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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

KAREN HARTSTEIN, in her representative
capacity and on behalf of herself and all others
similarly situated,

Plaintiff,

vs.

HYATT CORPORATION, a Delaware
corporation doing business in California; and
DOES 1 through 100, inclusive,

Defendants.

Case No. 20STCV15895

Honorable Laura A. Siegle
Department 17

**DECLARATION OF ALEXANDRA ROSE IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 27, 2025
Time: 9:00 a.m.
Dept.: 17

Complaint Filed: April 24, 2020
FAC Filed: January 4, 2021
Trial Date: Not Set

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1 attended all hearings; attended all mediations; coordinated with class action administrators; prepared
2 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all
3 other intricate facets of litigation. During that time, he represented a wide range of clients from sole
4 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of
5 the cases he managed were highly publicized, with articles written about them in the Los Angeles
6 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has
7 regularly honored him as a Southern California Rising Star since 2012.

8 4. Matthew W. Dietz graduated from Cornell University's School of Industrial and Labor
9 Relations with a Bachelor of Science degree in 2007. He attended Washington University School of
10 Law on a full academic scholarship, graduating with a Juris Doctor degree in 2010. In December
11 2010, he was admitted to the State Bar of California. From January 2011 to July 2013, he represented
12 plaintiffs in personal injury and employment litigation at Lederer & Nojima, LLP. From July 2013 to
13 February 2020, he worked at Lewis Brisbois Bisgaard & Smith, LLP, Hinshaw & Culbertson, LLP,
14 and McCune & Harber, LLP, specializing in employment matters. In this capacity he defended single
15 plaintiff actions involving the California Labor Code as well as class actions and enforcement actions
16 pursuant to PAGA. In February 2020, he joined Blackstone Law, APC to work on behalf of plaintiffs
17 and vindicate employment and other rights.

18 5. Karen Gold graduated *cum laude* from UCLA in 2005 with a Bachelor of Science
19 degree in Cognitive Science and a Specialization in Computing. She received her law degree from
20 Boston University School of Law and was admitted to the California State Bar in 2008. Upon
21 graduation, she joined Cox Castle & Nicholson, LLP, and worked there for approximately a decade as
22 a general litigation attorney focused primarily on high-stakes sophisticated cases including class action
23 defense matters. Thereafter, she spent approximately five years working for Marlin & Saltzman, LLP,
24 which is a well-known plaintiff-side wage and hour law firm in Los Angeles, before transitioning over
25 to Blackstone Law, APC as a Senior Trial Attorney and Team Lead. Throughout her career, she has
26 managed over one hundred complex litigation cases, ranging from employment matters to corporate
27 and general business litigation matters. On many of those cases, she was the only or primary attorney
28 managing the case and thus obtained extensive experience overseeing these types of actions. In that

1 capacity, she was the primary contact for clients; took and defended many depositions; propounded
2 and responded to discovery; prepared and opposed motions and pleadings, including dispositive and
3 certification motions; strategized on all cases; attended hearings; attended mediations; coordinated
4 with class action administrators; prepared and worked with experts; participated in trial prep and trials;
5 and engaged in all other intricate facets of litigation. Super Lawyers honored her as a Southern
6 California Rising Star from 2015 through 2018. As the Senior Trial Attorney and Team Lead, she
7 oversees and handles over 100 wage-and-hour putative class actions and/or representative actions
8 under PAGA seeking relief on behalf of California employees. She has considerable experience in
9 handling class and representative action lawsuits throughout her career and has been approved as
10 counsel in a number of cases.

11 6. Marissa Mayhood is a Senior Associate Attorney at Blackstone Law, APC. She
12 graduated from Pepperdine University School of Law with a Juris Doctorate and a certificate in dispute
13 resolution from Pepperdine's Straus Institute. Ms. Mayhood spent approximately five years working
14 for Marlin & Saltzman, LLP, which is a well-known plaintiff-side wage and hour law firm in Los
15 Angeles. While working for Marlin & Saltzman, LLP, she litigated and helped settle a \$72.5 million
16 case, *Utne v. Home Depot U.S.A., Inc.*, United States District Court for the Northern District of
17 California, Case No. 3:16-cv-01854-RS, and was approved as class counsel.

18 7. I joined Blackstone Law, APC from a highly reputable employment law firm. I
19 graduated from the University of California, Los Angeles with a Bachelor of Arts degree in 2016 and
20 from New England Law | Boston with a Juris Doctor degree in 2019. I was admitted to the State Bar
21 of California in December of 2019 and the State Bars of New York and New Jersey in 2023. I am
22 additionally licensed in all federal district courts of California. I have worked on many wage and hour
23 class action and PAGA representative matters, and my work has included, *inter alia*, researching and
24 drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations
25 and settlement agreements, engaging in motion practice, claims evaluation and analysis, and making
26 court appearances.

27 8. Blackstone Law, APC has been counsel of record on several class action and PAGA
28 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

Procedural History

9. Defendant Hyatt Corporation (“Defendant”) is a multinational hospitality company that manages and franchises luxury and business hotels, resorts, and vacation properties. In March 2020, Defendant temporarily furloughed thousands of California employees in response to the COVID-19 pandemic and did not automatically pay out all of its employees’ vested vacation wages and floating holiday wages at the time of the furlough, which Plaintiff contends violated the California Labor Code.

10. On April 23, 2020, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendant. A true and correct copy of this notice is attached hereto as **Exhibit 2**.

11. On April 24, 2020, Plaintiff filed a Class Action Complaint in the action entitled *Karen Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court Case No. 20STCV15895 (“Action”), on behalf of a putative class of all California employees whose employment was terminated, including by layoff or furlough, and who were not paid for earned or accrued vacation immediately upon cessation of their employment during the period from April 24, 2016 to final judgment. It alleged five causes of action for (1) Failure to Pay All Wages Upon Discharge or Layoff; (2) Waiting Time Penalties; (3) Failure to Furnish Accurate, Itemized Wage Statements; (4) Unfair and Unlawful Business Practices; and (5) PAGA.

12. On June 1, 2020, Defendant removed the Action to the United States District Court for the Central District of California, where it was assigned Case No. 2:20-cv-04874-DSF-JPR (the “Federal Action”).

13. On June 19, 2020, Plaintiff propounded written formal discovery onto Defendant (specifically, Interrogatories (Set One), Requests for Production of Documents (Set One), and Request for Admissions (Set One)). On July 13, 2020, Plaintiff served a notice of subpoena onto Defendant. On July 30, 2020, Plaintiff served a notice of deposition of Defendant under Federal Rules of Civil Procedure, Rule 30(b)(6) along with request for production of documents. On August 3, 2020, Plaintiff propounded additional written formal discovery onto Defendant (specifically, Requests for

1 Production of Documents (Set Two)). On August 10, 2020, Defendant responded to Plaintiff's
2 discovery requests (specifically, Interrogatories (Set One), Requests for Production of Documents (Set
3 One), and Request for Admission (Set One)). On September 9, 2020, Defendant served responses and
4 supplemental responses to Plaintiff's discovery requests (specifically, Interrogatories (Set One),
5 Request for Admissions (Set One), Requests for Production of Documents (Set Two), and Requests
6 for Production of Documents (Set Two)). On October 28, 2020, Plaintiff served a re-notice of
7 deposition of Defendant under Federal Rules of Civil Procedure, Rule 30(b)(6) along with request for
8 production of documents.

9 14. On October 30, 2020, Plaintiff provided an amended written notice to the LWDA by
10 online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section
11 2699.3 ("PAGA Letter"). A true and correct copy of the PAGA Letter is attached hereto as **Exhibit**
12 **3**.

