

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement”) is made and entered into between Plaintiff Gladys A. Oajaca (“Plaintiff”), acting on behalf of aggrieved employees and the State of California and Defendants Interstate Hotels & Resorts, Inc., and Sunstone Hotel Properties, Inc., on behalf of themselves, the Covered Hotels, as defined herein (including Defendant Embassy Suites LAX North), and each of their parents, subsidiaries, owners, officers, directors, shareholders, agents and all related and affiliated entities (collectively referred to herein as the “Defendants”) Plaintiff and Defendants are collectively referred to as the “Parties.”

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. “Action” or “Complaint” means the matter entitled *GLADYS A. OAJACA, on behalf of herself and all others similarly situated, Plaintiff v. SUNSTONE HOTEL PROPERTIES, INC.; INTERSTATE HOTELS & RESORTS, INC.; EMBASSY SUITES LAX NORTH, and DOES 1 through 20*, Los Angeles County Superior Court Case No. 20STCV24133, filed on June 24, 2020. The Action alleges eight causes of action: 1. Failure to pay overtime compensation at the proper legal rate (Labor Code §510); 2. Failure to provide lawful meal periods (Labor Code §226.7); 3. Failure to provide lawful rest periods (Labor Code §226.7); 4. Failure to pay all wages owed in a timely manner (Labor Code §204); 5. Waiting time penalties (Labor Code §203); 6. Failure to provide accurate and itemized wage statements (Labor Code §226); 7. Unfair competition (Business & Professions Code §17200); and 8. PAGA penalties (Labor Code §2698 et seq.) as set forth in Plaintiff’s PAGA Notice Letter submitted to the California Labor and Workforce Development Agency (“LWDA Letter”).

2. “Aggrieved Employees” means and refers to “All current and former employees of Defendants who were employed at a Covered Hotel from January 15, 2019 until October 31, 2019 (the PAGA Period).” Defendants represent there are approximately 707 individuals who meet this definition of Aggrieved Employee, and they worked approximately 12,000 pay periods during the PAGA Period.

3. “Court” means the Superior Court of California for the County of Los Angeles.

4. “Covered Hotels” means the following six hotels: 1. Embassy Suites LAX North, located at 9801 Airport Blvd., Los Angeles, CA 90045; 2. Hilton Garden Inn Los Angeles/Hollywood, located at 2005 Highland Avenue, Hollywood CA 90068; 3. Residence Inn Beverly Hills, located at 1177 S. Beverly Dr., Los Angeles, CA 90035; 4. Courtyard Los Angeles, located at 6161 W. Century Blvd., Los Angeles CA 90045; 5. Sheraton Cerritos at Towne Center, located at 12725 Center Court Dr. S Cerritos, CA 90703; and 6. Westin San Diego, located at 400 West Broadway, San Diego, CA 92101.

5. “Defendants” mean Defendant Interstate Hotels & Resorts, Inc., Defendant Sunstone Hotel Properties, Inc., Covered Hotels, as defined herein (including Defendant Embassy Suites LAX North), and each of their parents, subsidiaries, owners, officers, directors, shareholders, agents and all related and affiliated entities.

6. “Effective Date” means the date upon entry of an Order by the Court approving the Settlement Agreement.

7. “Individual PAGA Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “Maximum Settlement Amount” is the non-reversionary sum of Three Hundred Forty Thousand Dollars and No Cents (\$340,000.00), which represents the total amount payable under this Settlement by Defendants, including, without limitation, Individual PAGA Payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, payment of Plaintiff’s enhancement award and payment to the Settlement Administrator for administration costs.

10. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (if approved by the Court) are subtracted from the Maximum Settlement Amount: (a) Plaintiff’s attorneys’ fees of up to one third of the Maximum Settlement Amount, currently estimated at \$113,333.33; (b) Plaintiff’s litigation costs up to \$15,000; (c) Plaintiff’s enhancement award of \$7,500.00; and (d) settlement administration costs up to \$7,500.00.

11. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

12. “PAGA Payment.” The Parties agree that this matter is being settled on a PAGA only basis and the Net Settlement Amount will be remitted 75% to the LWDA and 25% to the Aggrieved Employees as defined herein. Plaintiff will dismiss her class claims, without prejudice, subject to the Court’s approval, based upon the existence of prior class action settlements and arbitration agreements containing a class action waiver, which make proceeding on a class basis untenable.

13. “PAGA Period” means the time period from January 15, 2019, until October 31, 2019, when the Covered Hotels remedied the alleged Labor Code violation regarding the timeliness of wage payments.

