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8 Attorneys for Plaintiff Cristina Dennis, on behalf of herself and all "aggrieved employees"
pursuant to Labor Code § 2698 et seq.

9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF RIVERSIDE**

12 CRISTINA DENNIS, on behalf of
13 herself and all "aggrieved employees"
pursuant to Labor Code § 2698 et seq.,

14 Plaintiffs,

15 v.

16 PARKER PALM SPRINGS, LLC, a
17 Delaware limited liability corporation,
18 and DOES 1 through 10, inclusive,

19 Defendants.
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CASE NO: PSC2002340

Assigned to Hon. Sunshine Sykes, Dept. 6

**SUPPLEMENTAL DECLARATION OF
DANIEL F. GAINES IN SUPPORT OF
MOTION FOR AN ORDER AND
JUDGMENT APPROVING
SETTLEMENT OF CLAIMS BROUGHT
PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004,
AWARDING ATTORNEYS' FEES,
COSTS, GENERAL RELEASE
PAYMENT, AND REIMBURSEMENT
OF SETTLEMENT ADMINISTRATION
EXPENSES**

Date: September 27, 2021

Time: 9:00 a.m.

Dept.: 6

Reservation ID #: 517075065933

Complaint Filed: June 5, 2020

1 I, DANIEL F. GAINES, declare as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California.
3 I am a shareholder of Gaines & Gaines, APLC, counsel for Plaintiff Cristina Dennis
4 (“Plaintiff”) in this action. I have personal knowledge of the facts set forth herein and if called
5 as a witness to testify to them, could and would do so competently.

6 2. I hereby submit this Supplemental Declaration in response to the Court’s
7 Amended Tentative Ruling, a true and correct copy of which is attached hereto as **Exhibit A**.
8 In response thereto, the Parties have amended the settlement agreement. Attached hereto as
9 **Exhibit B** is a true and correct copy of the First Amended Private Attorneys General Act
10 (Labor Code section 2698 et seq.) Settlement Agreement and Limited Release (“First Amended
11 Settlement Agreement”). Attached hereto as **Exhibit C** is a true a correct redlined comparison
12 of the original Settlement Agreement to the First Amended Settlement Agreement.

13 **CMO Paragraph D(2)(b):**

14 3. The Court requested the number of alleged individual violations, at issue in this
15 action including both the length of the relevant employment period and the number of
16 employees allegedly employed during that period. Defendant employed approximately 322
17 aggrieved employees during the PAGA Period (March 23, 2019 through and including the date
18 of Court approval of the settlement). Of course, because the PAGA Period has not yet ended,
19 the number of aggrieved employees will increase. However, the issues addressed in Plaintiff’s
20 operative complaint and notice to the LWDA have been rectified such that the number of
21 “violations” does not continue to increase. As stated in the motion and as more fully detailed
22 below, there were 8,913 pay periods at issue with respect to Plaintiff’s claims under Labor
23 Code § 226.7; 8,913 pay periods at issue with respect to Plaintiff’s claims under Labor Code
24 § 226(a), and 156 pay periods at issue with respect to Plaintiff’s claims under Labor Code §§
25 201-202.

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1 **CMO Paragraph D(2)(d):**

2 4. The Court requested the total amount of penalties Defendant is likely to be
3 found liable for at trial considering the weight of the evidence, the clarity of the applicable law,
4 and the strength of any factual or legal defense likely to be asserted by Defendant, is likely to
5 no more than \$891,300 and potentially for a lesser amount. Defendant's maximum theoretical
6 exposure in this action – **stacking multiple violations** – is approximately \$1,798,200. This
7 amount is based on the following violations during the PAGA Period: \$100 x 8,913 pay periods
8 (\$891,300) for violation of Labor Code § 226.7 (rest breaks) + \$100 x 8,913 pay periods
9 (\$891,300) for violation of Labor Code § 226(a) (wage statements) + \$100 x 156 separated
10 employees (\$15,600) for violation of Labor Code §§ 201-202 (late payment of final wages). It
11 is unlikely that, even if Plaintiff prevails on her claims, that the Court will “stack” PAGA
12 penalties –i.e., issue more than one penalty per pay period.

13 5. Plaintiff contends that Defendant failed to offer or authorize uninterrupted ten-
14 minute rest periods to Plaintiff and Aggrieved Employees for every four hours worked or major
15 fraction thereof, but did not pay them premium wages in the amount of one hour's pay for
16 these denied rest periods, in violation of Labor Code § 226.7. Plaintiff contends that due to
17 her workload and lack of additional support staff, she was unable to take all the rest periods to
18 which she was entitled. Plaintiff contends that due to the lack of additional support staff and
19 her workload, a large portion of rest breaks were on-duty, such that nearly every pay period –
20 approximately 8,913 in the aggregate during the Settlement Period – would yield a \$100 PAGA
21 civil penalty for this violation. As a result, the maximum value of this claim is \$891,300 (8,913
22 pay periods times \$100 per pay period). Due to the difficulties expected in prevailing on the
23 merits on this claim, however, Plaintiff was required to discount the value of this claim for
24 purposes of settlement at this juncture.

25 6. Plaintiff also seeks PAGA penalties for defective wage statements and waiting
26 time. Plaintiff, however, faced the risk that because these are partially derivative claims (e.g.,
27 Plaintiff must prevail on her underlying rest period claim to prevail on these penalty claims),

1 she would not recover on these claims at all. Some case law has suggested that wage statement
2 penalties and waiting time penalties do not stem from rest period claims, as Plaintiff alleges
3 herein. The value of these claims were substantially discounted for settlement purposes in
4 light of the fact that their recovery is highly questionable.

5 7. Plaintiff alleges that Defendant also separately violated Labor Code § 226(a)(9).
6 This portion of the claim was a direct violation of Labor Code §226(a) and was not derivative
7 of any underlying claim. The maximum value of the late pay claim is \$15,600 (156 separated
8 employees times \$100 each, one violation per final pay period) and the maximum value of the
9 non-derivative wage statement claim is \$626,900 (6,269 pay periods x \$100 per pay period).
10 Defendant contends that up to 6,269 pay periods (70% of the 8,913 pay periods worked during
11 the PAGA Period) exhibit one or more of these non-derivative violations. Of course, these
12 penalties are substantial for technical and derivative violations and were subject to multiple
13 defenses, including good faith and lack of willfulness. Due to the difficulties expected in
14 prevailing on the merits on these claims, Plaintiff discounted them for purposes of settlement
15 at this juncture.

16 8. Defendant contends it acted within the requirements of California law at all
17 times as to all Aggrieved Employees. Moreover, it maintained that even if the Court did award
18 penalties, the Court could and would substantially reduce the penalties awarded based on the
19 discretionary factors contained in Labor Code § 2699(e)(2). Defendant also argued that it was
20 severely impacted by the pandemic which caused it to shutter its business for several months.

21 **CMO Paragraph D(2)(e):**

22 9. The Court requested the likelihood that any violations would be proven to have
23 been knowing and intentional. I believe that it is highly unlikely that any of the violations
24 alleged by Plaintiff on behalf of herself and other aggrieved employees would be proven to
25 have been knowing and/or intentional. Plaintiff's claims are substantially technical in nature –
26 particularly her wage statement claims. In addition, Plaintiff's rest period claim is difficult to
27 quantify for purposes of PAGA penalties as Plaintiff and aggrieved employees did not clock

1 in/clock out for their rest periods. Accordingly, this claim was negotiated at arms-length with
2 a mediator to reach the compromise set forth in the Settlement.

3 **CMO Paragraph D(2)(f):**

4 10. The Court requested any facts that tend to suggest that the imposition of the
5 total amount of statutory penalties for which the Defendant would be likely to be found liable
6 at trial would be unjust, arbitrary and oppressive, or confiscatory. Stacking PAGA civil
7 penalties may be considered oppressive in nature and unjust to Defendant in the context of this
8 case because Defendant had to shut down its hotel for several months due to COVID in 2020.
9 Moreover, many of the PAGA civil penalties sought are related to wage statements which omit
10 information required by Labor Code section 226(a). The imposition of these substantial
11 penalties based on a technical violation of a statute may be considered oppressive or
12 confiscatory.

