

SETTLEMENT AGREEMENT PURSUANT TO
PRIVATE ATTORNEYS GENERAL ACT (PAGA)

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff Roshawn Coldcleugh ("Plaintiff"), for herself and on behalf of the State of California and all Private Attorneys General Act ("PAGA") Settlement Group Members, on the one hand, and Defendant SAK Hospitality, Inc. ("Defendant"), on the other hand (collectively, the "Parties"), subject to the approval of the Court in accordance with California Labor Code section 2699(1)(2), that the Settlement of this Action shall be effectuated upon and subject to the following terms and conditions.

The Parties agree that the Action (as defined in Section I below) against Defendant shall be, upon approval by the Court, ended, settled, resolved, and concluded without any admission of fault or liability, as set forth in this Agreement and for the consideration set forth herein, including but not limited to a release of claims by Plaintiff and the PAGA Settlement Group Members as set forth herein.

1. DEFINITIONS

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) "Action" means the civil action, *Roshawn Coldcleugh v. SAK Hospitality, Inc.*, pending in the Superior Court of California, County of Solano, case No. FCS054652.
- (b) "Agreement" means this Settlement Agreement.
- (c) "Approval Date" means the date that is the last to occur of the following events: (1) the Court's granting approval of this Agreement, subject to modification by the Court, (2) the Court's signing of the approval of this Agreement, and (3) the filing of the Final Order with the Court.
- (d) "Complaint" means the Complaint filed by Plaintiff on or about April 6, 2020 in the Action.
- (e) "Court" means the Superior Court of California, County of Solano.
- (f) "Defendant" means SAK Hospitality, Inc.
- (g) "Defense Counsel" or "Counsel for Defendant" means:

Clarice C. Liu
Liu Employment Law Firm
Four Embarcadero Center, Suite 1400
San Francisco, CA 94111
Telephone: (415) 288-8622

- (h) "Putative Aggrieved Employees" means Plaintiff, and all current and former non-exempt employees employed by Defendant in California from January 25, 2019 through the Approval Date. The Parties agree and acknowledge that the Complaint erroneously includes "exempt employees" in the Action, but the Parties agree that the only employees at issue in this Action are non-exempt employees.
- (i) "Putative Aggrieved Employee Penalty Payment" means the portion of the Settlement Sum that shall be paid to each PAGA Settlement Group Member per the terms and conditions of this Agreement.
- (j) "Effective Date" means the date by which all of the following have occurred:
 - (1) The Court has approved the Settlement;
 - (2) The Court has entered the Final Order; and,
 - (3) The longer of (a) 30 days after entry of judgment on the PAGA claims or (b) any date set by the Court for anyone to object, appeal or intervene, without objection, appeal or intervention, or in the event any objection, appeal, or intervention is filed, the date that same is disposed in the Parties' favor and is no longer subject to review by any court, whether by appeal, petition for rehearing or re-argument, petition for review, or otherwise. Defendant contends no third party or administrative agency or official has a right to object to, intervene or otherwise participate in this approval process, other than the LWDA receiving a copy of the proposed agreement. Should any appeal, objection, or intervention not result in approval of the Parties' Settlement as described herein, the Settlement shall be void *ab initio* and of no further force or effect, and the Parties shall be returned in all respects to their respective positions as of October 19, 2021, the day before the mediation in this matter.
- (k) "Final Order" means the final Court order entered in this Action in accordance with the terms herein, or as modified by the Court, the Court adopting and approving this Agreement (and the terms of Settlement described herein), dismissing the PAGA claims with prejudice, and the Court retaining jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the Settlement.
- (l) "LWDA" means the State of California Labor and Workforce Development Agency.