13 15. On November 10, 2020, Blackstone Law, APC took the deposition of Defendant's
14 Person Most Knowledgeable (Director of Human Resources).

15 16. On January 4, 2021, Plaintiff filed a First Amended Class Action Complaint
16 ("Operative Complaint") in the Federal Action, which additionally asserted a regular rate claim due to
17 Defendant's alleged failure to factor hotel room stays into the regular rate of pay for purposes of
18 overtime compensation, claims for the unpaid value of unused hotel room stays for all individuals
19 whose employment was terminated during the statutory period, and added a regular rate subclass and
20 an unpaid hotel room bonus subclass to the proposed class.

21 17. On January 25, 2021, Defendant filed a Motion for Judgment on the Pleadings and
22 supporting documents. On February 1, 2021, Plaintiff filed an Opposition to Defendant's Motion for
23 Judgment on the Pleadings and supporting documents. On February 8, 2021, Defendant filed a Reply
24 in Support of Its Motion for Judgment on the Pleadings and supporting documents.

25 18. On February 8, 2021, Plaintiff propounded further additional written formal discovery
26 (specifically, Interrogatories (Set Two), Request for Admissions (Set Two), and Requests for
27 Production of Documents (Set Three)).

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1 19. On February 17, 2021, the court in the Federal Action denied Defendant's Motion for
2 Judgment on the Pleadings without prejudice because Defendant filed its Motion for Judgment on the
3 Pleadings before the pleadings were closed in violation of Federal Rules of Civil Procedure, Rule
4 12(c).

5 20. On February 22, 2021, Defendant filed a Renewed Motion for Judgment on the
6 Pleadings and supporting documents. On March 1, 2021, Plaintiff filed an Opposition to Defendant's
7 Renewed Motion for Judgment on the Pleadings and supporting documents. On March 8, 2021,
8 Defendant filed a Reply in Support of Its Renewed Motion for Judgment on the Pleadings.

9 21. On March 9, 2021, Plaintiff served a notice of subpoena onto Defendant. On March
10 10, 2021, Defendant responded to Plaintiff's discovery requests (specifically, Interrogatories (Set
11 Two), Request for Admissions (Set Two), and Requests for Production of Documents (Set Three)).
12 On March 19, 2021, Plaintiff served a continued notice of deposition under Federal Rules of Civil
13 Procedure, Rule 30(b)(6) along with request for production of documents.

14 22. On March 19, 2021, the court in the Federal Action granted in part and denied in part
15 Defendant's Renewed Motion for Judgment on the Pleadings and dismissed Plaintiff's fourth cause of
16 action for failure to furnish accurate, itemized wage statements.

17 23. On March 24, 2021, Defendant served two (2) notices of subpoena and deposition of
18 Plaintiff's experts. On March 31, 2021, Blackstone Law, APC defended the deposition of Plaintiff's
19 expert. On April 7, 2021, Blackstone Law, APC took the continued deposition of Defendant's Person
20 Most Knowledgeable (Director of Human Resources).

21 24. On April 12, 2021, Plaintiff filed a Motion for Class Certification and supporting
22 documents. On April 26, 2021, Defendant filed an Opposition to Plaintiff's Motion for Class
23 Certification and supporting documents. On May 10, 2021, Plaintiff filed a Reply in Support of
24 Plaintiff's Motion for Class Certification. On May 25, 2021, the court in the Federal Action granted
25 Plaintiff's motion for class certification and certified the following class and subclasses:

26 Class: All individuals who were employed by Defendants in the State of California at
27 any time during the period from April 24, 2016 to final judgment (the "Relevant
28 Period") and who fall within the definition of one or all of the following Subclasses:

1 Subclass 1: All members of the Class whose employment was terminated (including,
2 without limitation, temporarily laid off, laid off, or “furloughed”) and who were not
3 paid for vested vacation time and/or floating holidays immediately upon cessation of
4 their employment within the Relevant Period.

5 Subclass 2: All members of the Class whose employment was terminated (including,
6 without limitation, temporarily laid off, laid off, or “furloughed”) and who were not
7 paid for vested non-discretionary hotel room bonuses immediately upon cessation of
8 their employment within the Relevant Period.

9 Subclass 3: All members of the Class who are or were hourly-paid and/or non-exempt,
10 who worked overtime and received overtime pay, and who earned non-discretionary
11 hotel room bonuses during the Relevant Period.

12 The court in the Federal Action appointed Plaintiff as the class representative and
13 Blackstone Law, APC as class counsel.

14 25. On June 17, 2021, Plaintiff propounded additional written formal discovery
15 (specifically, Interrogatories (Set Three), Request for Admissions (Set Three), and Requests for
16 Production of Documents (Set Four)) and served two (2) deposition notices. On July 2, 2021, Plaintiff
17 served a re-notice of deposition. On July 23, 2021, Defendant responded to Plaintiff’s discovery
18 requests (specifically, Interrogatories (Set Three), Request for Admissions (Set Three), and Requests
19 for Production of Documents (Set Four)). On July 21, 2021, a Belaire-West notice was mailed to
20 fifteen thousand one hundred and twenty (15,120) putative class members by a third-party
21 administrator.

22 26. On August 4, 2021, Blackstone Law, APC took the deposition of Defendant’s Person
23 Most Knowledgeable (Human Resources Information Systems Senior Analyst). On August 11, 2021,
24 Plaintiff served a deposition notice. On August 19, 2021, Blackstone Law, APC took the deposition
25 of Defendant’s Person Most Knowledgeable (Senior Vice President of Human Resources for the
26 Americas).

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1 27. On September 2, 2021, Plaintiff propounded additional written formal discovery
2 (specifically, Interrogatories (Set Four), Request for Admissions (Set Four), and Requests for
3 Production of Documents (Set Five)). On September 9, 2021, Plaintiff served a notice of deposition
4 of Defendant under Federal Rules of Civil Procedure, Rule 30(b)(6) along with request for production
5 of documents. On October 4, 2021, Defendant responded to Plaintiff's discovery requests
6 (specifically, Interrogatories (Set Four), Request for Admissions (Set Four), and Requests for
7 Production of Documents (Set Five)).

8 28. On October 17, 2021, Blackstone Law, APC took the deposition of Defendant's Person
9 Most Knowledgeable (Vice President of Revenue Management).

10 29. On October 20, 2021, Plaintiff served an amended notice of deposition of Defendant
11 under Federal Rules of Civil Procedure, Rule 30(b)(6) along with request for production of documents.
12 On October 25, 2021, Defendant served supplemental responses to Plaintiff's discovery requests
13 (specifically, Interrogatories (Set Three) and Request for Admissions (Set Three)). On October 26,
14 2021, Defendant served objections and responses to Plaintiff's amended deposition notice and request
15 for production of documents.

16 30. On November 2, 2021, the Parties participated in mediation with Jeffrey Krivis, Esq.,
17 which did not result in a settlement at that time.

18 31. On November 15, 2021, Plaintiff filed a Motion for Partial Summary Judgment and
19 supporting documents. On November 15, 2021, Defendant filed a Motion for Summary Judgment, or
20 in the Alternative Partial Summary Judgment and supporting documents.

21 32. On December 6, 2021, Plaintiff filed an Opposition to Defendant's Motion for
22 Summary Judgment, or in the Alternative Partial Summary Judgment and supporting documents. On
23 December 6, 2021, Defendant filed an Opposition to Plaintiff's Motion for Partial Summary Judgment
24 and supporting documents.