13 **CMO Paragraph D(2)(g):**

14 11. The Court requested how the amount of the agreed-upon penalties was
15 calculated or otherwise arrived at. Without stacking PAGA penalties, the value of this case is
16 \$891,300 or less. The Parties settled on a PAGA-basis, not class basis, so all penalties received
17 are civil penalties under the PAGA subject to disbursement as provided therein: 75% to the
18 LWDA and 25% to aggrieved employees. The settlement amount was negotiated at arms-
19 length with the help of a mediator, and considered the strength of defenses, uncertainty of
20 outcome, and considering the length of time that would be required to achieve an uncertain
21 result through a litigated conclusion.

22 **CMO Paragraphs D(4)(a) and (b):**

23 12. The Court asked whether Plaintiff negotiated a settlement of individual claims
24 against the Defendant separate from the settlement and dismissal of the representative claims.
25 Plaintiff is giving a general release through the Settlement in exchange for \$7,500, which is
26 fully detailed in the Settlement Agreement. This compensates her both for a general release
27 (with Civil Code section 1542 waiver) as to all claims – including her underlying Labor Code

claims for rest period premiums, wage statement penalties, and waiting time penalties (far beyond the limited PAGA civil penalty release all other employees will be bound by and which are worth approximately \$5,117.50) and for her service in the Action, as detailed more extensively in the motion. This is a reasonable payment for Ms. Dennis' efforts in this matter and the valuable claims she is waiving against Defendant. Plaintiff's individual claims are calculated here:

LABOR CODE VIOLATION	FACTS	CALCULATION	TOTAL
Labor Code § 226.7	60 shifts worked	x \$13/hour x 100% violation rate	\$780 unpaid rest period premiums
Labor Code § 203	\$104 average daily wage	x 30 days	\$3,120 waiting time penalties
Labor Code § 226(e)	6 pay periods worked during	\$50 per initial violation (1 x \$50) + \$100 per subsequent violation (5 x \$100)	\$550 wage statement penalties
Interest	10% per annum	Approx. 18 months	\$667.50 interest due
		TOTAL WAGES/PENALTIES/ INTEREST DUE:	\$5,117.50

CMO Paragraph D(6)(a):

13. The Court requested Plaintiff and Plaintiff's counsel to submit separate declarations stating (i) whether the declarant has ever informed any of the aggrieved employees – whether formally or informally, orally or in writing, individually or as a group – of the preparation, or pendency of the action, and (ii) if so, the nature and extent of that information, and whether the declarant knows the name and mailing address of the aggrieved employees to whom that information was communicated. No person in my office has informed any of the aggrieved employees – formally or informally, orally or in writing, individually or as a group

1 – of the preparation, or pendency of this action. The dismissal in the Settlement is being
2 exchanged for Plaintiff's general release and aggrieved employees are being paid for their
3 release of PAGA claims alleged in Plaintiff's operative complaint. Accordingly, neither
4 Plaintiff nor the aggrieved employees will be prejudiced.

5 **CMO Paragraph D(8)(a):**

6 14. The Court has asked whether the settlement contemplates the use of an
7 administrator to implement the terms of the settlement, and if so, that the motion be supported
8 by a declaration from the plaintiff's attorney, stating whether bids were sought from multiple
9 potential administrators and, if so, the results of that competitive bidding. Plaintiff has solicited
10 bids from ILYM Group, Inc and Simpluris, Inc., to administer the Settlement. These are two
11 quality administration companies which I have worked with many times for settlement
12 administrations like this one. ILYM and Simpluris each submitted a "not to exceed" bid
13 capped at \$3,000 for this settlement administration, and the Parties have selected ILYM as
14 their preferred administrator.

15 15. Because ILYM's bid is \$4,500 less than the maximum administration costs
16 permitted by the Settlement, the PAGA Settlement Fund will increase from \$139,333.33 to
17 \$143,833.33. Seventy-five percent (\$107,874.99) will be allocated to the LWDA and twenty-
18 five percent (\$35,958.34) will be allocated to the Aggrieved Employees. An equal division of
19 the portion allocated to the Aggrieved Employees would provide about \$111.67 to each
20 Aggrieved Employee (with an anticipated lowest payment of approximately \$4.03 to those
21 Aggrieved Employees who worked one pay period and the highest payment of approximately
22 \$363.09 to those Aggrieved Employees who worked 90 pay periods, the maximum).

23 I declare, under penalty of perjury under the laws of the State of California, that the
24 foregoing is true and correct. Executed on September 17, 2021 at Calabasas, California.

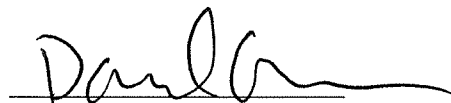
25 
26 DANIEL F. GAINES
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EXHIBIT A

SUPERIOR COURT OF CALIFORNIA, COUNTY OF RIVERSIDE

Historic Court House
Court on its Own Motion

09/14/2021
9:52 AM
Department 6

PSC2002340
DENNIS vs PARKER PALM SPRINGS LLC

Honorable Sunshine Sykes, Judge
F. Jones, Courtroom Assistant
Court Reporter: None

APPEARANCES:

No Appearances

On Court's own motion:
Court amends the Tentative Ruling dated 8/25/21.

Plaintiff is to comply with the CMO filed on 8/24/2021 as follows:

D.2.b, D.2.d, D.2.e, D.2.f, D.2.g
D.4.a, D.4.b.
D.5.f.
D.6
D.7
D.8
D.11

Notice to be given by Clerk to GAINES & GAINES , LITTLER MENDELSON.
Minute entry completed.

EXHIBIT B

**FIRST AMENDED PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE
SECTION 2698 ET SEQ.) SETTLEMENT AGREEMENT AND LIMITED RELEASE**

Cristina Dennis v. Parker Palm Springs, LLC
(Riverside County Superior Court, Case Number PSC2002340)

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff Cristina Dennis ("Plaintiff"), on behalf of herself and on behalf of the State of California and Defendant Parker Palm Springs, LLC ("Defendant") (collectively Plaintiff and Defendant are the "Parties"), subject to the approval of the Court, that the settlement of the Action (as defined below) shall be effectuated upon and subject to the following terms and conditions. Capitalized terms as used herein shall have the meanings set forth in Section II or elsewhere in this Settlement Agreement and Release (the "Settlement").

I. RECITALS

WHEREAS, on March 23, 2020, Plaintiff notified the Labor and Workforce Development Agency ("LWDA") of her intent to file an action under California's Private Attorneys General Act, California Labor Code § 2698 *et seq.* ("PAGA") (the "LWDA Letter"). Plaintiff allowed the LWDA an opportunity to investigate her claims as required by the Labor Code.

WHEREAS, on June 5, 2020, Plaintiff filed a lawsuit on behalf of herself and other in Riverside County Superior Court, styled: *Cristina Dennis v. Parker Palm Springs, LLC, and Does 1 through 10, inclusive*, Case No. PSC2002340, asserting a cause of action under PAGA;

WHEREAS, on April 8, 2021 the Parties participated in a private mediation in Los Angeles, California, with mediator Todd Smith;

WHEREAS, the Parties desire to settle, compromise, and avoid litigation relating to the Claims described in the pleadings in the Action, including the Amended Complaint, and have agreed to settle the Action upon the terms and conditions and for the consideration set forth in this Settlement Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the Parties hereto as follows:

II. SETTLEMENT TERMS

A. Definitions

1. "Action" means the case entitled *Cristina Dennis v. Parker Palm Springs, LLC*, pending in the Superior Court of the State of California for the County of Riverside ("Court"), Case No. PSC2002340.

2. "Agreement" or "Settlement Agreement," means this Private Attorneys General Act (Labor Code section 2698 *et seq.*) Settlement Agreement and Limited Release.