- (m) "Named Plaintiff" or "Plaintiff" means Roshawn Coldcleugh.
- (n) "PAGA" means the Private Attorneys General Act of 2004, California Labor Code section 2698 et seq.
- (o) "PAGA Claims" means claims for PAGA penalties, pursuant to Labor Code section 2699 et seq. that: (1) arose or may be alleged to have arisen at any time from January 25, 2019 up to and including the Approval Date, and (2) are based on or arise from facts and/or violations alleged in the Complaint including, but not limited to, violations of Labor Code provisions: 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 558, 1194, and 1198. Plaintiff agrees and acknowledges that the Complaint erroneously includes allegations of violation of California Labor Code sections 1174, 1174.5, 1197, 1197.1 and 2802. The Parties agree that any and all allegations pursuant to these provisions in the Complaint shall be stricken.
- (p) "PAGA Settlement Group Members" means the "Putative Aggrieved Employees" as defined hereinabove. Defendant represents there are approximately 110 individuals that compose the PAGA Settlement Group Members, subject to adjustment as of the Approval Date, and these individuals worked approximately 1,238 pay periods from January, 2019 to October, 2021. The Parties agree that there is no statutory right to provide aggrieved employees the option to opt out of the PAGA Settlement Group Members.
- (q) "Plaintiff's Counsel" means:
- Kevin F. Woodall
Woodall Law Offices
100 Pine Street, Suite 1250
San Francisco, CA 94111
Telephone: (415) 413-4629
- (r) "Putative Aggrieved Employee List" means a complete list of all Putative Aggrieved Employees that Defendant will diligently and in good faith compile from their records and provide to the Claims Administrator within ten (10) business days after the Approval Date. The Putative Aggrieved Employee List will be formatted in a readable Microsoft Office Excel spreadsheet and will include (if available) each Putative Aggrieved Employee's full name; most recent mailing address and telephone number; Social Security number; the hire and termination dates, Pay Periods, and any other relevant information needed to calculate settlement payments. The Parties agree that this list constitutes confidential personnel action and will be maintained by the Claims Administrator with the strictest confidence and will not be released to Plaintiff, Plaintiff's Counsel, or any Putative Aggrieved Employee.

- (s) "Released Parties" means SAK Hospitality, Inc. and any and all subsidiaries of SAK Hospitality, Inc., and each of their past, present, and future parents, affiliated companies, subsidiaries, divisions, predecessors, successors, partners, joint venturers, shareholders, consultants, advisors, insurers, reinsurers and assigns, and each of their past, present and future officers, investors, directors, executives, trustees, agents, employees, attorneys, representatives, benefit plans sponsored or administered by the Released Parties, and any other persons or entities acting on behalf of or in concert with any of the foregoing.
- (t) "Settlement" means the Parties' agreement, as detailed herein, to dispose of the Action as to Defendant.
- (u) "Settlement Sum" means the total gross settlement amount of One Hundred Forty Thousand Dollars (\$140,000.00) to be paid by Defendant as provided by this Agreement to fully and finally settle, resolve and conclude this Action as to Defendant, as provided under this Agreement, without any admission of fault or liability. Under no circumstances shall the Settlement Sum exceed \$140,000.00. The Settlement Sum is inclusive of Plaintiff's Counsel's attorney's fees and costs and settlement administration costs.

II. FACTUAL BACKGROUND

- (a) On or about January 25, 2020, Plaintiff served a letter to the LWDA and Defendant ("January 25, 2020 Letter"), in accordance with the requirements of Labor Code section 2699.3(a), to notify the LWDA of alleged violations of the California Labor Code by Defendant arising from Plaintiff's employment with Defendant. The January 25, 2020 Letter alleged that Defendant had violated California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198 and 2802. The January 25, 2020 Letter also indicated that Plaintiff intended to pursue a representative civil action under the PAGA against Defendant pursuant to Labor Code section 2699 et seq. The LWDA declined to investigate the alleged violations, permitting Plaintiff to initiate a PAGA action in court.
- (b) On April 6, 2020, Plaintiff initiated an action by filing a complaint in Roshawn Coldcleugh v. SAK Hospitality, Inc., pending in the Superior Court of California, County of Solano, case No. FCS054652 (the "Action"). This Action was brought on an individual basis for Plaintiff and on a putative representative basis under PAGA on behalf of the State of California and other allegedly Putative Aggrieved Employees. Plaintiff's Complaint alleged the following causes of action: (1) failure to provide accurate and compliant itemized wage statements; (2) failure to pay overtime wages; (3) failure to provide rest periods; (4) failure to provide meal periods; (5) violation of the Private Attorneys General Act Relating to Unpaid Overtime Wages (6) violation of

the Private Attorneys General Act relating to inaccurate and noncompliant wage statements; (7) violation of the Private Attorneys General Act relating to timely pay final wages; (8) violation of the Private Attorneys General Act relating to failure to provide rest periods; and (9) violation of the Private Attorneys General Act relating to failure to provide meal periods. With respect to the PAGA claims in the Complaint, Plaintiff alleged violations of Labor Code sections 201-203, 226, 226.7, 510, 512, 558, 1194 and 1198.