25 33. On December 20, 2021, Plaintiff filed a Reply in Support of Plaintiff's Motion for
26 Partial Summary Judgment and supporting documents. On December 20, 2021, Defendant filed a
27 Reply in Support of Its Motion for Summary Judgment, or in the Alternative Partial Summary
28 Judgment.

1 34. On November 16, 2021, Plaintiff filed a Motion to Compel Further Responses to
2 Plaintiff's Request for Production of Documents (Set Four). On December 9, 2021, the court in the
3 Federal Action granted Plaintiff's Motion to Compel Further Responses to Plaintiff's Request for
4 Production of Documents (Set Four).

5 35. On January 14, 2022, Defendant served supplemental responses to Plaintiff's Request
6 for Production of Documents (Set Four). On February 9, 2022, Plaintiff propounded additional written
7 discovery (specifically, Interrogatories (Set Five), Request for Admissions (Set Five), and Requests
8 for Production of Documents (Set Six)) and served five (5) deposition notices.

9 36. On February 14, 2022, the court in the Federal Action granted Defendant's Motion for
10 Summary Judgment, denied Plaintiff's Motion for Partial Summary Judgment, and dismissed the
11 Federal Action with prejudice.

12 37. On March 15, 2022, Plaintiff filed a Notice of Appeal to the United States Court of
13 Appeals for the Ninth Circuit. On September 22, 2023, the Ninth Circuit Court of Appeal issued its
14 Opinion in which it reversed the district court's grant of summary judgment in favor of Defendant as
15 to the vacation pay and waiting time penalties claims concluding that the California Labor Code
16 required Defendant to pay the accrued vacation pay in March 2020 and that a temporary layoff without
17 a specific return date within the normal pay period is a discharge that triggers the prompt payment
18 provisions of California Labor Code Section 201; affirmed the grant of summary judgment as to the
19 complimentary hotel room claim holding that complimentary hotel rooms Defendant provided to
20 employees were excludable from the calculation of employees' regular rate of pay under the Fair Labor
21 Standards Act because they were excludable as "other similar payments" under 29 C.F.R. Section
22 778.224; remanded the case for the court to consider whether Defendant acted willfully within the
23 meaning of California Labor Code Section 203; and reversed the grant of summary judgment as to
24 Plaintiff's derivative PAGA and unfair competition claims as to the vacation time and waiting time
25 claims.

26 38. On July 11, 2024, the Parties participated in a second mediation with Jeffrey A. Ross,
27 Esq., which did not result in a settlement at that time. However, after further negotiations and with
28 the assistance of the mediator's evaluations and a mediator's proposal, the Parties were able to reach

an agreement to resolve this dispute on a class and representative basis. The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement.

39. On June 5, 2025, the Parties executed the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 4**.

40. On June 6, 2025, pursuant to the joint stipulation of the Parties, the Federal Action was remanded to Los Angeles Superior Court.

Summary of the Terms of the Settlement Agreement

41. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all individuals who were employed by Defendant in the State of California at any time during the Class Period whose employment was terminated (including, without limitation, temporarily laid off, laid off, or “furloughed”) and who were not paid for vested vacation time and/or floating holidays immediately upon cessation of their employment within the Class Period” (“Class” or “Class Member(s)”). The Class Period is defined as the period from April 24, 2016 through October 30, 2024. Defendant has represented that there are a total of six thousand one hundred and eighty-seven (6,187) Class Members.¹ For the avoidance of doubt, the scope of this case is limited to only those individuals who were employed by Defendant in approximately March 2020 when Defendant furloughed many of its California employees in response to the Covid-19 pandemic, and runs through approximately June to August 2020, when Defendant paid its terminated employees all money owed for vested vacation time and/or floating holidays.

42. The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of Eleven Million Eight Hundred Fifty Dollars and Zero Cents (\$11,850,000.00). The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$4,147,500.00 if the Gross Settlement Amount is \$11,850,000.00); (2) Class Counsel’s

¹ As of the date of this filing, Defendant’s counsel advised that the Escalator Clause in Paragraph 27 of the Settlement Agreement has not been triggered.

1 actual litigation costs and expenses, not to exceed Three Hundred Fifty Thousand Dollars and Zero
2 Cents (\$350,000.00); (3) Settlement Administration Costs, not to exceed Thirty-Five Thousand
3 Dollars and Zero Cents (\$35,000.00); (4) Enhancement Payment in the amount of Twenty-Five
4 Thousand Dollars and Zero Cents (\$25,000.00); and (5) PAGA Amount in the amount of Five Hundred
5 Thousand Dollars and Zero Cents (\$500,000.00). After the above-estimated amounts are deducted
6 from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class
7 Members is currently estimated to be Six Million Seven Hundred Ninety-Two Thousand Five Hundred
8 Dollars and Zero Cents (\$6,792,500.00). Additionally, 25% of the PAGA Amount (“PAGA Employee
9 Amount”), which is \$125,000.00 out of \$500,000.00, will be fully distributed to “all individuals who
10 were employed by Defendant in the State of California at any time during the PAGA Period whose
11 employment was terminated (including, without limitation, temporarily laid off, laid off, or
12 “furloughed”) and who were not paid for vested vacation time and/or floating holidays immediately
13 upon cessation of their employment within the PAGA Period” (“PAGA Employee(s)"). The “PAGA
14 Period” is defined as the period from April 23, 2019 through October 30, 2024.

15 43. The Net Settlement Amount will be distributed and paid to all Class Members who do
16 not submit a timely and valid Request for Exclusion (“Settlement Class Member(s)"). The *pro rata*
17 share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class
18 Settlement (“Individual Settlement Payment”) will be calculated by the Settlement Administrator as
19 follows:

20 The Settlement Administrator will create a “Preliminary Allocation Percentage” for each Class
21 Member. The numerator will be the individual Class Member’s estimated full waiting time
22 penalties, based on their hourly rate of pay and classification of full-time (8 hours per day) or
23 part-time (5 hours per day) status, and the denominator will be the sum of all Class Members’
24 estimated full waiting time penalties. The Settlement Administrator will then multiply the
25 Preliminary Allocation Percentage for each Class Member by the Net Settlement Amount to
26 determine that Class Member’s estimated Individual Settlement Payment.

27 44. The PAGA Employee Amount will be distributed and paid to all PAGA Employees.
28 The *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive
under the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement
Administrator as follows:

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1 The Settlement Administrator will divide the PAGA Employee Amount, *i.e.*, 25% of the
2 PAGA Amount, by the total number of PAGA Employees to yield each PAGA Employee's
Individual PAGA Payment.

3 45. Each Individual Settlement Payment and Individual PAGA Payment will be allocated
4 as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by
5 the Settlement Administrator.

6 46. The Settlement Agreement is a non-reversionary and non-claims made settlement. The
7 Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount
8 will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement
9 Agreement. No money will revert to Defendant.

10 47. Each Individual Settlement Payment and Individual PAGA Payment check will be
11 valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are
12 issued, and thereafter, shall be canceled. Any funds associated with such canceled checks will be
13 distributed by the Settlement Administrator to the State of California's Unclaimed Property Division
14 in the name of the Settlement Class Member and/or PAGA Employee.

15 **The Settlement is Reasonable**

16 ***Informed Arms-Length Negotiations***

17 48. The Parties' settlement negotiations were at all times made at arm's-length and were
18 adversarial. The Settlement was reached following five years of litigation and after a second mediation
19 session with a highly respected mediator with substantial experience mediating wage and hour cases,
20 and Plaintiff engaged in additional negotiations in order to finalize the long-form agreement presently
21 before the Court.