3. “Aggrieved Employees” means any and all individuals employed by Defendant in California as non-exempt hourly employees during the Settlement Period, i.e. time period March 23, 2019 to the date of Court approval of this Settlement Agreement.

4. “Aggrieved Employee List” means the list of the Aggrieved Employees that includes the (1) name; (2) last known home address and telephone number; (3) number of pay periods worked during the Settlement Period; and (4) Social Security Number for each Aggrieved Employee, which Defendant will diligently and in good faith compile from its records.

5. “Attorney’s Fees” means such attorney’s fees as the Court may award to Plaintiff’s Counsel from the Total Monetary Settlement Amount for the services Plaintiff’s Counsel has rendered and will render to the Aggrieved Employees in the Action, and which shall not exceed Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67).

6. “Attorney’s Costs” means such litigation costs as the Court may award to Plaintiff’s Counsel from the Total Monetary Settlement Amount for the costs Plaintiff’s Counsel has incurred and will incur in the investigation, litigation, and resolution of the Action, and in administration of the Settlement, and which shall not exceed Nine Thousand Dollars and Zero Cents (\$9,000.00).

7. “Defense Counsel” means Steve Groode, Esq. and Jannine Kranz, Esq. of Littler Mendelson, P.C., 2049 Century Park East, 5th Floor, Los Angeles, CA 90067.

8. “Effective Date” means the date this Settlement is approved as provided herein and the Court’s order granting Settlement Approval and entry of Final Judgment becomes final and is no longer appealable. For purposes of this Settlement Agreement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving this Settlement Agreement may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Settlement Agreement passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Settlement Agreement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Settlement Agreement is affirmed. In the event that: (i) the Court does not approve the Settlement Agreement as provided herein; or (ii) the Effective Date does not occur for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions. The Effective Date cannot occur, and Defendant will not be obligated to fund this Settlement Agreement, until and unless there is no possibility of an appeal or further appeal that could potentially prevent this Settlement Agreement from becoming final and binding.

9. “Individual Settlement Payment” means the portion of the PAGA Settlement Fund allocated to each Aggrieved Employee, as calculated pursuant to Sections C(13) and D(14) below. One hundred percent (100%) of the Individual Settlement Payments made to Aggrieved

Employees shall be deemed miscellaneous income for which a Form 1099 will be issued if required by law, as determined by the Settlement Administrator.

10. “Notice” means the form of notice that will be sent to each Aggrieved Employee accompanying their Individual Settlement Payments, which shall be substantially in the form attached hereto as **Exhibit A**.

11. “PAGA Settlement Fund” means the amount from the Total Monetary Settlement Amount that is allocated to PAGA civil penalties. Seventy-five percent (75%) of the PAGA Settlement Fund will be distributed to the LWDA and twenty-five percent (25%) will be distributed to Aggrieved Employees.

12. “Plaintiff’s Counsel” means Daniel F. Gaines Esq., Alex P. Katofsky, and Evan Gaines, Esq., of GAINES & GAINES, APLC, 27200 Agoura Rd., Suite 101, Calabasas, California 91301.

13. “Released Claims” means all claims for civil penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff’s pre-filing letter to the LWDA; Plaintiff does not release any Aggrieved Employee’s claim for wages or damages.

14. “Released Parties” means Defendant d/b/a “Jack Parker Corporation”, including its operating entity – Parker Palm Springs II and their respective current and former officers, directors, employees and agents.

15. “Service Award” means the amount from the Total Monetary Settlement Amount that the Court awards to Plaintiff in recognition of her efforts in obtaining the benefits of the Settlement and as partial consideration for executing this Settlement Agreement and providing a Complete and General Release of all claims against the Released Parties. The Service Award shall not exceed Seven Thousand Five Hundred Dollars (\$7,500.00).

16. “Settlement Administrator” means ILYM Group, Inc., a third-party settlement claims administrator appointed by the Court for the purposes of administering this Settlement. The Parties each represent that each does not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

17. “Settlement Administration Costs” means the amount from the Total Monetary Settlement Amount which shall be allocated, subject to the Court’s approval, to the Settlement Administrator for services rendered in administering the Settlement, and which shall not exceed Seven Thousand Five Hundred Dollars (\$7,500.00).

18. “Settlement Approval” means the settlement approval order and judgment that will be entered by the Court.

19. “Settlement Fund Account” means the bank account established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid, as set forth herein.

20. “Settlement Period” means the period from March 23, 2019 through and including the date of Court approval of this Settlement Agreement.

21. “Total Monetary Settlement Amount” means the amount of Two Hundred Forty-Five Thousand Dollars (\$245,000.00) that Defendant will pay if the Court approves this Settlement and the Effective Date occurs. The Total Monetary Settlement Amount will be used to pay: (a) the PAGA Settlement Fund to the LWDA and Aggrieved Employees; (b) the award of Attorney’s Fees to Plaintiff’s Counsel; (c) the award of Attorney’s Costs to Plaintiff’s Counsel; (d) Settlement Administration Costs; and (e) the Service Award to Plaintiff. Under no circumstances will Defendant be required to pay more than Two Hundred Forty-Five Thousand Dollars (\$245,000.00). In no event will any money revert to Defendant.

22. “Void Date” means the 181st day after issuance of Individual Settlement Payment checks to Aggrieved Employees, upon which the Individual Settlement Payment checks will no longer be valid and negotiable.

B. Consideration

1. No Admission of Liability. Defendant has contended and continues to contend that the allegations in the Action have no merit and do not give rise to liability. Defendant generally denies all of the allegations in the Action, including the allegations in the LWDA Letter and Complaint. Defendant specifically disclaims any liability to Plaintiff or any other allegedly Aggrieved Employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract. This Settlement Agreement is a compromise of such disputed claims. Nothing contained in this Settlement Agreement and no documents referred to herein and no action taken to carry out this Settlement Agreement may be construed or used as an admission by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever.

2. Monetary Settlement Components. Provided that the Court approves the Settlement and the Effective Date occurs, Defendant will pay the Total Monetary Settlement Amount of Two Hundred Forty-Five Thousand Dollars (\$245,000.00). All amounts to be paid by Defendant shall be deposited into the Settlement Fund Account, which shall be administered by the Settlement Administrator. All amounts to be paid to anyone pursuant to this Settlement Agreement shall be paid out of the Settlement Fund Account.

a. Attorney’s Fees. In full satisfaction of all claims Plaintiff and her counsel may have for attorney’s fees arising out of the Action, the Parties agree that Plaintiff’s Counsel shall be paid up to Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67.00) in Attorney’s Fees, which will be paid out of the Total Monetary Settlement Amount. Defendant agrees not to oppose Plaintiff’s application for Attorney’s Fees not to exceed this sum. Any portion of the

Attorney's Fees not awarded to Plaintiff's Counsel will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Fees identified herein is not awarded by the Court.