14. “PAGA Released Claims” means any and all claims under PAGA that are pled in Plaintiff’s Complaint, or which could have been pled in her Complaint under the PAGA based on the factual allegations in the Action, that arose during the PAGA Period.

15. “Plaintiff” means Gladys A. Oajaca.

16. “Parties” means Plaintiff and Defendants.

17. “Plaintiff’s Counsel” means Mehrdad Bokhour of Bokhour Law Group, P.C. and Jonathan Melmed of Melmed Law Group, P.C.

18. “Settlement Administrator” means Simpluris, Inc.

II. RECITALS

1. Plaintiff alleges that Defendants failed to make wage payments in a timely manner, failed to properly calculate the regular rate of pay for overtime, failed to provide all legally compliant meal periods; failed to authorize and permit all legally required rest periods; failed to provide reimbursements for work-related expenses; issued inaccurate wage statements; failed to timely pay all final wages upon employees' separation from employment; and is liable for civil penalties under PAGA.

2. On January 15, 2020, Plaintiff provided written notice to the LWDA and Defendants asserting claims for civil penalties pursuant to PAGA alleging violations of the following Labor Code sections: 201, 202, 203, 204, 210, 226, 226.7, 510, 1104, 1174, 1174.4, 1194.2, 1197, 1197.1, 1199 and Wage Order 5-2001, and including claims for unpaid wages (including failure to properly calculate the regular rate of pay for overtime purposes), failure to pay meal period premiums, failure to pay rest period premiums, late payment of wages, waiting time penalties, and failure to provide accurate wage statements.

3. On June 24, 2020, Plaintiff filed a Complaint entitled *GLADYS A. OAJACA, on behalf of herself and all others similarly situated, Plaintiff v. SUNSTONE HOTEL PROPERTIES, INC.; INTERSTATE HOTELS & RESORTS, INC.; EMBASSY SUITES LAX NORTH, and DOES 1 through 20, inclusive, Defendants*, Los Angeles County Superior Court Case No. 20STCV24133, alleging eight causes of action: 1. Failure to pay overtime compensation at the proper legal rate (Labor Code §510); 2. Failure to provide lawful meal periods (Labor Code §226.7); 3. Failure to provide lawful rest periods (Labor Code §226.7); 4. Failure to pay all wages owed in a timely manner (Labor Code §204); 5. Waiting time penalties (Labor Code §203); 6. Failure to provide accurate and itemized wage statements (Labor Code §226); 7. Unfair competition (Business & Professions Code §17200); and 8. PAGA penalties (Labor Code §2698 et seq.).

4. Thereafter, the Parties agreed to attend early mediation and agreed to engage in informal discovery. Defendants provided substantial information and documents pertaining to Plaintiff and other allegedly Aggrieved Employees that allowed Plaintiff's Counsel to investigate and evaluate Plaintiff's claims. In addition, Defendants provided Plaintiff's Counsel with information regarding prior class action settlement agreements and the existence of arbitration agreements potentially impacting the viability of proceeding against Defendants on a class-wide basis.

5. On December 9, 2020, the Parties participated in mediation before mediator Tripper Ortman, Esq. With the assistance of Mr. Ortman, the Parties agreed to fully and finally resolve Plaintiff's PAGA claims as to Plaintiff and Aggrieved Employees, and to dismiss, without prejudice, Plaintiff's class claims.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement shall be construed to be an admission by Plaintiff that her claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, Aggrieved Employees or any other person. Defendants deny all of the

allegations in the Action and specifically deny that they has committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Maximum Settlement Amount.** Defendants shall pay three hundred forty thousand dollars (\$340,000.00) as the non-reversionary Maximum Settlement Amount. Defendants will not pay more than the Maximum Settlement Amount (subject to the Escalator Clause below). Defendants shall deposit the Maximum Settlement Amount with the Settlement Administrator within thirty (30) calendar days after the Effective Date.

3. **Escalator Clause.** Defendants represent there are approximately 707 individuals who meet this definition of Aggrieved Employee, and that they worked approximately 12,000 pay periods during the PAGA Period. If the actual number of workweeks worked by Aggrieved Employees during the PAGA Period turns out to be more than 10% greater than this figure (i.e., if there were 13,200 or more workweeks in the PAGA Period), Defendants shall increase the Maximum Settlement Amount on a proportional basis beyond this ten percent (10%) threshold (i.e., if there is a 15% increase in the number of Aggrieved Employees, Defendants will increase the Maximum Settlement Amount by 5%).