22 49. At all times, both Parties were willing and prepared to litigate this matter through trial
23 and/or upon further appeal if the Parties had been unable to reach a favorable resolution. The Parties
24 engaged in extensive formal and informal discovery, motion practice, and certification of the Class
25 prior to reaching a settlement. This allowed Class Counsel to conduct an informed assessment and
26 analysis of the strengths and weaknesses of the claims and the potential class-wide penalties.

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1 50. Based on the information exchanged, the Parties extensively briefed issues regarding
2 class certification and liability and provided their analyses to the mediator who helped the Parties
3 debate the strengths and weakness of their respective positions.

4 ***Estimate of Potential Value of Claims***

5 51. Class Counsel analyzed all available data and estimated Defendant's maximum
6 potential waiting time penalties under California Labor Code Section 203 to be approximately
7 \$31,865,525. Plaintiff further estimated that Defendant faced an additional exposure of \$1,237,400 in
8 potential PAGA penalties. Together with the PAGA penalties, Defendant's maximum potential
9 exposure totaled \$33,102,925, excluding interest.

10 ***Specific Risks Considered***

11 52. As described herein, on September 22, 2023, the Ninth Circuit Court of Appeal issued
12 its Opinion in which it reversed the district court's grant of summary judgment in favor of Defendant
13 as to the vacation pay and waiting time penalties claims concluding that the California Labor Code
14 required Defendant to pay the accrued vacation pay in March 2020 and that a temporary layoff without
15 a specific return date within the normal pay period is a discharge that triggers the prompt payment
16 provisions of California Labor Code Section 201; affirmed the grant of summary judgment as to the
17 complimentary hotel room claim holding that complimentary hotel rooms Defendant provided to
18 employees were excludable from the calculation of employees' regular rate of pay under the Fair Labor
19 Standards Act because they were excludable as "other similar payments" under 29 C.F.R. Section
20 778.224; remanded the case for the court to consider whether Defendant acted willfully within the
21 meaning of California Labor Code Section 203; and reversed the grant of summary judgment as to
22 Plaintiff's derivative PAGA and unfair competition claims as to the vacation time and waiting time
23 claims. Accordingly, although Plaintiff already partially prevailed on liability in this matter as the
24 Ninth Circuit Court of Appeal ruled that Defendant was obligated to and did not timely pay wages that
25 were due, Plaintiff faced the risk of Defendant's "good faith" basis for failing to comply with
26 California law. Consideration of these risks factored into the negotiations and the decision to enter
27 the Settlement.

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1 53. Employees are entitled to waiting time penalties where an employer “willfully” fails to
2 immediately pay all wages owing immediately upon discharge. (Cal. Lab. Code § 203). Once Plaintiff
3 establishes that Defendant’s conduct was “willful” (i.e., not inadvertent), the burden shifts to
4 Defendant to establish a defense to imposition of California Labor Code Section 203 waiting time
5 penalties. (See e.g. *Diaz v. Grill Concepts Services, Inc.*, 23 Cal.App.5th 866, 868 (2018); see also
6 *Holandez v. Ent., LLC*, No. EDCV 21-01755 JGB (SHKx) 2023 U.S.Dist.LEXIS 215399, at *41
7 (C.D. Cal. Oct. 27, 2023) (citing *Local 246 Util. Workers Union v. S. Cal. Edison Co.*, 83 F.3d 292,
8 297 (9th Cir. 1996) ([T]he employer has the burden of establishing subjective and objective good faith
9 in its violation of FLSA.”)). Defendant has asserted the “Good Faith Dispute” defense, under which
10 an employer’s failure to pay wages owed is excused for purposes of California Labor Code Section
11 203 penalties if its failure to timely make such payments was due to (1) uncertainty in the law, (2)
12 representations by an authority that no payment was required, or (3) the employer’s good faith
13 mistaken belief that wages are not owed grounded in a good faith dispute, which exists when the
14 employer presents a defense, based in law or fact which, if successful, would preclude any recovery
15 by the employee. (*Diaz*, 23 Cal.App.5th 859, 874 (2018); Cal. Code Regs., tit. 8, § 13520 (a)).
16 Defendant argued that a good faith dispute unquestionably exists whether any wages were due because
17 the statute at issue requires a payout of vacation on “termination,” and no case or binding authority
18 has ever held that a furlough, which it alleges occurred to the Class, where employees had access to
19 their health and other benefits and continued to accrue vacation and could be paid out any or all
20 vacation/PTO at any point during the furlough upon request, requires an employer to pay out accrued
21 vacation.

22 54. Class Counsel is aware of Defendant’s defenses and arguments and has also taken into
23 account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays
24 inherent in such litigation, including those involved in de-certification and a potential second appeal
25 with the Ninth Circuit Court of Appeals. Plaintiff further recognizes the significant benefits Class
26 Members can receive more quickly in the Settlement. Plaintiff has also considered the Parties’
27 settlement discussions, as well as the evaluations of the mediator, who is experienced and well-
28 regarded in complex labor and employment matters.

1 55. Defendant denied and continues to deny any liability and wrongdoing of any kind
2 associated with the claims alleged in the Action, and further denies that class certification is
3 appropriate for any purpose other than the Settlement. Defendant believes that it would ultimately
4 prevail in the Action and would evidence a good faith defense to preclude the imposition of California
5 Labor Code Section 203 penalties. Defendant proffered defenses to both certification and to the merits
6 of Plaintiff's claims.

7 56. Therefore, taking into account how each of the above risks potentially affected de-
8 certification, plus the cost and delay in recovering the alleged potential penalties, Class Counsel
9 discounted its evaluation of Defendant's purported liability based on the challenges facing de-
10 certification by 40% to \$19,861,755. The merits-based risk factors further reduced Plaintiff's
11 evaluation of Defendant's purported liability by an additional 40%. This resulted in an adjusted
12 estimated liability, in Plaintiff's view, of \$11,917,053. In light thereof, the settlement amount of
13 \$11,850,000 is a significant settlement.

14 57. Class Counsel also separately contemplated the risks of proceeding with the PAGA
15 claims and potential liability Defendant could face from these claims as part of the global resolution.
16 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying
17 wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the
18 imposition of cumulative civil penalties based on the alleged wage and hour violations could be
19 considered unjust, arbitrary and oppressive, or confiscatory, and that Defendant would argue that it
20 made a good faith attempt to comply with its legal obligations warranting a reduction in penalties.
21 Finally, we were also mindful of the fact that PAGA is fundamentally not intended to be compensatory
22 in nature but is instead intended to facilitate enforcement of California's labor laws by financing state
23 activities and educating and deterring non-compliance.

24 58. Therefore, after considering this multitude of factors, we concluded that it was in the
25 best interest of the State of California and the PAGA Employees to enter into the Settlement, and to
26 allocate Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) of the Gross Settlement
27 Amount towards the PAGA claims, which represents approximately 4.22% of the Gross Settlement
28 Amount. This percentage of the settlement is well-within the range of wage and hour settlements

regularly approved in both state and federal court for cases that include both a class and PAGA action. Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the state, and deter future non-compliance by the employer.

59. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of further litigation, the risk of maintaining class certification, and the costs of further litigation.

Enhancement Payment

60. As part of the Settlement Agreement, Plaintiff is requesting a reasonable Enhancement Payment of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) to Plaintiff. This Enhancement Payment is eminently reasonable given the time and effort Plaintiff spent on this case, and the benefit to the Class Members as a result of Plaintiff’s actions. Notice of the requested Enhancement Payment is disclosed to the Class Members in the Class Notice.