- b. Attorney's Costs. In full satisfaction of all claims Plaintiff and her counsel may have for litigation costs and expenses arising out of the Action, the Parties agree that Plaintiff's Counsel shall be paid up to Nine Thousand Dollars (\$9,000.00) in Attorney's Costs, which will be paid out of the Total Monetary Settlement Amount. Defendant agrees not to oppose Plaintiff's application for Attorney's Costs not to exceed this sum. The Attorney's Costs to be awarded to Plaintiff are subject to the approval of the Court. Any portion of the Attorney's Costs not awarded to Plaintiff's Counsel will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Costs identified herein is not awarded by the Court.
- c. Settlement Administration Costs. Third-party administration fees that are necessary to administer the Settlement up to a maximum payment of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00), shall be paid out of the Total Monetary Settlement Amount. The Settlement Administration Costs to be paid to the Settlement Administrator are subject to the Court's approval. Any portion of the Settlement Administration Costs not awarded by the Court will be added to the PAGA Settlement Fund.
- d. Plaintiff's Service Award. In recognition of Plaintiff's effort and work in prosecuting the Action for the benefit of the State of California and Aggrieved Employees, Plaintiff shall be eligible for a Service Award in an amount not to exceed Seven Thousand Dollars (\$7,500.00). Defendant agrees not to oppose Plaintiff's application for a Service Award not to exceed this sum. The Service Award is subject to approval of the Court and will be paid only from the Total Monetary Settlement Amount. Any portion of the Service Award not awarded to Plaintiff will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Plaintiff's Service Award identified herein is not awarded by the Court.
- e. PAGA Settlement Fund. Out of the Total Monetary Settlement Amount, a total of One Hundred Thirty-Nine Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$139,333.33) – plus any un-awarded Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs – shall be paid to Aggrieved Employees and the LWDA in full satisfaction of the Released Claims. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Settlement Fund (One Hundred Four Thousand Five Hundred Dollars and Zero Cents [\$104,500.00]) – plus seventy-five percent (75%) of any un-awarded Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs – will

be paid to the LWDA. The remaining twenty-five percent (25%) of the PAGA Settlement Fund (Thirty-Four Thousand Eight Hundred Thirty-Three Dollars and Thirty-Three Cents [\$34,833.33]) – plus twenty-five percent (25%) of any un-awarded Attorney’s Fees, Attorney’s Costs, Service Award, and Settlement Administration Costs – will be paid to all Aggrieved Employees pursuant to the calculation method set forth in Sections C(13) and (14) below.

3. Release. Plaintiff releases the Released Parties from the Released Claims during the Settlement Period.

C. Settlement Administration Procedures

1. Settlement Approval Motion. Following full execution of this Settlement Agreement, Plaintiff will promptly request a hearing before the Court to seek approval of the Settlement on a mutually available date. In conjunction with such hearing, Plaintiff’s Counsel will present this Settlement Agreement to the Court and will request that the Court issue a Settlement Approval Order and Judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement. Plaintiff’s Counsel will be primarily responsible for drafting all documents necessary to obtain approval of the Settlement, though the Parties will meet and confer on such materials. Defendant agrees not to oppose Plaintiff’s motion for Settlement Approval unless the motion is inconsistent with the terms set forth in this Settlement Agreement.

2. Nullification. If the Court should for any reason fail to approve this Agreement, then (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

3. No Right of Aggrieved Employee to Object or Opt-Out. The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out or otherwise exclude himself or herself from the Settlement. Except as otherwise stated, the Parties will vigorously defend against any attempt by any Aggrieved Employee or by any entity or agency to object to/opt-out of this settlement. The Parties will jointly defend against any appeal filed with respect to the Final Order.

4. LWDA Notice. Pursuant to California Labor Code § 2699(I), Plaintiff will provide a copy of this Settlement to the LWDA concurrently with the filing of the motion or stipulation for Settlement Approval. Plaintiff will also file a declaration in support of her motion or stipulation for Settlement Approval confirming that she has submitted the Settlement to the LWDA in compliance with Labor Code § 2699(I).

5. Judgment and Continued Jurisdiction. After entry of the Final Approval order and judgment, the Court will have continuing and exclusive jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) matters relating to the administration of the Settlement; and (c) such post-Judgment matters as may be appropriate under Court rules or as set forth in this Settlement Agreement.

6. Settlement Administrator. Upon approval of the Court, the Parties will retain ILYM Group, Inc. as the third-party Settlement Administrator to administer this Settlement. The Settlement Administrator will be responsible for: establishing the Settlement Fund Account; calculating Individual Settlement Payments; preparing, printing, and mailing the Individual Settlement Checks and accompanying Notice to Aggrieved Employees; disbursing payment of Attorney's Fees and Attorney's Costs to Plaintiff's Counsel; disbursing payment of the Service Award to Plaintiff; disbursing payment to the LWDA as provided herein; printing and providing Aggrieved Employees, 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; and for such other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, Plaintiff's counsel or any Aggrieved Employee until the amounts are approved by the Parties. Any legally mandated tax reports, tax filings, or other tax documents required by the administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be part of the Settlement Administration Costs.

7. Aggrieved Employee List. Within fifteen (15) calendar days following the Effective Date, Defendant will provide the Settlement Administrator with the Aggrieved Employee List, which shall be used solely for the administration of this Settlement and for no other purpose, and which shall not be shared with any persons or entity not employed by the Settlement Administrator and working on the administration of this Settlement. Because Aggrieved Employees' sensitive personal information is included in the Aggrieved Employee List, the Settlement Administrator shall maintain the Aggrieved Employee List securely and in confidence, maintaining the strictest standards of data privacy. Access to the Aggrieved Employee List shall be limited to employees of the Settlement Administrator with a need to use the Aggrieved Employee List for administration of this Settlement and the Aggrieved Employee List shall be returned to Defendant once settlement administration is concluded.

8. Funding of the Settlement. Within fifteen (15) calendar days following the Effective Date, Defendant shall fund the Settlement by depositing the Total Monetary Settlement Amount into the Settlement Fund Account to be established by the Settlement Administrator.

9. Payment of Attorney's Fees and Attorney's Costs. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Attorney's Fees and Attorney's Costs to Plaintiff's Counsel. Plaintiff's Counsel agrees to provide the Settlement Administrator with an executed IRS Form W-9 before payments for Attorney's Fees and Attorney's Costs are issued. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Plaintiff's Counsel any particular amount in attorneys' fees and costs.

Neither Plaintiff's Counsel nor any other current or past counsel for Plaintiff shall be permitted to petition the Court for, or to accept, any additional payments for attorney's fees, costs, interest, or any other amount from Defendant except as specified above. Defendant's payment of

the Attorney's Fees and Attorney's Costs shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law firm, including but not limited to Plaintiff's Counsel, or attorney's fees, expenses, and/or costs in the Action incurred by any other attorney or law firm for attorney's fees, expenses, and/or costs to which any of them may claim to be entitled on behalf of Plaintiff and/or Aggrieved Employees. The Parties further agree that Plaintiff's Counsel's Attorney's Fees and Attorney's Costs shall be for all attorney's fees, expenses, and/or costs, present and future, incurred in the Action by all attorneys working on behalf of Plaintiff and/or Aggrieved Employees.

10. Payment of Service Award. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Service Award to Plaintiff. Plaintiff agrees to provide the Settlement Administrator with an executed IRS Form W-9 before the Service Award is issued. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for this payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on her Service Award and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Service Award. The Service Award shall be in addition to Plaintiff's Individual Settlement Payment, which she shall receive as an Aggrieved Employee. Plaintiff shall not have the right to revoke her agreement to the Settlement on the grounds the Court does not approve any or all of the requested Service Award.

11. Settlement Administration Costs. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Settlement Administration Costs.

12. Payment to LWDA. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall issue from the Settlement Fund Account a check payable to the LWDA for seventy-five percent (75%) of the PAGA Settlement Fund.

13. Individual Settlement Payments. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall issue from the Settlement Fund Account Individual Settlement Payments based on the twenty-five percent (25%) of the PAGA Settlement Fund to Aggrieved Employees' last known mailing address. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the Void Date 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 then perform a single re-mailing. Any check re-mailings will not extend the 180-day period to cash a check. Any checks issued to Aggrieved Employees shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and then shall become void on the 181st day after issuance, *i.e.*, the Void Date. The Parties agree that, within fourteen (14) calendar days after the Void Date, any unclaimed funds in the Settlement Fund Account as a result of the failure to cash Individual Settlement Payment checks prior to the Void Date shall be paid by the Settlement Administrator to the LWDA.

14. Calculation of Individual Settlement Payments. All Aggrieved Employees will receive an Individual Settlement Payment. The amount of each Aggrieved Employee's Individual Settlement Payment will be calculated based on the total number of pay periods each Aggrieved Employee worked during the Settlement Period. The precise amount of the pay period value will be calculable once the amount of the PAGA Settlement Fund is set based on the amounts approved by the Court with respect to the Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs. To establish the pay period value, the Settlement Administrator will first determine the total number of pay periods worked by Aggrieved Employees during the Settlement Period. Twenty-five percent (25%) of the PAGA Settlement Fund will then be divided by the total number of pay periods worked by Aggrieved Employees during the Settlement Period to determine the pay period value. The Individual Settlement Payment to each Aggrieved Employee will be determined by multiplying the pay period value and the total number of pay periods each Aggrieved Employee worked during the Settlement Period.