- (c) This Agreement sets forth the terms and conditions of the resolution of the entire Complaint, including the individual claims and the PAGA Claims asserted on behalf of the State of California and the PAGA Settlement Group Members.
- (d) The Parties engaged in a substantial exchange of documents and information during discovery. The Parties reached this Settlement only after substantial discovery and investigation were performed.
- (e) On October 20, 2021, the Parties engaged in a one-day mediation session with mediator Harris Weinberg of ADR Services, Inc. After an extensive negotiation facilitated by Mr. Weinberg, the Parties reached this Settlement, including a settlement of Plaintiff's individual claims against Defendant.
- (f) The Settlement embodied in this Agreement is contingent on (i) issuance by the Court of a Final Order approving the Settlement, dismissing the PAGA Claims with prejudice in their entirety, (ii) entry of the Final Order enforcing the terms of the Settlement, and retaining jurisdiction to ensure compliance with the Court's Final Order only, (iii) discharge of Defendant and the Released Parties from liability for the PAGA Claims released by this Agreement, (iv) release of the PAGA Claims released by this Agreement against the Released Parties by Plaintiff, the State of California and all PAGA Settlement Group Members, (v) submission of the Court's Final Order by Plaintiff's counsel to the LWDA within ten (10) business days of entry of the order pursuant to California Labor Code 2699(1)(3), and (vi) all parties bearing their respective fees and costs except as expressly provided in this Agreement.
- (g) Within ten (10) business days of the Court's issuing the Final Order, Plaintiff will submit a Request for Dismissal to dismiss the entire case against Defendant, with prejudice, including the dismissal of the individual and PAGA claims. However, the Court shall retain the jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the PAGA settlement, as part of the Final Order.
- (h) Defendant disputes and denies Plaintiff's allegations and various causes of action asserted in the Complaint, including, without limitation, Plaintiff's individual claims, and the PAGA Claims which are resolved by this Agreement.

III. APPROVAL AND IMPLEMENTATION OF SETTLEMENT

A. Court Approval

Because this Action includes PAGA claims, this Agreement requires review and approval by the Court. See Cal. Lab. Code 2699(1)(2). Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement is expressly contingent upon the Court's approval of this Settlement and the terms and material conditions of this Agreement (including, but not limited to, issuance of and entry of the Final Order in accordance therewith). If Court approval is not given and the Final Order is not entered, under the specific material terms requested, this entire Agreement shall automatically be deemed null and void ab initio, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

The Parties will cooperate in seeking approval of the settlement as described in this Agreement, including by drafting and filing the Plaintiff's Motion for Approval of Settlement. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents reasonably necessary to be prepared or filed and shall take all steps that may be requested by the Court relating to the approval and implementation of the settlement. Defendant shall provide a declaration in support of Plaintiff's Motion for Approval of Settlement, which sets forth the financial challenges faced by Defendant due to the pandemic. Plaintiff's Counsel shall draft the Plaintiff's Motion for Approval of Settlement and provide the draft to Defendant's Counsel for review at least five (5) business days prior to the filing date for the Plaintiff's Motion for Approval of Settlement and to meet and confer regarding any modification by Defendant's Counsel. Plaintiff's Counsel shall submit Plaintiff's Motion for Approval of Settlement papers to the LWDA no later than five (5) business days after the Settlement Agreement and motion papers are filed with the Court.

Plaintiff will file Plaintiff's Motion for Approval of Settlement upon the Parties' agreement. At the hearing on the Plaintiff's Motion for Approval of Settlement, the Parties will jointly appear, support the granting of the motion, and submit an order granting the motion in the form agreed upon by the Plaintiff's Counsel and Defense Counsel.