Attorneys’ Fees and Costs

61. The attorneys’ fees incurred by Class Counsel are in line with the common fund requested. The Settlement Agreement provides for Class Counsel to apply for attorneys’ fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$4,147,500.00 if the Gross Settlement Amount is \$11,850,000.00) and actual litigation costs and expenses in an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00)), which will be paid out of the Gross Settlement Amount, subject to approval by the Court. Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.

62. The effectiveness of Blackstone Law, APC’s prosecution of this matter has translated into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA Employees will obtain monetary recovery over a relatively shorter period of time, as opposed to

1 waiting additional years for the same, or potentially worse, result; (2) a guaranteed result that compares
2 favorably with other similar class action settlements of this type, given the strengths and weaknesses
3 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only
4 increased significantly had the case progress through trial and/or upon further appeal.

5 63. Class Counsel has litigated this matter for over five years, successfully certified the
6 Class, and prevailed in its appeal to the Ninth Circuit Court of Appeal. The Motion for Final Approval
7 will elaborate on the nature of the legal services provided, the time incurred in performing those
8 services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the
9 reimbursement costs sought by Class Counsel. Notice of the requested Attorneys' Fees and Costs is
10 disclosed to the Class Members in the Class Notice.

11 ***Notice to the Class***

12 64. The Parties have agreed to retain Apex Class Action LLC ("Apex" or "Settlement
13 Administrator") to handle the notice and settlement administration process. The Parties respectfully
14 request that the Court appoint Apex to handle these procedures and to serve as the Settlement
15 Administrator. Defendant will provide Apex with the Class List and Apex will calculate each Class
16 Member's estimated Individual Settlement Payment and each PAGA Employee's estimated Individual
17 PAGA Payment. Apex will also receive and process Requests for Exclusion, Notices of Objection,
18 and Disputes; will provide necessary reports and declarations;; will prepare and submit informational
19 and other tax filings and documents; will issue and transmit all payments provided for by the
20 Settlement, including, but not limited to, mailing Individual Settlement Payment checks to the
21 Settlement Class Members and Individual PAGA Payment checks to the PAGA Employees; and
22 perform any other usual and customary duties for administering a class action settlement.

23 65. I am not aware of an alternative method of providing notice to the Class which would
24 result in a higher likelihood of actual notice. The original source of the email and mailing addresses
25 is from each Class Member, who provided the information to Defendant. As a fail-safe to this highly
26 reliable method, skip tracing will be performed, if necessary.

27 ///

28 ///

Notice of Settlement to the LWDA

66. In accordance with California Labor Code section 2699(1)(2), on June 6, 2025, a copy of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's website. A true and correct copy of the email from the LWDA confirming receipt is attached hereto as **Exhibit 5**.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 29, 2025, at Jersey City, New Jersey.



Alexandra Rose

EXHIBIT 1

- *Aaron Coffey v. Catalina Channel Express, Inc.*, Los Angeles County Superior Court Case No. 21STCV41396, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Djuana Shanella Hale, et al. v. Welbe Health, LLC, et al.*, San Joaquin County Superior Court Case No. STK-CV-UOE-2023-0006866, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Fosados v. Drew Chain Security Corp.*, Los Angeles County Superior Court Case No. 24STCV00519, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court Case No. 24STCV15637, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Brandon Geston v. FRTO LLC, et al.*, Fresno County Superior Court Case No. 24CECG01292, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Alfonso Herrera v. W.L. Butler Construction, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01335445-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcos Ojendiz, et al. v. Jonathan Louis International*, Los Angeles County Superior Court, Case No. 21STCV35253, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Emmanuel Caldera v. Zeb's World Famous Boathouse Inc. dba Goat Hill Tavern*, Orange County Superior Court, Case No. 30-2023-01310801-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jason McEntee v. Roche Molecular Systems, Inc.*, Alameda County Superior Court, Case No. 23CV041360, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Alexzander Roberts, et al. v. Lemonade Restaurant Group*, Los Angeles County Superior Court, Case No. 22STCV38302, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Halla Knotts v. Launch Technical Workforce Solutions, LLC*, San Bernardino County Superior Court, Case No. CIVSB2332568, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Armando Gastelum v. Premier Trailer Manufacturing, Inc.*, Tulare County Superior Court, Case No. VCU300333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Tiffany Patterson v. Black Mountain Healthcare, LLC., d/b/a Seaport Home Health & Hospice*, San Diego County Superior Court, Case No. 37-2023-00037563-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court, Case No. 22STCV17855, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rita Ray v. Families Together of Orange County*, Orange County Superior Court, Case No. 30-2023-01324555-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ly Hai v. Sunroad HS Auto, Inc.*, San Diego County Superior Court, Case No. 37-2022-00025788-CU-OE-CTL, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Anabel Perez v. Eureka Specialties, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35940, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Galicia v. Virco, Inc., et al.*, Los Angeles County Superior Court, Case No.

23STCV29425, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Rene Umana v. Columbus Technologies*, Los Angeles County Superior Court, Case No. 22STCV16432, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Sitara Nayabhil v. San Francisco SPCA (dba SFSPCA), a California 501(c)(3) non-profit organization*, San Francisco County Superior Court, Case No. CGC-23-609950, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Fernando Solis v. Tuff Shed, Inc.*, Los Angeles County Superior Court, Case No. 24VECV00368, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Vanessa Cortes v. Giti Tire (USA) LTD*, San Bernardino County Superior Court, Case No. CIVSB2332578, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jered Ortega v. YMCA of San Diego County*, San Diego County Superior Court, Case No. 37-2023-00043645-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class

and PAGA action.

- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of

representative wage and hour action pursuant to PAGA.

- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court,

Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

EXHIBIT 2



April 23, 2020

Notice Via Online Submission & Fee Via Certified Mail

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

RE: *Karen T. Hartstein v. Hyatt Corporation*

Dear PAGA Administrator:

This office represents Karen T. Hartstein who was employed by Hyatt Corporation (“Respondent”). This letter shall serve as notice, and a request, pursuant to California Labor Code § 2699.3, that your agency investigate the claims in this impending civil action. If the agency does not intend to investigate the alleged violations, we specifically request notification so that we can file seek PAGA claims via civil litigation.

This action is brought on behalf of employee Karen T. Hartstein and other similarly situated employees working for Respondent (referred to herein as “similarly situated employees”), to recover penalties for Respondent’s failure to pay wages due at the time of termination and provide accurate wage statements as well as other statutory penalties and damages owed to employees by Respondent.

Specifically, Respondent failed to pay vested paid vacation time upon termination of the employment relationship, thereby failing to pay all wages due. Respondent further failed to provide accurate wage statements to reflect said wages.

Failure to Furnish Accurate Wage Statements

Labor Code § 226(a) requires employers to furnish each employee with an accurate statement, which includes, but is not limited to, gross wages earned, all rates of pay, the total numbers of hours worked, and the net wages earned.

Respondent failed to furnish and continues to intentionally fail to furnish employees, including Ms. Hartstein and similarly situated employees, with accurate itemized statements which meet the requirements of Labor Code §§ 226(a) because those statements failed to include, among other deficiencies, an accurate statement of gross wages. Respondent is therefore liable for civil penalties pursuant to Labor Code §§ 226.3 and 2698 in the amount of \$250.00 for the initial violation and \$1,000.00 per subsequent violation.