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Maximum Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Plaintiff's Attorneys' Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in the amount up to one third of the Maximum Settlement Amount (currently estimated to be \$113,333.33) and costs incurred in prosecuting this Action, up to \$15,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for attorneys' fees and costs). Defendants, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. **Plaintiff's Enhancement Award.** Defendants will not oppose Plaintiff's request for an enhancement award in the amount of \$7,500.00 for her services to the LWDA and the Aggrieved Employees, and the risk she undertook by attaching her name to this Action, and for the general release as set forth in section III.6. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. Defendant, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiff.

c. **Settlement Administration Costs.** Defendants will not oppose the Settlement Administrator's costs in the amount up to \$7,500.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Defendants, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be distributed as follows:

a. **“PAGA Penalties”.** The Net Settlement Amount shall be designated as the “PAGA Penalties” and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Lab. Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata based on the number of full or partial pay periods worked by each Aggrieved Employee during the PAGA Period.

6. **Plaintiff’s General Release.** In her capacity as a private attorney general or “aggrieved employee” acting on behalf of herself, the State of California and Aggrieved Employees, and in consideration of the enhancement payment awarded to her, Plaintiff hereby releases Defendants and each of their former, present and future parents, subsidiaries, owners, managers, members, officers, directors, shareholders, agents and all related and affiliated entities, successors, assigns (collectively, the “Released Parties”) from any and all of the PAGA Released Claims that arose during the PAGA Period.

In addition to the PAGA Released Claims, Plaintiff, solely as an individual, agrees to release all claims, whether known or unknown, under federal law or state law (including her individual wage and hour claims) against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers’ compensation claims nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

7. **PAGA Released Claims on behalf of the State of California and Aggrieved Employees.** Plaintiff acting on behalf of Aggrieved Employees and the State of California agrees that upon entry of an Order approving the Settlement, all Aggrieved Employees, and the State of California will release and discharge Released Parties from claims pursuant to PAGA that are pled in Plaintiff’s Complaint, or which could have been pled under the PAGA as to Aggrieved Employees at the Covered Hotels during the PAGA Period, based on the factual allegations in Plaintiff’s PAGA letter and the Action (“PAGA Released Claims”). Plaintiff, the State of California, and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties. As a PAGA only settlement, the Parties acknowledge that individual Aggrieved Employees will not have the ability to opt out or object to the Settlement.

8. **Dismissal of Class Claims without Prejudice.** Plaintiff agrees to dismiss, without prejudice, her class allegations and first through seventh causes of action seeking relief on a class-wide basis. Plaintiff has not received any additional consideration for this dismissal. Plaintiff acknowledges and agrees that this dismissal is based upon a good faith, reasonable evaluation by Plaintiff’s Counsel regarding the viability of any class claims and the likelihood of success, in light

of the existence of prior class action settlements and the existence of arbitration agreements with an explicit class action waivers signed by members of the putative class.

9. **Covenants and Representations by Plaintiff and Plaintiff's Counsel.** Plaintiff acknowledges that she has read this Settlement, that she fully understands her rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily. Plaintiff further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

10. **Confidentiality.** Except as provided below, to the extent necessary to effectuate the Settlement or as required by court or legal process, Plaintiff and Plaintiff's Counsel will keep the terms of this Settlement confidential. Neither Plaintiff nor Plaintiff's Counsel shall issue a press release, hold a press conference, publish information about the Settlement on any website or through any social media, or otherwise publicize the Settlement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's Counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel. Plaintiff's Counsel may also respond to inquiries by Aggrieved Employees regarding this Settlement.

To permit judicial review and approval of the PAGA Payment, as required by Labor Code Section 2698, *et seq.*, Plaintiff's Counsel will file the Settlement with the Court and submit the Settlement to the LWDA as part of the Parties' seeking Court approval of the Settlement, per Lab. Code § 2699(1)(2).

11. **Termination of Settlement.** If the Court does not approve the Settlement, if the Court does not enter judgment, as provided for in this Settlement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the terms of the Settlement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within ten (10) business days of written notice thereof to elect to terminate the Settlement, in which case the Settlement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement.

12. **Judgment.** As part of the Motion to Approve the Settlement, Plaintiff shall submit a proposed order and judgment, which enters judgment in the Action in accordance with the terms of the Settlement and retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Aggrieved Employees.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to use Simpluris, or any third-party administrator mutually agreed to by the Parties to handle the administration of this Settlement.