If the Court does not grant the application for approval of Plaintiff's Motion for Approval of Settlement, then this Agreement will become null and void, in which case the Parties will not have any obligations pursuant to the terms of this Agreement. Provided that the Court's approval of this Settlement Agreement is consistent with the material terms of this Agreement, the Parties hereby waive any and all rights to appeal the approval of this Settlement Agreement, and the Final Order therefore will become non-appealable at the time it is entered.

Plaintiff shall submit a copy of the Final Order in this Action and a copy of any other order providing for or denying an award of civil penalties within ten (10) days after entry of the Final Order, in compliance with section 2699(1)(3) of the California Labor Code. If Plaintiff fails to satisfy this condition in strict compliance with section 2699(1)(3) of the California Labor

Code, the Settlement shall be voidable at Defendant's option and all parties will be returned to their litigation positions as of October 19, 2021.

B. Settlement Sum Payment Procedures

(1) Settlement Sum

In exchange for the releases, obligations, and promises set forth in this Agreement (and subject to the terms and conditions contained in this Agreement), Defendant agrees to pay the Settlement Sum, which is the total and all-inclusive amount Defendant will be obligated to pay under the Settlement embodied by this Agreement. Other than payment of that portion of the Settlement Sum specifically allocated to settle the PAGA Claims, there shall be no other PAGA Claims payments arising out of or related to Putative Aggrieved Employees' allegations for the time period from January 25, 2019 up to and including the date the Court enters the Final Order asserted against Defendant or any of the Released Parties on behalf of Plaintiff, the State of California, any PAGA Settlement Group Member, or any other individual or entity. The Settlement Sum shall be allocated as follows:

a. Attorneys' Fees and Costs:

The Settlement Sum will include a payment to Plaintiff's Counsel in the amount of Eighty Thousand Dollars (\$80,000) as attorneys' fees and actual costs pursuant to PAGA and relating to Plaintiff's individual wage and hour claims under Labor Code sections 226, 226.7, 512, 510, 1194 and 218.5, all of which provide for the recovery of attorneys' fees and costs ("Attorney's Fee Amount"). Plaintiff represents that the Attorney's Fee Amount is a reasonable amount of attorney's fees and costs expended by Plaintiff's Attorney in this litigation to date and will submit a declaration supporting said fees and costs to the Court.

b. Claims Administration Fees:

All Claims Administration expenses shall be paid from the Settlement Sum and is estimated to be Three Thousand Two Hundred Dollars (\$3,200.00). Claims administration expenses paid to an outside Claims Administration service must come out of the Settlement Sum. The Parties agree to retain Simpluris, Inc. ("Claims Administrator") to serve as the Claims Administrator in this matter.

c. Payment of PAGA Penalties:

The total sum available for payment of PAGA penalties shall be deducting the Attorney's Fee Amount and Claims Administration Fees from the \$140,000.00 Settlement Sum (this will yield the "Net Settlement Amount"). Of the Net Settlement Amount, for each PAGA Settlement Group Member, seventy-five percent (75%) of his or her allocated share of the Net Settlement Amount shall be distributed to the LWDA ("LWDA Penalty Payment") and the remaining

twenty-five percent (25%) shall be distributed to the PAGA Settlement Group Members ("Putative Aggrieved Employee Penalty Payment").

The "Putative Aggrieved Employee Penalty Payment" for each PAGA Settlement Group Member shall be determined based on a formula taking into account the number of each PAGA Settlement Group Member's "Pay Periods." A "Pay Period" shall be defined as any instance when a Putative Aggrieved Employee received a wage statement between January 25, 2019 and the Approval Date.

The amount paid to each PAGA Settlement Group Member will be determined as follows: The Net Settlement Amount will be divided by the total number of Pay Periods for all PAGA Settlement Group Members during the relevant time period (January 25, 2019 up to and including the Approval Date) ("Pay Period Amount"). Each PAGA Settlement Group Member will then be paid an amount equal to the Pay Period Amount multiplied by that PAGA Settlement Group Member's total number of Pay Periods.

(2) Funding and Distribution Process

Within ten (10) business days after the Effective Date, Defendant will retain the Claims Administrator and transmit to the Claims Administrator the Settlement Sum (\$140,000.00). This transmittal wholly satisfies Defendant's obligations with respect to the funding and disbursement process.