15. Tax Treatment of Individual Settlement Payments. One hundred percent (100%) of each Individual Settlement Payment shall be allocated to miscellaneous income for which an IRS Form 1099 will issue, if required by law.

16. Administration of Taxes. The Settlement Administrator will be responsible for issuing to Plaintiff, Aggrieved Employees, Plaintiff's Counsel and itself Form 1099s or other tax forms as may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all penalties to the appropriate government authorities.

17. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties. Plaintiff's Counsel shall file this declaration with the Court within seven (7) calendar days of receipt or as otherwise ordered by the Court.

E. Miscellaneous Provisions

1. No Effect on Employee Benefits. Amounts paid to Plaintiff and other Aggrieved Employees pursuant to this Settlement Agreement do not count as earnings or compensation for purposes of any benefits (e.g., 401(k) plans or retirement plans) sponsored by Defendant.

2. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Plaintiff understands and agrees that she will be solely responsible for the payment of any taxes and penalties assessed on the amounts paid to her as described herein and will hold Plaintiff's Counsel, Defendant, the Released Parties, Defense Counsel, and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages. Each Party to this Settlement (for purposes of this section, the "Acknowledging Party" and each Party to this Settlement Agreement other than the Acknowledging Party, an "other Party") acknowledges and agrees that: (a) no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers,

is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (b) the Acknowledging Party (i) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (ii) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (iii) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (c) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

3. No Prior Assignments. The Parties and their counsel 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 any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

5. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms, and no oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

6. Amendment or Modification. This Agreement may be amended or modified only by a formal written instrument signed by counsel for all Parties or their successors-in-interest.

7. Authorization to Enter Into Settlement Agreement. The Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms. The person or persons signing this Settlement Agreement on behalf of Defendant represent and warrant that he/she/they are authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any claim covered by this Settlement to a third party.

8. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Agreement 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, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

9. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

10. California Law Governs. All terms of this and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

11. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned 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. Electronic signatures (e.g., Docu-signed signatures) may be used to execute this Settlement Agreement and will be binding as if actual ink signatures.

12. Acknowledgement that the Settlement is Fair, Adequate and Reasonable. The Parties believe this Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations facilitated by an experienced wage and hour class action mediator, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness, adequacy and reasonableness of this Settlement.

13. Waiver of Certain Appeals. In the event the Court grants Approval of this Settlement, the Parties agree to waive appeals concerning this Settlement except related to any reduction in Attorney's Fees, Attorney's Costs, or the Service Payment.

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

15. Waiver. No waiver of any condition or covenant contained in this Agreement 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.

16. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Plaintiff's Counsel warrant and represent that there are no liens on the Agreement.

17. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. 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 Court to resolve such disagreement.

18. Publicity. The Parties agree that Plaintiff and Plaintiff's Counsel will not communicate the fact of, or the terms of, this Settlement to members of the press, including to Verdicts and Settlements. The Parties and their respective counsel also agree not to publish the fact of, or terms of, this Settlement or any related information on their website, for advertising purposes and/or in publication materials generally available to the public.

19. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Agreement shall be: (a) in writing; (b) deemed given on the third business day after mailing; and (c) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff:	To Defendant:
Daniel F. Gaines, Esq. Alex P. Katofsky, Esq. GAINES & GAINES, APLC 27200 Agoura Rd., Suite 101 Calabasas, CA 91301	Steven A. Groode, Esq. Jannine Kranz, Esq. Littler Mendelson, P.C. 2049 Century Park East, 5 th Floor Los Angeles, CA 90067

It is hereby agreed.

Dated: September 17, 2021

PLAINTIFF

DocuSigned by:

Cristina Dennis

Cristina Dennis

**DEFENDANT PARKER PALM
SPRINGS, LLC**

Dated: _____

Cynthia Wong
Cynthia Wong, its Chief Operating Officer

Approved as to form:

GAINES & GAINES, APLC

Dated: September 17, 2021

Daniel F. Gaines
Daniel F. Gaines
Attorney for Plaintiff Cristina Dennis

Approved as to form:

LITTLER MENDELSON, P.C.



Dated: September 16, 2021

Steven A. Groode
Attorney for Defendant Parker Palm
Springs, LLC

EXHIBIT A

[NAME]
[ADDRESS]

Re: Notice of Settlement -Payment From *Cristina Dennis v. Parker Palm Springs, LLC*, Superior Court of the State of California for the County of Riverside, Case No. PSC2002340

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Cristina Dennis v. Parker Palm Springs, LLC, Inc.*, Riverside County Superior Court Case No. PSC2002340 (the “Action”).

The Action was filed against Parker Palm Springs, LLC (“Defendant”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* (“PAGA”) by a former employee of Defendant on behalf of the State of California and all similarly situated, alleged “aggrieved employees” of Defendant. You have been identified as one of the individuals on whose behalf the case was brought.

The plaintiff in the Action claimed that Defendant owed civil penalties under PAGA for alleged violations of California Labor Code, including violations of Labor Code sections Labor Code Sections 201, 202, 226, 226.3, 226.7, 558, and the applicable Industrial Welfare Commission Wage Order(s), related to missed and denied rest periods, inaccurate wage statements, and the late payment of wages at the separation of employment. Defendant denies that it did anything unlawful or that it owes any penalties.

The Court did not rule on the merits of the Action but it approved the settlement of the parties and the amount to be paid by Defendant in civil penalties. A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to the current and former employees of Defendant during the relevant period. In agreeing to this settlement, Defendant does not admit that it is liable in any way to any current or former employees for any alleged Labor Code violations or any penalties.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff’s pre-filing letter to the Labor and Workforce Development Agency; Plaintiff does not release any aggrieved employee’s claim for wages or damages.

If you have any questions, you can contact ILYM Group, Inc.: [email address and phone number].

Very Truly Yours,

EXHIBIT C

FIRST AMENDED PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE SECTION 2698 ET SEQ.) SETTLEMENT AGREEMENT AND LIMITED RELEASE

Cristina Dennis v. Parker Palm Springs, LLC
(Riverside County Superior Court, Case Number PSC2002340)

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff Cristina Dennis ("Plaintiff"), on behalf of herself and on behalf of the State of California ~~and all allegedly aggrieved employees (referred to herein as the Aggrieved Employees)~~, and Defendant Parker Palm Springs, LLC ("Defendant") (collectively Plaintiff and Defendant are the "Parties"), subject to the approval of the Court, that the settlement of the Action (as defined below) shall be effectuated upon and subject to the following terms and conditions. Capitalized terms as used herein shall have the meanings set forth in Section II or elsewhere in this Settlement Agreement and Release (the "Settlement").

I. RECITALS

WHEREAS, on March 23, 2020, Plaintiff notified the Labor and Workforce Development Agency ("LWDA") of her intent to file an action under California's Private Attorneys General Act, California Labor Code § 2698 *et seq.* ("PAGA") (the "LWDA Letter"). Plaintiff allowed the LWDA an opportunity to investigate her claims as required by the Labor Code.

WHEREAS, on June 5, 2020, Plaintiff filed a lawsuit on behalf of herself and other in Riverside County Superior Court, styled: *Cristina Dennis v. Parker Palm Springs, LLC, and Does 1 through 10, inclusive*, Case No. PSC2002340, asserting a cause of action under PAGA;

WHEREAS, on April 8, 2021 the Parties participated in a private mediation in Los Angeles, California, with mediator Todd Smith;

WHEREAS, the Parties desire to settle, compromise, and avoid litigation relating to the Claims described in the pleadings in the Action, including the Amended Complaint, and have agreed to settle the Action upon the terms and conditions and for the consideration set forth in this Settlement Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the Parties hereto as follows:

II. SETTLEMENT TERMS

A. Definitions

1. "Action" means the case entitled *Cristina Dennis v. Parker Palm Springs, LLC*, pending in the Superior Court of the State of California for the County of Riverside ("Court"), Case No. PSC2002340.