2. **Provision of Information for Aggrieved Employees.** Within seven (7) business days after the Effective Date, Defendants shall provide the Settlement Administrator with information for Aggrieved Employees. Defendants will in good faith compile from their records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel

spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, last known telephone number, start date(s) of employment at a Covered Hotel, end date(s) of employment at a Covered Hotel, and Social Security numbers. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

Within five (5) business days of receiving the Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the anticipated Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall also determine whether the Escalator Clause in Section III.3 has been triggered. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses.

Within seven (7) calendar days of receiving approval from counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth in Section III.5., *supra*. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with an explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099.

4. **Undeliverable Individual PAGA Payments.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check-cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search using the name, address or Social Security number of the Aggrieved Employee involved and will perform a single re-mailing.

Defendants fully discharge their obligations to those Aggrieved Employees to whom it will pay an Individual PAGA Payment through the mailing of a check by Settlement Administrator, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees. Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered by the Settlement Administrator to the Los Angeles Regional Food Bank as a *cy pres* recipient. If for any reason the court does not approve this *cy pres* recipient, the remaining funds will be

tendered to another mutually agreeable *cy pres* recipient or the State Controller's office in the name of the Aggrieved Employee.

5. **Payment of Remainder.** Within two (2) business days of receiving approval from counsel of the payment calculations, the Settlement Administrator will distribute the following additional payments: (1) the 75% share of 2699 Civil Penalties to the LWDA; (2) Court-approved attorneys' fees and costs to Plaintiff's Counsel; (3) Court-approved enhancement award to Plaintiff; and (4) Court-approved administration costs to the Settlement Administrator.

6. **Accounting.** Within fifteen (15) business days of receiving approval from counsel of the payment calculations, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement.

7. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed 100% as penalties and paid via IRS Form 1099 issued to each Aggrieved Employee. Neither Plaintiff nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Plaintiff nor Defendants shall be considered the "drafter" of this Settlement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees, and other fees incurred in connection with this Settlement, the Action, and Plaintiff's claims, except as otherwise set forth specifically herein.

4. **Governing Law.** This Settlement shall be construed under and governed by the laws of the State of California. This Settlement shall be deemed to have been entered into in Los Angeles, California, and all questions of validity, interpretation, or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Los Angeles.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claims in the Action.

6. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

7. **Judgment and Continued Jurisdiction.** The Parties' settlement is conditioned upon the Court's approval. After approval of this Settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

8. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or Counsel for all Parties.

9. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If 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 Settlement, the Parties may seek the assistance of the Mediator or the Court to resolve such disagreement.

10. **Execution and Counterparts.** This Settlement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including scanned and electronically transmitted copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

11. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Action, and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

12. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable.

13. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

14. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or

remedy.

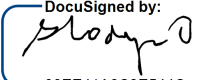
15. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties. and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms.

16. **Denial of Liability.** Defendants deny that they engaged in any unlawful activity, that it failed to comply with the law in any respect, and denies that it has any liability to anyone under the claims asserted in the Action. The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any way in any other judicial, arbitral, administrative, investigative, or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: 12/28/2020 _____

Gladys Oajaca

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Dated: _____

Interstate Hotels & Resorts, Inc.

By: _____

Dated: _____

Sunstone Hotel Properties, Inc.

By: _____

remedy.

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IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: _____

Gladys Oajaca

Dated: 12/27/2020

Interstate Hotels & Resorts, Inc.

AGM

By: Greg Moudas

Dated: 12/27/2020

Sunstone Hotel Properties, Inc.

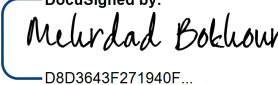
AGM

By: Greg Moudas

APPROVED AS TO FORM:

Dated: 12/24/2020

**MELMED LAW GROUP
BOKHOUR LAW GROUP, P.C.**

DocuSigned by:

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Jonathan Melmed
Mehrdad Bokhour
Attorneys for Plaintiff and Aggrieved
Employees

Dated: _____

LITTLER MENDELSON P.C.

Robert S. Blumberg
Attorneys for Defendants
Interstate Hotels & Resorts, Inc.
Sunstone Hotel Properties, Inc.

APPROVED AS TO FORM:

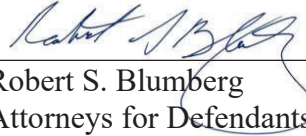
Dated: _____

**MELMED LAW GROUP
BOKHOUR LAW GROUP, P.C.**

Jonathan Melmed
Mehrdad Bokhour
Attorneys for Plaintiff and Aggrieved
Employees

Dated: December 28, 2020

LITTLER MENDELSON P.C.



Robert S. Blumberg
Attorneys for Defendants
Interstate Hotels & Resorts, Inc.
Sunstone Hotel Properties, Inc.