The Claims Administrator will be responsible for: establishing the settlement fund account; calculating payments to Plaintiff and PAGA Settlement Group Members and the State of California; preparing, printing, and mailing the settlement checks and accompanying Notice to PAGA Settlement Group Members; disbursing payment of Attorney's Fee Amount to Plaintiff's Counsel; disbursing payment to the LWDA consisting of seventy-five percent (75%) of the Net Settlement Amount; printing and providing PAGA Settlement Group Members, Plaintiff, and Plaintiff's Counsel with IRS Forms 1099 as required under this Settlement Agreement and applicable law; providing a due diligence declaration for submission to the Court upon completion of the terms of the Settlement; distributing the amount of voided checks to the cy pres recipients, and for such other tasks as the Parties mutually agree or the Court orders.

Within ten (10) business days of receipt of the Settlement Sum, the Claims Administrator will disburse Putative Aggrieved Employee Penalty Payments to each PAGA Settlement Group Member to the last known physical address on file with Defendant in its regularly maintained records. Prior to this disbursement, the Claims Administrator shall run a single skip trace for every separated PAGA Settlement Group Member. PAGA Settlement Group Members who receive their Putative Aggrieved Employee Penalty Payments via U.S. Mail will receive a letter along with their Putative Aggrieved Employee Penalty Payment explaining the reason for the payment, the content of which will be agreed upon by the Parties prior to execution of

this Settlement and attached as an Exhibit hereto. If any mail is returned, the Claims Administrator will use best efforts to update the address and resend via U.S. Mail. Such mailing as described in this paragraph shall be conclusive evidence of payment of the Putative Aggrieved Employee Penalty Payments, and shall satisfy any and all due process requirements. All funds not claimed within 180 days of mailing of payment shall be sent to the cy pres recipients, as mutually agreed by the Parties or as ordered by the Court. If a PAGA Settlement Group Member cannot be located, or if the individual fails to cash the check within 180 days after it is mailed to him or her, the Claims Administrator will distribute the funds represented by the uncashed check to the cy pres recipients, as mutually agreed by the Parties or as ordered by the Court.

Within ten (10) business days of receipt of the Settlement Sum, the Claims Administrator shall send a check to the LWDA as and for the LWDA Penalty Payment, in the amount calculated pursuant to the terms of this Settlement, along with a copy of the Final Order, and any other documents required pursuant to California Labor Code section 2699(1).

Within ten (10) business days of the Settlement Sum, the Claims Administrator will disburse from the Settlement Sum an amount sufficient to pay the Attorneys' Fees and Costs described in III (B)(a), in the form of a check for the Attorney's Fee Amount made payable to "Woodall Law Offices" delivered to Plaintiff's Counsel.

(3) No Additional Contribution by Defendant

Defendant's monetary obligation under this Agreement is limited to the Settlement Sum. In no event shall Defendant be required to pay more than the Settlement Sum of \$140,000.00 to obtain the relief (including, but not limited to, the Settlement, releases of claims and, issuance of the Final Order) provided in this Agreement or to fully and finally settle and resolve the PAGA Claims. The Settlement Sum of \$140,000.00 includes the Attorney's Fee Amount of \$80,000 which consists of all attorney's fees and costs relating to the PAGA claims and Plaintiff's individual claims.

Notwithstanding the foregoing, Defendant will make an individual payment to Plaintiff ("Individual Payment") in exchange for the general release of her claims as described in a separate Individual Settlement Agreement ("Individual Settlement Agreement"). The Individual Settlement Agreement will not be filed with the Court as a public document, or otherwise disclosed in any manner. This Individual Payment will not be deducted from the Settlement Sum and will be separately paid by Defendant to Plaintiff under the terms and conditions of the Individual Settlement Agreement. The Parties agree to disclose this Individual Payment amount in chambers in order for the Court to make a determination that this settlement was reached in good faith in an arms' length negotiation. Notwithstanding the above, in the event that this Agreement is voided or nullified, in whole or in part, however that may occur, or the Settlement of the Action is barred by operation of law, or invalidated, or ordered not to be carried out by a Court of competent jurisdiction, Defendant will cease to have

any obligation to pay any portion of the Settlement Sum to anyone under the terms of this Agreement.