Failure to Pay Wages Due at Termination
Waiting Time Penalties

Respondent violated California Labor Code §§ 201, 203, and 227.3 and is subject to §§ 218.5, and 218.6. California Labor Code § 201 provides that if an employer discharges an employee, the employee’s



wages that have been earned and are unpaid at the time of discharge shall be paid immediately. California Labor Code section 227.3 establishes that where an employer policy provides for paid vacations and an employee has not taken off vested vacation time, all vested vacation shall be paid to the employee as wages at his or her final rate of pay upon termination of the employment relationship. Labor Code § 203 provides that if the employer willfully fails to pay any wages of an employee who is discharged, the employee's wages shall continue as a penalty from the due date of the payment of the wages, at the same rate, until such wages paid or an action commenced, but not more than 30 days. Labor Code § 218.5, as pertinent, provides that the court shall award attorneys' fees and costs to the prevailing party in an action for nonpayment of wages. Labor Code § 218.6, as pertinent, provides that in an action for nonpayment of wages, a court shall award interest on all due and unpaid wages.

Respondent did not pay Ms. Hartstein, and all similarly situated employees, wages, including vacation time, and other amounts due upon termination. Respondent willfully failed to timely pay compensation and wages. As a result, Respondent is liable for waiting time penalties and any other statutory penalties, together with interest and attorneys' fees and costs.

Conclusion

Respondents are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We provide notice under the California Labor Code Private Attorney's General Act of 2004, California Labor Code §§ 2699, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may file a complaint against Respondents for the violations discussed in this letter.

By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of § 2699, et seq., by seeking redress in court. (Labor Code § 2699.3(a)(1).) The LWDA must then notify the employer and the employee within 65 calendar days regarding whether it intends to investigate the alleged violation. (Labor Code § 2699.3(a)(2)(B).) If the LWDA advises it will not investigate, or if no notice is provided within the statutory period, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. (Labor Code § 2699.3(a)(2)(A).) It is the intention of this office to file a civil complaint and to bring the appropriate claims under Labor Code § 2699 should your office not address these matters within this time.

Should you require anything further or have additional questions, please do not hesitate to contact me.

Best regards,

BLACKSTONE LAW



Jonathan Genish, Esq.



Copied by Certified Mail:

Hyatt Regency Huntington Beach Resort And Spa
Attn: Legal Department
21500 Pacific Coast Hwy
Huntington Beach, CA 92648

Hyatt Corporation
Attn: Legal Department
150 North Riverside Plaza, 14th Floor
Chicago, IL 60606

EXHIBIT 3

October 30, 2020

Amended PAGA Claim Notice Via Online Submission

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

***RE: Karen T. Hartstein v. Hyatt Corporation,
LWDA-CM-784322-20***

Dear PAGA Administrator:

This office represents Karen T. Hartstein who was employed by Hyatt Corporation (“Respondent”). This letter shall serve as Ms. Hartstein’s amended notice and request, pursuant to California Labor Code § 2699.3, that Labor and Workforce Development Agency (the “Agency”) investigate her claims. Ms. Hartstein previously provided the Agency notice of her intention to pursue claims against Respondent in a representative capacity on or about April 23, 2020. She subsequently initiated civil litigation against Respondent, now pending in the United States District Court for the Central District of California, Case No. 2:20-cv-4874. Having further investigated her claims, she respectfully submits this amended notice.

This amended notice is made on behalf of employee Karen T. Hartstein and other similarly situated employees working for Respondent (referred to herein as “similarly situated employees”) to recover unpaid overtime pay and wages due at the time of termination stemming from non-discretionary bonuses, in addition to the previously noticed intention to recover penalties for Respondent’s failure to pay additional wages due at the time of termination and provide accurate wage statements as well as other statutory penalties and damages owed to employees by Respondent.

Specifically, Respondent failed to pay earned, accrued, and unused vacation time upon termination of the employment relationship, thereby failing to pay all wages due. Respondent failed to incorporate non-discretionary bonuses into its regular rate calculations thereby failing to pay all overtime wages due. Respondent also failed to pay out non-discretionary bonuses as wages upon termination of employment. Further, Respondent failed to provide accurate wage statements to reflect these overtime and final wages.

Failure to Pay Overtime Compensation

Respondent violated California Labor Code § 510 and is subject to Labor Code §§ 1194 and other relevant Labor Code sections such as 226.7, 1194, 1194.2, 1194.3, 1197, 1198. Labor

Code § 510 provides, in part, that any work in excess of eight hours in one workday and any work in excess of forty hours in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee and any work in excess of twelve hours in one workday shall be compensated at the rate of no less than twice the regular rate of pay for an employee. Labor Code § 1994 provides, in part, that any employee who receives less than the legal overtime compensation due is entitled to recover in a civil action the full amount of the overtime compensation, interest on said compensation, and reasonable attorneys' fees and costs of suit.

Respondent has violated the California Labor Code by failing to incorporate non-discretionary bonuses into employees' regular rate of compensation and therefore miscalculated the rate and amount of overtime pay for work lasting more than eight and/or twelve hours and more than forty hours on a daily and weekly basis, respectively. As a result of Respondent's failure to pay overtime pay, Respondent is liable for all back overtime pay and any additional penalties imposed by the California Labor Code which include but are not limited to, interest, and attorneys' fees and costs.

Failure to Furnish Accurate Wage Statements

Labor Code § 226 (a) requires employers to furnish each employee with an accurate statement, which includes, but is not limited to, gross wages earned, all rates of pay, the total numbers of hours worked, and the net wages earned.

Respondent failed to furnish, and continues to fail to furnish, employees including Mrs. Hartstein and similarly situated employees with accurate itemized statements which meet the requirements of Labor Code § 226 (a) because those statements failed to include, among other deficiencies, an accurate calculation of employees' regular rate of pay, overtime rate and an accurate statement of gross wages. Respondent is therefore liable for civil penalties pursuant to Labor Code §§ 226.3 and 2698 in the amount of \$250.00 for the initial violation and \$1,000.00 per subsequent violation.

Failure to Pay Wages Due at Termination **Waiting Time Penalties**

Respondent violated California Labor Code §§ 201, 203, and 227.3 and is subject to §§ 218.5, and 218.6. California Labor Code § 201 provides that if an employer discharges an employee, the employee's wages that have been earned and are unpaid at the time of discharge shall be paid immediately. California Labor Code § 227.3 establishes that where an employer policy provides for paid vacations and an employee has not used earned or accrued vacation time, all earned and accrued vacation shall be paid to the employee as wages at his or her final rate of pay immediately upon termination of the employment relationship. Labor Code § 203 provides that if the employer willfully fails to pay any wages of an employee who is discharged, the



employee's wages shall continue as a penalty from the due date of the payment of the wages, at the same rate, until such wages are paid or an action commenced, but not more than 30 days. Labor Code § 218.5, as pertinent, provides that the court shall award attorneys' fees and costs to the prevailing party in an action for nonpayment of wages. Labor Code § 218.6, as pertinent, provides that in an action for nonpayment of wages, a court shall award interest on all due and unpaid wages.

Respondent did not pay Mrs. Hartstein, and all similarly situated employees, wages, including earned, accrued and unused vacation time, non-discretionary bonuses, and other amounts due upon termination. Respondent willfully failed to timely pay compensation and wages. As a result, Respondent is liable for waiting time penalties and any other statutory penalties, together with interest and attorneys' fees and costs.

Conclusion

Respondent violated and continues to violate numerous California wage and hour laws including but not limited to said sections stated above. Having originally provided notice of some of these violations on April 23, 2020, we provide the instant amended notice under the California Labor Code Private Attorney's General Act of 2004, California Labor Code §§ 2699, et seq., and again request an investigation or, if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may file pursue these claims against Respondent in the pending civil litigation.