2. "Agreement" or "Settlement Agreement," means this Private Attorneys General Act (Labor Code section 2698 *et seq.*) Settlement Agreement and Limited Release.

3. “Aggrieved Employees” means any and all individuals employed by Defendant in California as non-exempt hourly employees during the Settlement Period, i.e. time period March 23, 2019 to the date of Court approval of this Settlement Agreement.

4. “Aggrieved Employee List” means the list of the Aggrieved Employees that includes the (1) name; (2) last known home address and telephone number; (3) number of pay periods worked during the Settlement Period; and (4) Social Security Number for each Aggrieved Employee, which Defendant will diligently and in good faith compile from its records.

5. “Attorney’s Fees” means such attorney’s fees as the Court may award to Plaintiff’s Counsel from the Total Monetary Settlement Amount for the services Plaintiff’s Counsel has rendered and will render to the Aggrieved Employees in the Action, and which shall not exceed Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67).

6. “Attorney’s Costs” means such litigation costs as the Court may award to Plaintiff’s Counsel from the Total Monetary Settlement Amount for the costs Plaintiff’s Counsel has incurred and will incur in the investigation, litigation, and resolution of the Action, and in administration of the Settlement, and which shall not exceed Nine Thousand Dollars and Zero Cents (\$9,000.00).

7. “Defense Counsel” means Steve Groode, Esq. and Jannine Kranz, Esq. of Littler Mendelson, P.C., 2049 Century Park East, 5th Floor, Los Angeles, CA 90067.

8. “Effective Date” means the date this Settlement is approved as provided herein and the Court’s order granting Settlement Approval and entry of Final Judgment becomes final and is no longer appealable. For purposes of this Settlement Agreement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving this Settlement Agreement may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Settlement Agreement passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Settlement Agreement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Settlement Agreement is affirmed. In the event that: (i) the Court does not approve the Settlement Agreement as provided herein; or (ii) the Effective Date does not occur for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions. The Effective Date cannot occur, and Defendant will not be obligated to fund this Settlement Agreement, until and unless there is no possibility of an appeal or further appeal that could potentially prevent this Settlement Agreement from becoming final and binding.

9. “Individual Settlement Payment” means the portion of the PAGA Settlement Fund allocated to each Aggrieved Employee, as calculated pursuant to Sections C(13) and D(14) below. One hundred percent (100%) of the Individual Settlement Payments made to Aggrieved

Employees shall be deemed miscellaneous income for which a Form 1099 will be issued if required by law, as determined by the Settlement Administrator.

10. “Notice” means the form of notice that will be sent to each Aggrieved Employee accompanying their Individual Settlement Payments, which shall be substantially in the form attached hereto as **Exhibit A**.

11. “PAGA Settlement Fund” means the amount from the Total Monetary Settlement Amount that is allocated to PAGA civil penalties. Seventy-five percent (75%) of the PAGA Settlement Fund will be distributed to the LWDA and twenty-five percent (25%) will be distributed to Aggrieved Employees.

12. “Plaintiff’s Counsel” means Daniel F. Gaines Esq., Alex P. Katofsky, and Evan Gaines, Esq., of GAINES & GAINES, APLC, 27200 Agoura Rd., Suite 101, Calabasas, California 91301.

13. “Released Claims” means all claims for civil penalties under the PAGA, including costs and attorneys’ fees related thereto, predicated on claims alleged or which that could have been alleged based on sought by the Labor Commissioner for the facts as alleged violations identified in the operative Complaint in the Action and/or Plaintiff’s pre-filing letter to the LWDA Letter, including but not limited to alleged failure to provide rest breaks, failure to provide complete and accurate wage statements, and failure to timely pay release any Aggrieved Employee’s claim for wages upon termination, that accrued from March 23, 2019, through the date of court approval of this Settlement or damages.

14. “Released Parties” means Defendant d/b/a “Jack Parker Corporation”, including its operating entity – Parker Palm Springs II and their respective current and former members, directors, officers, managers, employees, principals, members, agents, insurers, reinsurers, shareholders, attorneys, representatives, and each of their respective executors, predecessors, successors, assigns and legal representatives, officers, directors, employees and agents.

15. “Service Award” means the amount from the Total Monetary Settlement Amount that the Court awards to Plaintiff in recognition of her efforts in obtaining the benefits of the Settlement and as partial consideration for executing this Settlement Agreement and providing a Complete and General Release of all claims against the Released Parties. The Service Award shall not exceed Seven Thousand Five Hundred Dollars (\$7,500.00).

16. “Settlement Administrator” means ILYM Group, Inc., a third-party settlement claims administrator appointed by the Court for the purposes of administering this Settlement. The Parties each represent that each does not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

17. “Settlement Administration Costs” means the amount from the Total Monetary Settlement Amount which shall be allocated, subject to the Court’s approval, to the Settlement

Administrator for services rendered in administering the Settlement, and which shall not exceed Seven Thousand Five Hundred Dollars (\$7,500.00).

18. “Settlement Approval” means the settlement approval order and judgment that will be entered by the Court.

19. “Settlement Fund Account” means the bank account established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid, as set forth herein.

20. “Settlement Period” means the period from March 23, 2019 through and including the date of Court approval of this Settlement Agreement.

21. “Total Monetary Settlement Amount” means the amount of Two Hundred Forty-Five Thousand Dollars (\$245,000.00) that Defendant will pay if the Court approves this Settlement and the Effective Date occurs. The Total Monetary Settlement Amount will be used to pay: (a) the PAGA Settlement Fund to the LWDA and Aggrieved Employees; (b) the award of Attorney’s Fees to Plaintiff’s Counsel; (c) the award of Attorney’s Costs to Plaintiff’s Counsel; (d) Settlement Administration Costs; and (e) the Service Award to Plaintiff. Under no circumstances will Defendant be required to pay more than Two Hundred Forty-Five Thousand Dollars (\$245,000.00). In no event will any money revert to Defendant.

22. “Void Date” means the 181st day after issuance of Individual Settlement Payment checks to Aggrieved Employees, upon which the Individual Settlement Payment checks will no longer be valid and negotiable.

B. Consideration

1. No Admission of Liability. Defendant has contended and continues to contend that the allegations in the Action have no merit and do not give rise to liability. Defendant generally denies all of the allegations in the Action, including the allegations in the LWDA Letter and Complaint. Defendant specifically disclaims any liability to Plaintiff or any other allegedly Aggrieved Employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract. This Settlement Agreement is a compromise of such disputed claims. Nothing contained in this Settlement Agreement and no documents referred to herein and no action taken to carry out this Settlement Agreement may be construed or used as an admission by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever.

2. Monetary Settlement Components. Provided that the Court approves the Settlement and the Effective Date occurs, Defendant will pay the Total Monetary Settlement Amount of Two Hundred Forty-Five Thousand Dollars (\$245,000.00). All amounts to be paid by Defendant shall be deposited into the Settlement Fund Account, which shall be administered by the Settlement Administrator. All amounts to be paid to anyone pursuant to this Settlement Agreement shall be paid out of the Settlement Fund Account.