(4) Tax Indemnity

The Putative Aggrieved Employee Penalty Payments are penalties, shall be reported on an IRS Form 1099 (to the extent required by law), and will not be subject to local, state or federal tax withholdings. Plaintiff and each PAGA Settlement Group Member will be responsible for paying all applicable state, local and federal income taxes on their respective amounts received pursuant to this Settlement, and they shall not seek any indemnification from the Released Parties in this regard. Plaintiff and Plaintiff's counsel shall cooperate with Defendant and provide documentation to the extent possible and as reasonably requested to demonstrate any payment of taxes made by Plaintiff and/or any PAGA Settlement Group Member should any taxing authority challenge the allocation of the Settlement Payments and/or Putative Aggrieved Employee Penalty Payments.

In the event any taxing authority asserts that the characterization of Plaintiff's Settlement Payments hereunder are inappropriate and/or Plaintiff fails to pay any tax liability resulting from the payments made hereunder, and Defendant is made to pay any taxes, settlements, interest, penalties, and/or other sums (hereinafter collectively referred to as "Tax Payments") to a taxing authority as a result of the payments made to Plaintiff, Plaintiff shall fully indemnify and reimburse Defendant for any and all such Tax Payments upon demand and reasonable verification of sums paid.

IV. LIMITATIONS ON USE OF THIS SETTLEMENT

A. No Admission

Defendant disputes that Plaintiff or any PAGA Settlement Group Member are entitled to any additional wages other than those already paid and/or any penalties, dispute the allegations and each and every cause of action in the Action, and dispute that the Action may be maintained on a class, collective or representative basis. This Agreement is entered into solely for the purpose of compromising highly disputed claims. This Agreement and the payment of the Settlement Sum and the other considerations recited herein represent the compromise of disputed claims. Nothing in this Agreement is intended as or may be construed as an admission of liability, unlawful conduct, or wrongdoing by Defendant (and any of the Released Parties) in any way, shape or form, and Defendant and the Released Parties deny any such liability or wrongdoing.

B. Non-Evidentiary Use

Except for purposes of effectuating the Settlement pursuant to this Agreement and for Defendant (and/or a Released Party) to establish that a PAGA Settlement Group Member has

resolved any of his/her claims released through this Agreement, and regardless of whether the Final Order occurs, neither this Agreement nor any of its terms (including, but not limited to, the payment of the Settlement Sum) nor the Settlement itself will be construed as, offered, or admitted in evidence as, received as, or deemed to be evidence, in any further proceeding in the Action, or any other civil, criminal, and/or administrative action or proceeding, for any purpose adverse to Defendant or any of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by Defendant or any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

C. Nullification

If (a) the Court should for any reason fail to approve this Settlement consistent with the material specific terms agreed to by the Parties and set forth herein, (b) the Court should for any reason fail to enter the Final Order, or (c) the Final Order is reversed, modified, or declared or rendered void, then this Agreement shall automatically be considered null and void ab initio. An example of a material change in the terms includes a change in the economic terms of the settlement.

In that instance, (i) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (ii) all Parties to this Agreement and the pleadings in this Action shall stand in the same position they were the day prior to the October 20, 2021 mediation in this Action, without prejudice to either Party; and (iii) Defendant will not have any obligation to pay any portion of the Settlement Sum to anyone under the terms of this Agreement.

Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

V. RELEASE AND WAIVER OF CLAIMS

Upon entry of the Final Order, Plaintiff, all PAGA Settlement Group Members, and the State of California shall be deemed to have fully, finally, and forever waived, released, relinquished, and discharged Defendant and each and all of the Released Parties from any and all PAGA Claims as defined herein that arose or may be alleged to have arisen at any time from January 25, 2019 up to and including the Approval Date. To the extent an alleged PAGA violation arises directly from the operative facts pled in the Complaint and implicates the same primary rights and defenses being settled here, those claims are settled and released to the fullest extent permitted under applicable law.

A. No Additional Attorneys' Fees or Costs

The Parties agree to bear their own attorneys' fees and costs related to this Action except as specifically provided above with respect to the Attorney's Fee Amount, and Plaintiff's counsel waives any and all rights to further attorneys' fees and costs from Defendant in connection with this Action.

