court shall retain continuing jurisdiction over the Action to ensure the continuing implementation of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

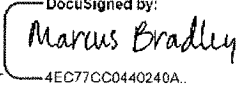
The Parties and their counsel hereby execute this Agreement.

Dated: April ¹⁵____, 2022

By: 
Vania Hernandez
Plaintiff on behalf of himself and all others
similarly situated

Dated: April ¹⁵____, 2022

BRADLEY/GROMBACHER, LLP

By: 
Marcus J. Bradley
Attorneys for Plaintiff, Vania Hernandez and the
Putative Classes

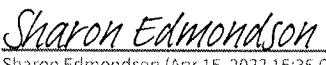
Dated: April ____ , 2022

ADAMS LAW

By: _____
Christine Adams
Attorneys for Plaintiff, Vania Hernandez and the
Putative Classes

Dated: April ____ , 2022

REGUS MANAGEMENT, LLC

By: 
Sharon Edmondson (Apr 15, 2022 15:35 CDT)
Sharon Edmondson

Dated: April 15, 2022

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP

By:

A handwritten signature in blue ink, appearing to be 'Jennifer M. Fontaine', is written over a horizontal line.

E. Joseph Connaughton
Jennifer M. Fontaine
Eva A. Adel
Attorneys for Regus, Inc.

EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR
FINAL COURT APPROVAL, REQUEST FOR EXCLUSION FORM, AND OBJECTION
FORM]

EXHIBIT B

[ORDER GRANTING PRELIMINARY APPROVAL OF THE SETTLEMENT]

EXHIBIT C

[FINAL APPROVAL ORDER AND JUDGMENT]