Should you require anything further or have additional questions, please do not hesitate to contact me.

Best regards,

BLACKSTONE LAW



Jonathan Genish, Esq.

Copied by Certified Mail:

Hyatt Regency Huntington Beach Resort And Spa
c/o Brian P. Long, Esq.
Seyfarth Shaw LLP
601 South Figueroa St.
Suite 3300
Los Angeles, CA 90017
bplong@seyfarth.com

EXHIBIT 4

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiff Karen Hartstein
4 (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and
5 on behalf of the State of California with respect to aggrieved employees, and Defendant Hyatt
6 Corporation (“Defendant”) (together, Plaintiff and Defendant are referred to as “Parties” and
7 individually as “Party”).

8 This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as
9 defined herein), the State of California as to the employment of PAGA Employees (as defined herein),
10 and Defendant, subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On April 23, 2020, Plaintiff provided written notice to the Labor and Workforce
13 Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified Mail,
14 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
15 Code alleged to have been violated by Defendant.

16 2. On April 24, 2020, Plaintiff filed a Class Action Complaint in the action entitled *Karen*
17 *Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court Case No. 20STCV15895
18 (“Action”), on behalf of a putative class of all California employees whose employment was
19 terminated, including by layoff or furlough, and who were not paid for earned or accrued vacation
20 immediately upon cessation of their employment during the period from April 24, 2016 to final
21 judgment. It alleged five causes of action for (1) Failure to Pay All Wages Upon Discharge or Layoff;
22 (2) Waiting Time Penalties; (3) Failure to Furnish Accurate, Itemized Wage Statements; (4) Unfair
23 and Unlawful Business Practices; and (5) Enforcement Action Under the Private Attorneys General
24 Act, California Labor Code Section 2698, *et seq.* (“PAGA”).

25 3. On June 1, 2020, Defendant removed the Action to the United States District Court for
26 the Central District of California, where it was assigned Case No. 2:20-cv-04874-DSF-JPR (the
27 “Federal Action”).

28 ///

1 4. On October 30, 2020, Plaintiff provided an amended written notice to the LWDA by
2 online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section
3 2699.3 (“PAGA Letter”) of the specific provisions of the California Labor Code alleged to have been
4 violated by Defendant.

5 5. On January 4, 2021, Plaintiff filed a First Amended Class Action Complaint
6 (“Operative Complaint”) in the Federal Action, which additionally asserted a regular rate claim due to
7 Defendant’s alleged failure to factor hotel room stays into the regular rate of pay for purposes of
8 overtime compensation, claims for the unpaid value of unused hotel room stays for all individuals
9 whose employment was terminated during the statutory period, and added a regular rate subclass and
10 an unpaid hotel room bonus subclass to the proposed class.

11 6. On March 19, 2021, the court in the Federal Action granted in part and denied in part
12 Defendant’s motion for judgement on the pleadings and dismissed Plaintiff’s fourth cause of action
13 for failure to furnish accurate, itemized wage statements.

14 7. On May 25, 2021, the court in the Federal Action granted Plaintiff’s motion for class
15 certification and certified the following class and subclasses:

16 Class: All individuals who were employed by Defendants in the State of California at
17 any time during the period from April 24, 2016 to final judgment (the “Relevant
18 Period”) and who fall within the definition of one or all of the following Subclasses:

19 Subclass 1: All members of the Class whose employment was terminated (including,
20 without limitation, temporarily laid off, laid off, or “furloughed”) and who were not
21 paid for vested vacation time and/or floating holidays immediately upon cessation of
22 their employment within the Relevant Period.

23 Subclass 2: All members of the Class whose employment was terminated (including,
24 without limitation, temporarily laid off, laid off, or “furloughed”) and who were not
25 paid for vested non-discretionary hotel room bonuses immediately upon cessation of
26 their employment within the Relevant Period.

27 Subclass 3: All members of the Class who are or were hourly-paid and/or non-exempt,
28 who worked overtime and received overtime pay, and who earned non-discretionary

1 hotel room bonuses during the Relevant Period.

2 The court in the Federal Action appointed Plaintiff as the class representative and
3 Blackstone Law, APC as class counsel.

4 8. Notwithstanding anything to the contrary in this Settlement Agreement, while the Class
5 definition includes “All individuals who were employed by Defendants in the State of California at
6 any time during the period from April 24, 2016 to final judgment (the “Relevant Period”)...”, the
7 scope of this case is limited to only those individuals who were employed by Defendant in
8 approximately March 2020 when Defendant furloughed many of its California employees in response
9 to the Covid-19 pandemic, and runs through approximately June to August 2020, when Defendant
10 paid its terminated employees all money owed for vested vacation time and/or floating holidays.

11 9. On November 2, 2021, the Parties participated in mediation with Jeffrey Krivis, Esq.,
12 which did not result in a settlement at that time. The data provided in preparation for mediation was
13 limited to the scope of the action as set forth in detail in the preceding paragraph.

14 10. On February 14, 2022, the court in the Federal Action granted Defendant’s motion for
15 summary judgment, denied Plaintiff’s motion for summary judgment, and dismissed the Federal
16 Action with prejudice. Plaintiff timely filed a Notice of Appeal to the United States Court of Appeals
17 for the Ninth Circuit.

18 11. On September 22, 2023, the Ninth Circuit Court of Appeal issued its Opinion in which
19 it reversed the district court’s grant of summary judgment in favor of Defendant as to the vacation pay
20 and waiting time penalties claims, remanded the case for the court to consider whether Defendant
21 acted willfully within the meaning of California Labor Code Section 203, and reversed the grant of
22 summary judgment as to Plaintiff’s PAGA and unfair competition claims.

23 12. On July 11, 2024, the Parties participated in a second mediation with Jeffrey A. Ross,
24 Esq., which did not result in a settlement at that time. However, after further negotiations and with the
25 assistance of the mediator’s evaluations, the Parties subsequently reached the settlement that is
26 memorialized herein.

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1 13. Following Defendant's motion for judgment on the pleadings, cross-motions for
2 summary judgment, and the Ninth Circuit Court of Appeals' Opinion, the following claims remain
3 viable in the Operative Complaint as to Subclass 1:

- 4 a. Waiting time penalties under California Labor Code Sections 201, 203, and 227.3;
5 b. Unfair and unlawful business practices under California Business & Professions Code
6 Section 17200, *et seq.* based on violations of waiting time penalties under California
7 Labor Code Sections 201, 203, and 227.3; and
8 c. PAGA based on violations of waiting time penalties under California Labor Code
9 Sections 201, 203, and 227.3.

10 14. Subclass 2 and Subclass 3 no longer have viable claims.

11 15. The Parties have agreed to remand the Federal Action to the Los Angeles County
12 Superior Court immediately upon execution of this Settlement Agreement.

13 16. Defendant denies all material allegations set forth in the Action and has asserted
14 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
15 Defendant desires to fully and finally settle the Action, Released Class Claims (as defined herein), and
16 Released PAGA Claims (as defined herein).

17 17. Class Counsel diligently investigated and litigated the class and PAGA claims against
18 Defendant, including any and all applicable defenses and the applicable law. The investigation and
19 litigation included, *inter alia*, the exchange of information, data, and documents, multiple sets of
20 voluminous written discovery, depositions of numerous corporate representatives and witnesses,
21 review of corporate policies and practices, defending against challenges to the pleadings, cross-
22 motions for summary judgment, and a partially successful appeal in the Ninth Circuit Court of
23 Appeals. The Parties have engaged in sufficient formal and informal discovery and investigation as
24 well as litigation to assess the relative merits of the claims and contentions of the Parties.