VI. MISCELLANEOUS PROVISIONS

A. LWDA Notice

The LWDA will be given notice of this Settlement pursuant to the 2016 amendments to the PAGA. Cal. Lab. Code 2699(1)(2). Plaintiff will serve a copy of the Settlement to the LWDA on the same day the Settlement is filed with the Court.

Additionally, a copy of the Court's Final Order will be submitted by Plaintiff to the LWDA within ten (10) days after entry of the Final Order, pursuant to California Labor Code 2699(1)(3).

B. PAGA Settlement Group Member Information

All information of the PAGA Settlement Group Members will be deemed confidential personnel information and shall be filed under seal. Notwithstanding the foregoing, the total number of Pay Periods (without employee identifying information) is not required to be filed under seal under this provision.

C. Voluntariness

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

D. Amendments

The terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by the Plaintiff and an authorized representative of Defendant.

E. Assignment

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Plaintiff's Counsel, or Defense Counsel without the express written consent of each Party. Plaintiff expressly warrants that she has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

F. Representation and Warranties

Plaintiff's Counsel and Plaintiff jointly and severally represent and warrant to Defendant that there are no attorneys beyond those named as Plaintiff's counsel who have claims for fees arising out of the Action or the Settlement contemplated hereby.

G. Governing Law

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

H. Entire Agreement

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof, other than the Individual.

I. Waiver of Compliance

A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

J. Counterparts

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or its/their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

K. Meet and Confer Regarding Dispute(s)

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, Plaintiff's counsel and Defense Counsel shall meet and confer in an attempt to resolve such disputes and, if necessary, shall then attempt resolution by expedited telephonic mediation with Mediator Harris Weinberg, prior to submitting such disputes to the Court.

The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, executing such documents and taking such other

action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court or otherwise to effectuate this Settlement Agreement and the terms set forth herein. The Parties' counsels can agree to non-material changes to this Settlement Agreement and the Parties agree to act in good faith to address any concerns raised by the Court in connection with the approval hearing.

L. Agreement Binding on Successors

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

M. Cooperation in Drafting

The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

N. Fair Settlement

Plaintiff, Defendant, Plaintiff's Counsel, and Defense Counsel believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Action as to Defendant and have arrived at this Agreement through arms' length negotiation, taking into account all relevant factors, current and potential, and is consistent with public policy, and fully complies with applicable provisions of law.

O. 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 and shall not be considered in interpreting this Agreement.

P. Continuing Jurisdiction

The Parties agree that upon the occurrence of the Final Order pursuant to the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure section 664.6 and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and the PAGA Settlement Group Members to the fullest extent to interpret, enforce and effectuate the terms, conditions, intents and obligations of the Agreement.

Q. No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

R. Confidentiality/Public Statements

This Settlement and Agreement shall remain confidential in every respect until the Plaintiff's filing of the Motion for an Order Approving the Settlement.

Plaintiff and Plaintiff's counsel will not (a) issue any press or other media release, (b) initiate any contact with the press, other media (including social media), or any third party, (c) respond to any inquiry from the press, or media, or (d) have any communication with the press or other media about the Action, including, but not limited to the fact, amount, and terms of the Settlement, either before or after the Court approves this Agreement.

After the filing of the Motion for an Order Approving the Settlement, Plaintiff's counsel agrees to limit any discussion of this case and the Settlement Agreement to reference only information that is contained in the Notice to be sent to the PAGA Settlement Group Member, as well as publicly available information about the case (and summaries of same) and the settlement to be posted on Plaintiff's counsel's website in order to provide additional information to the PAGA Settlement Group Members. Plaintiff's counsel further agrees to provide Defendant's counsel with a copy of any information specifically referencing this case that will be posted on their website seven days in advance of any such posting, and that such website will be removed upon conclusion of the case. This Section shall not preclude Defendant from sharing the details of this Settlement with opposing counsel in other pending and/or future class and putative class, collective and PAGA actions, as well as mediators and their staff, provided any such disclosure is expressly designated as a "Confidential Settlement Communication."

To the extent additional limited public disclosures are required to effectuate the Settlement or to notify the courts or parties in any pending, related proceeding, such limited and necessary details may be revealed with the consent of all Parties. However, any such disclosures shall not constitute a waiver of confidentiality with respect to any information not publicly disclosed.