- a. Attorney's Fees. In full satisfaction of all claims Plaintiff and her counsel may have for attorney's fees arising out of the Action, the Parties agree that Plaintiff's Counsel shall be paid up to Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67.00) in Attorney's Fees, which will be paid out of the Total Monetary Settlement Amount. Defendant agrees not to oppose Plaintiff's application for Attorney's Fees not to exceed this sum. Any portion of the Attorney's Fees not awarded to Plaintiff's Counsel will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Fees identified herein is not awarded by the Court.
- b. Attorney's Costs. In full satisfaction of all claims Plaintiff and her counsel may have for litigation costs and expenses arising out of the Action, the Parties agree that Plaintiff's Counsel shall be paid up to Nine Thousand Dollars (\$9,000.00) in Attorney's Costs, which will be paid out of the Total Monetary Settlement Amount. Defendant agrees not to oppose Plaintiff's application for Attorney's Costs not to exceed this sum. The Attorney's Costs to be awarded to Plaintiff are subject to the approval of the Court. Any portion of the Attorney's Costs not awarded to Plaintiff's Counsel will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Costs identified herein is not awarded by the Court.
- c. Settlement Administration Costs. Third-party administration fees that are necessary to administer the Settlement up to a maximum payment of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00), shall be paid out of the Total Monetary Settlement Amount. The Settlement Administration Costs to be paid to the Settlement Administrator are subject to the Court's approval. Any portion of the Settlement Administration Costs not awarded by the Court will be added to the PAGA Settlement Fund.
- d. Plaintiff's Service Award. In recognition of Plaintiff's effort and work in prosecuting the Action for the benefit of the State of California and Aggrieved Employees, Plaintiff shall be eligible for a Service Award in an amount not to exceed Seven Thousand Dollars (\$7,500.00). Defendant agrees not to oppose Plaintiff's application for a Service Award not to exceed this sum. The Service Award is subject to approval of the Court and will be paid only from the Total Monetary Settlement Amount. Any portion of the Service Award not awarded to Plaintiff will be added to the PAGA Settlement Fund. Plaintiff understands and agrees that this Agreement and Release shall remain in full force and effect even if the full amount of Plaintiff's Service Award identified herein is not awarded by the Court.
- e. PAGA Settlement Fund. Out of the Total Monetary Settlement Amount, a total of One Hundred Thirty-Nine Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$139,333.33) – plus any un-awarded Attorney's Fees,

Attorney's Costs, Service Award, and Settlement Administration Costs – shall be paid to Aggrieved Employees and the LWDA in full satisfaction of the Released Claims. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Settlement Fund (One Hundred Four Thousand Five Hundred Dollars and Zero Cents [\$104,500.00]) – plus seventy-five percent (75%) of any un-awarded Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs – will be paid to the LWDA. The remaining twenty-five percent (25%) of the PAGA Settlement Fund (Thirty-Four Thousand Eight Hundred Thirty-Three Dollars and Thirty-Three Cents [\$34,833.33]) – plus twenty-five percent (25%) of any un-awarded Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs – will be paid to all Aggrieved Employees pursuant to the calculation method set forth in Sections C(13) and (14) below.

~~3. Aggrieved Employees' Release. Upon the Effective Date, Plaintiff, on behalf of herself, the State of California, and all Aggrieved Employees, releases the Released Parties from the Released Claims. This release shall be effective for the period from March 23, 2019 through the date the Court enters an order approving the Settlement Agreement. Aggrieved Employees may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, Aggrieved Employees shall be deemed to have, and by operation of the Settlement Approval order shall have, fully, finally, and forever settled and released any and all of the Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Aggrieved Employees agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of the Released Claims. It is the intent of the Parties that the Settlement Approval order entered by the Court shall have full *res judicata* effect and be final and binding upon Aggrieved Employees regarding the Released Claims.~~

~~3. Release. Plaintiff releases the Released Parties from the Released Claims during the Settlement Period.~~

C. Settlement Administration Procedures

1. Settlement Approval Motion. Following full execution of this Settlement Agreement, Plaintiff will promptly request a hearing before the Court to seek approval of the Settlement on a mutually available date. In conjunction with such hearing, Plaintiff's Counsel will present this Settlement Agreement to the Court and will request that the Court issue a Settlement Approval Order and Judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement. Plaintiff's Counsel will be primarily responsible for drafting all documents necessary to obtain approval of the Settlement, though the Parties will meet and confer on such materials. Defendant agrees not to oppose Plaintiff's motion for Settlement Approval unless the motion is inconsistent with the terms set forth in this Settlement Agreement.

2. Nullification. If the Court should for any reason fail to approve this Agreement, then (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

3. No Right of Aggrieved Employee to Object or Opt-Out. The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out or otherwise exclude himself or herself from the Settlement. Except as otherwise stated, the Parties will vigorously defend against any attempt by any Aggrieved Employee or by any entity or agency to object to/opt-out of this settlement. The Parties will jointly defend against any appeal filed with respect to the Final Order.

4. LWDA Notice. Pursuant to California Labor Code § 2699(l), Plaintiff will provide a copy of this Settlement to the LWDA concurrently with the filing of the motion or stipulation for Settlement Approval. Plaintiff will also file a declaration in support of her motion or stipulation for Settlement Approval confirming that she has submitted the Settlement to the LWDA in compliance with Labor Code § 2699(l).

5. Judgment and Continued Jurisdiction. After entry of the Final Approval order and judgment, the Court will have continuing and exclusive jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) matters relating to the administration of the Settlement; and (c) such post-Judgment matters as may be appropriate under Court rules or as set forth in this Settlement Agreement.

6. Settlement Administrator. Upon approval of the Court, the Parties will retain ILYM Group, Inc. as the third-party Settlement Administrator to administer this Settlement. The Settlement Administrator will be responsible for: establishing the Settlement Fund Account; calculating Individual Settlement Payments; preparing, printing, and mailing the Individual Settlement Checks and accompanying Notice to Aggrieved Employees; disbursing payment of Attorney's Fees and Attorney's Costs to Plaintiff's Counsel; disbursing payment of the Service Award to Plaintiff; disbursing payment to the LWDA as provided herein; printing and providing Aggrieved Employees, 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; and for such other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, Plaintiff's counsel or any Aggrieved Employee until the amounts are approved by the Parties. Any legally mandated tax reports, tax filings, or other tax documents required by the administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be part of the Settlement Administration Costs.

7. Aggrieved Employee List. Within fifteen (15) calendar days following the Effective Date, Defendant will provide the Settlement Administrator with the Aggrieved Employee List, which shall be used solely for the administration of this Settlement and for no other purpose, and which shall not be shared with any persons or entity not employed by the Settlement Administrator and working on the administration of this Settlement. Because Aggrieved Employees' sensitive personal information is included in the Aggrieved Employee List, the Settlement Administrator shall maintain the Aggrieved Employee List securely and in confidence, maintaining the strictest standards of data privacy. Access to the Aggrieved Employee List shall be limited to employees of the Settlement Administrator with a need to use the Aggrieved

Employee List for administration of this Settlement and the Aggrieved Employee List shall be returned to Defendant once settlement administration is concluded.

8. Funding of the Settlement. Within fifteen (15) calendar days following the Effective Date, Defendant shall fund the Settlement by depositing the Total Monetary Settlement Amount into the Settlement Fund Account to be established by the Settlement Administrator.

9. Payment of Attorney's Fees and Attorney's Costs. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Attorney's Fees and Attorney's Costs to Plaintiff's Counsel. Plaintiff's Counsel agrees to provide the Settlement Administrator with an executed IRS Form W-9 before payments for Attorney's Fees and Attorney's Costs are issued. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Plaintiff's Counsel any particular amount in attorneys' fees and costs.

Neither Plaintiff's Counsel nor any other current or past counsel for Plaintiff shall be permitted to petition the Court for, or to accept, any additional payments for attorney's fees, costs, interest, or any other amount from Defendant except as specified above. Defendant's payment of the Attorney's Fees and Attorney's Costs shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law firm, including but not limited to Plaintiff's Counsel, or attorney's fees, expenses, and/or costs in the Action incurred by any other attorney or law firm for attorney's fees, expenses, and/or costs to which any of them may claim to be entitled on behalf of Plaintiff and/or Aggrieved Employees. The Parties further agree that Plaintiff's Counsel's Attorney's Fees and Attorney's Costs shall be for all attorney's fees, expenses, and/or costs, present and future, incurred in the Action by all attorneys working on behalf of Plaintiff and/or Aggrieved Employees.

10. Payment of Service Award. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Service Award to Plaintiff. Plaintiff agrees to provide the Settlement Administrator with an executed IRS Form W-9 before the Service Award is issued. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for this payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on her Service Award and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Service Award. The Service Award shall be in addition to Plaintiff's Individual Settlement Payment, which she shall receive as an Aggrieved Employee. Plaintiff shall not have the right to revoke her agreement to the Settlement on the grounds the Court does not approve any or all of the requested Service Award.

11. Settlement Administration Costs. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Settlement Administration Costs.

12. Payment to LWDA. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall issue from the Settlement Fund Account a check payable to the LWDA for seventy-five percent (75%) of the PAGA Settlement Fund.

13. Individual Settlement Payments. Within thirty (30) calendar days following the Effective Date, the Settlement Administrator shall issue from the Settlement Fund Account Individual Settlement Payments based on the twenty-five percent (25%) of the PAGA Settlement Fund to Aggrieved Employees' last known mailing address. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the Void Date 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 then perform a single re-mailing. Any check re-mailings will not extend the 180-day period to cash a check. Any checks issued to Aggrieved Employees shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and then shall become void on the 181st day after issuance, *i.e.*, the Void Date. The Parties agree that, within fourteen (14) calendar days after the Void Date, any unclaimed funds in the Settlement Fund Account as a result of the failure to cash Individual Settlement Payment checks prior to the Void Date shall be paid by the Settlement Administrator to the LWDA.

14. Calculation of Individual Settlement Payments. All Aggrieved Employees will receive an Individual Settlement Payment. The amount of each Aggrieved Employee's Individual Settlement Payment will be calculated based on the total number of pay periods each Aggrieved Employee worked during the Settlement Period. The precise amount of the pay period value will be calculable once the amount of the PAGA Settlement Fund is set based on the amounts approved by the Court with respect to the Attorney's Fees, Attorney's Costs, Service Award, and Settlement Administration Costs. To establish the pay period value, the Settlement Administrator will first determine the total number of pay periods worked by Aggrieved Employees during the Settlement Period. Twenty-five percent (25%) of the PAGA Settlement Fund will then be divided by the total number of pay periods worked by Aggrieved Employees during the Settlement Period to determine the pay period value. The Individual Settlement Payment to each Aggrieved Employee will be determined by multiplying the pay period value and the total number of pay periods each Aggrieved Employee worked during the Settlement Period.

15. Tax Treatment of Individual Settlement Payments. One hundred percent (100%) of each Individual Settlement Payment shall be allocated to miscellaneous income for which an IRS Form 1099 will issue, if required by law.

16. Administration of Taxes. The Settlement Administrator will be responsible for issuing to Plaintiff, Aggrieved Employees, Plaintiff's Counsel and itself Form 1099s or other tax forms as may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all penalties to the appropriate government authorities.

17. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties. Plaintiff's Counsel shall file this declaration with the Court within seven (7) calendar days of receipt or as otherwise ordered by the Court.

E. Miscellaneous Provisions

1. No Effect on Employee Benefits. Amounts paid to Plaintiff and other Aggrieved Employees pursuant to this Settlement Agreement do not count as earnings or compensation for purposes of any benefits (e.g., 401(k) plans or retirement plans) sponsored by Defendant.

2. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Plaintiff understands and agrees that she will be solely responsible for the payment of any taxes and penalties assessed on the amounts paid to her as described herein and will hold Plaintiff's Counsel, Defendant, the Released Parties, Defense Counsel, and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages. Each Party to this Settlement (for purposes of this section, the "Acknowledging Party" and each Party to this Settlement Agreement other than the Acknowledging Party, an "other Party") acknowledges and agrees that: (a) no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (b) the Acknowledging Party (i) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (ii) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (iii) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (c) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

3. No Prior Assignments. The Parties and their counsel 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 any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

5. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms, and no oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

6. Amendment or Modification. This Agreement may be amended or modified only by a formal written instrument signed by counsel for all Parties or their successors-in-interest.

7. Authorization to Enter Into Settlement Agreement. The Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms. The person or persons signing this Settlement Agreement on behalf of Defendant represent and warrant that he/she/they are authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any claim covered by this Settlement to a third party.

8. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Agreement 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, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

9. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

10. California Law Governs. All terms of this and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

11. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned 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. Electronic signatures (e.g., Docu-signed signatures) may be used to execute this Settlement Agreement and will be binding as if actual ink signatures.

12. Acknowledgement that the Settlement is Fair, Adequate and Reasonable. The Parties believe this Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations facilitated by an experienced wage and hour class action mediator, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness, adequacy and reasonableness of this Settlement.

13. Waiver of Certain Appeals. In the event the Court grants Approval of this Settlement, the Parties agree to waive appeals concerning this Settlement except related to any reduction in Attorney's Fees, Attorney's Costs, or the Service Payment.

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

15. Waiver. No waiver of any condition or covenant contained in this Agreement 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.

16. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Plaintiff's Counsel warrant and represent that there are no liens on the Agreement.

17. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. 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 Court to resolve such disagreement.

18. Publicity. The Parties agree that Plaintiff and Plaintiff's Counsel will not communicate the fact of, or the terms of, this Settlement to members of the press, including to Verdicts and Settlements. The Parties and their respective counsel also agree not to publish the fact of, or terms of, this Settlement or any related information on their website, for advertising purposes and/or in publication materials generally available to the public.

19. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Agreement shall be: (a) in writing; (b) deemed given on the third business day after mailing; and (c) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff:	To Defendant:
Daniel F. Gaines, Esq. Alex P. Katofsky, Esq. GAINES & GAINES, APLC 27200 Agoura Rd., Suite 101 Calabasas, CA 91301	Steven A. Groode, Esq. Jannine Kranz, Esq. Littler Mendelson, P.C. 2049 Century Park East, 5 th Floor Los Angeles, CA 90067

It is hereby agreed.

PLAINTIFF

Dated: _____

Cristina Dennis

**DEFENDANT PARKER PALM
SPRINGS, LLC**

Dated: _____

Cynthia Wong, its Chief ~~Financial~~ Operating
Officer

Approved as to form:

GAINES & GAINES, APLC

Dated: _____

Daniel F. Gaines
Attorney for Plaintiff Cristina Dennis

Approved as to form:

LITTLER MENDELSON, P.C.

Dated: _____

Steven A. Groode
Attorney for Defendant Parker Palm
Springs, LLC

EXHIBIT A

[NAME]
[ADDRESS]

Re: Notice of Settlement -Payment From *Cristina Dennis v. Parker Palm Springs, LLC*, Superior Court of the State of California for the County of Riverside, Case No. PSC2002340

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Cristina Dennis v. Parker Palm Springs, LLC, Inc.*, Riverside County Superior Court Case No. PSC2002340 (the "Action").

The Action was filed against Parker Palm Springs, LLC ("Defendant") pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA") by a former employee of Defendant on behalf of the State of California and all similarly situated, alleged "aggrieved employees" of Defendant. You have been identified as one of the individuals on whose behalf the case was brought.

The plaintiff in the Action claimed that Defendant owed civil penalties under PAGA for alleged violations of California Labor Code, including violations of Labor Code sections Labor Code Sections 201, 202, 226, 226.3, 226.7, 558, and the applicable Industrial Welfare Commission Wage Order(s), related to missed and denied rest periods, inaccurate wage statements, and the late payment of wages at the separation of employment. Defendant denies that it did anything unlawful or that it owes any penalties.

The Court did not rule on the merits of the Action but it approved the settlement of the parties and the amount to be paid by Defendant in civil penalties. A portion of the civil penalty settlement amount goes to the State of California's Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to the current and former employees of Defendant during the relevant period. In agreeing to this settlement, Defendant does not admit that it is liable in any way to any current or former employees for any alleged Labor Code violations or any penalties.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. No claims for wages have been released or otherwise affected by this settlement. Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the Labor and Workforce Development Agency; Plaintiff does not release any aggrieved employee's claim for wages or damages.

~~You and the government will be bound by the judgment in this matter as to civil penalties.~~ If you have any questions, you can contact ILYM Group, Inc.: [email address and phone number].

Very Truly Yours,