S. No Collateral Attack

The Parties agree that this Agreement may not be subject to collateral attack by any PAGA Settlement Group Member or the State of California prior to or after entry of the Final Order, to the fullest extent permitted by law.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth below.

APPROVED AND ACCEPTED.

Date: 12/12/21


ROSHAWN COLDCLEUGH

Date: 12/20/21

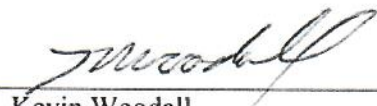
SAK HOSPITALITY, INC.

By: 
Kalpesh S. Patel
Chief Operating Officer

ATTORNEYS APPROVE AS TO FORM:

Date: 12/12/21

WOODALL LAW OFFICES

By: 
Kevin Woodall
Attorney For Plaintiff, Roshawn
Coldcleugh

Date: 12/20/21

LIU EMPLOYMENT LAW FIRM

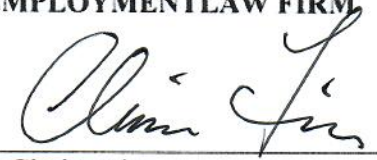
By: 
Clarice Liu
Attorney For Defendant, SAK Hospitality,
Inc.

EXHIBIT A

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT

Coldcleugh v. SAK Hospitality, Inc.
Superior Court of California, County of Solano
(Case No. FCS054652)
Settlement Administrator
Simpluris
3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104

This is a court-authorized notice, not a solicitation. This is not a lawsuit against you, and you are not being sued. However, your legal rights are affected.

On ____ [Date], the Solano County Superior Court approved a settlement of claims under the Private Attorneys General Act (“PAGA”) brought by Plaintiff Roshawn Coldcleugh (“Plaintiff”) against Defendant SAK Hospitality, Inc. (“Defendant”) for civil penalties on behalf of the government and those employees Plaintiff claims were aggrieved by Defendant’s alleged violations of wage and hour laws (“Complaint”). Plaintiff claims that Defendant violated the rights of Defendant’s non-exempt employees by, among other things, failure to pay overtime wages, to provide timely payments, to provide meal and rest periods and to provide compliant itemized wage statements.

It is important to note that Defendant denies these claims, and it further denies that it owes any penalties to the government or to you, and assert that it has fully complied with all applicable wage and hour laws. Nevertheless, to avoid further costs and time in defending the case, Defendant has settled the case, and the Court has approved the settlement and release of claims described below. By settling this case, Defendant is not admitting that it has done anything wrong.

The settlement resolves the PAGA claims of each non-exempt employee who worked for Defendant from January 25, 2019 to ____ [Date of Approval] (collectively the “PAGA Settlement Group Members”). To avoid protracted litigation, the parties settled this lawsuit for \$140,000, inclusive of attorney’s fees and costs, the settlement administrator’s fee, payment to PAGA Settlement Group Members and the State of California. After subtracting attorney’s fees, costs and other expenses, seventy-five percent (75%) of the net amount is being paid to the California Labor and Workforce Development Agency, as required by law, and twenty-five percent (25%) of the net amount is being paid to the PAGA Settlement Group Members. Enclosed is your payment of \$____, representing the portion of this settlement amount allocated to you under the terms of the settlement agreement in this matter and the law.

In exchange for this payment, Defendant and its related Released Parties were provided a release of the claims under the PAGA, as to all of its non-exempt employees, from January 25, 2019 to [Date of Court Approval]. The settlement approved by the court resolves any and all PAGA claims and recoverable remedies under California Labor Code sections 2698 *et seq.*, arising during the period from January 25, 2019 to ____ [Date of Approval] by any and all PAGA Settlement Group Members, including you. All PAGA Settlement Group Members, including you, shall be deemed to have released all known and unknown claims under PAGA that were or could have been asserted in the Complaint based on the factual allegations in the Complaint, including but not limited to penalties (and attorney’s fees) for failure to pay overtime wages, to provide timely payments, to provide meal and rest periods, to provide compliant wage statements, waiting time penalties, and all derivative PAGA penalties available to the PAGA Settlement Group Members.

If you have any questions regarding the enclosed check, you may contact the Claims Administrator at the address listed at the top of this notice.