25 18. The Parties' settlement discussions were conducted at arms' length, and the Settlement
26 is the result of an informed and detailed analysis of Defendant's potential liability and exposure in
27 relation to the costs and risks associated with continued litigation. Based on Class Counsel's
28 investigation and evaluation, Class Counsel believes that the settlement with Defendant for the

consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

DEFINITIONS

20. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 23.

b. “Class” or “Class Member(s)” means all individuals who were employed by Defendant in the State of California at any time during the Class Period whose employment was terminated (including, without limitation, temporarily laid off, laid off, or “furloughed”) and who were not paid for vested vacation time and/or floating holidays immediately upon cessation of their employment within the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Matthew Dietz, Karen I. Gold, Marissa A. Mayhood, and Alexandra Rose of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known email address; (3) last known mailing address; (4) Social Security number; (5) hourly rate of pay; and (6) full time or part time

1 designation.

2 e. “Class Notice” means the Notice of Class Action Settlement, substantially in
3 the form attached hereto as “**Exhibit A**.”

4 f. “Class Period” means the period from April 24, 2016 through October 30, 2024.

5 g. “Class Settlement” means the settlement and resolution of all Released Class
6 Claims.

7 h. “Court” means the Superior Court of the State of California for the County of
8 Los Angeles.

9 i. “Defendant’s Counsel” means Michael Afar and Brian P. Long of Seyfarth
10 Shaw LLP.

11 j. “Dispute” means a letter submitted by a Class Member disputing the Individual
12 Settlement Payment and/or hourly rate of pay to which they have been credited, which must: (a)
13 contain the case name and number of the Action; (b) contain the Class Member’s full name, signature,
14 address, telephone number, and the last four (4) digits of the Class Member’s Social Security number;
15 (c) clearly state that the Class Member disputes the amounts credited to the Class Member and what
16 the Class Member contends is the correct rate; and (d) be returned by email or mail to the Settlement
17 Administrator at the specified address, emailed or postmarked on or before the Response Deadline.

18 k. “Effective Date” means the date by when both of the following have occurred:
19 (a) the Court enters the Judgment; and (b) the Judgment is final. The term “final” shall mean the latest
20 of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the
21 date of dismissal of such appeal, or the expiration of the time to file a petition for review to the
22 California Supreme Court and/or a petition for writ of certiorari to the United States Supreme Court,
23 or (ii) if a petition for review or writ of certiorari is filed, the date of denial of the petition for review
24 or writ of certiorari, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal
25 is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

26 l. “Enhancement Payment” means the amount to be paid to Plaintiff, in
27 recognition of her effort and work in prosecuting the Action on behalf of Class Members and PAGA
28 Employees, and general release of claims, as set forth in Paragraph 24.

1 m. “Final Approval” means the determination by the Court that the Settlement is
2 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

3 n. “Final Approval Hearing” means the hearing at which the Court will consider
4 and determine whether the Settlement should be granted Final Approval.

5 o. “Final Approval Order” means the order granting final approval of the
6 Settlement.

7 p. “Gross Settlement Amount” means the amount of Eleven Million Eight
8 Hundred and Fifty Thousand Dollars and Zero Cents (\$11,850,000.00) to be paid by Defendant in full
9 satisfaction of the Action, Released Class Claims, and Released PAGA Claims, which includes all
10 Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs,
11 and Net Settlement Amount to be paid to the Settlement Class Members. The Gross Settlement
12 Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant.
13 The Gross Settlement Amount is subject to increase, as provided in Paragraph 27.

14 q. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
15 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
16 calculated in accordance with Paragraph 29.

17 r. “Individual Settlement Payment” means the *pro rata* share of the Net
18 Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be
19 calculated in accordance with Paragraph 27.

20 s. “Judgment” means the judgment entered by the Court upon granting final
21 approval of the Settlement.

22 t. “LWDA Payment” means the amount of Three Hundred and Seventy-Five
23 Thousand Dollars and Zero Cents (\$375,000.00), i.e., 75% of the PAGA Amount, that the Parties have
24 agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 25.

25 u. “Net Settlement Amount” means the portion of the Gross Settlement Amount
26 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
27 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and
28 Settlement Administration Costs.

1 v. “Notice of Objection” means a Settlement Class Member’s written objection to
2 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
3 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
4 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
5 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
6 upon which the objection is based; and (e) be returned by email or mail to the Settlement Administrator
7 at the specified address, emailed or postmarked on or before the Response Deadline.

8 w. “PAGA Amount” means the allocation of Five Hundred Thousand Dollars and
9 Zero Cents (\$500,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
10 percent (75%) of the PAGA Amount, or \$375,000.00, will be paid to the LWDA (*i.e.*, the LWDA
11 Payment) and the remaining twenty-five percent (25%), or \$125,000.00, will be distributed to the
12 PAGA Employees (*i.e.*, the PAGA Employee Amount).

13 x. “PAGA Employee(s)” means all individuals who were employed by Defendant
14 in the State of California at any time during the PAGA Period whose employment was terminated
15 (including, without limitation, temporarily laid off, laid off, or “furloughed”) and who were not paid
16 for vested vacation time and/or floating holidays immediately upon cessation of their employment
17 within the PAGA Period.

18 y. “PAGA Employee Amount” means the amount of One Hundred Twenty-Five
19 Thousand Dollars and Zero Cents (\$125,000.00), *i.e.*, 25% of the PAGA Amount, to be distributed to
20 PAGA Employees.

21 z. “PAGA Period” means the period from April 23, 2019 through October 30,
22 2024.

23 aa. “PAGA Settlement” means the settlement and resolution of all Released PAGA
24 Claims.

25 bb. “Preliminary Approval” means the date on which the Court enters the
26 Preliminary Approval Order.

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1 cc. “Preliminary Approval Order” means the order granting preliminary approval
2 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
3 the Court.

4 dd. “Released Class Claims” means any and all claims, rights, demands, charges,
5 complaints, causes of action, obligations, damages, penalties, interest, or liability of any and every
6 kind, which were alleged or could have been alleged based on the facts in the Operative Complaint,
7 arising during the Class Period for Defendant’s alleged failure to timely pay all wages and/or vested
8 vacation time/paid time off and/or floating holidays immediately upon termination (including, without
9 limitation, temporarily laid off, laid off, or “furloughed”) in or around March 2020 in connection with
10 the Covid-19 pandemic, allegedly in violation of California Labor Code Sections 201, 203, and 227.3,
11 and for the alleged violation of California Business and Professions Code sections 17200, *et seq.* based
12 on the aforementioned California Labor Code alleged violations.

13 ee. “Released PAGA Claims” means any and all claims, rights, demands, charges,
14 complaints, causes of action, obligations, damages, penalties, interest, or liability of any and every
15 kind, which were alleged or could have been alleged based on the facts in the Operative Complaint,
16 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections
17 2698 *et seq.*, as alleged in the PAGA Letter and/or Operative Complaint, arising in or around March
18 2020 for Defendant’s alleged failure to timely pay all wages and/or vested vacation time/paid time off
19 and/or floating holidays immediately upon termination (including, without limitation, temporarily laid
20 off, laid off, or “furloughed”) in connection with the Covid-19 pandemic, allegedly in violation of
21 California Labor Code Sections 201, 203, and 227.3.

22 ff. “Released Parties” means Defendant and its former and present directors,
23 officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,
24 subsidiaries, and affiliates.

25 gg. “Request for Exclusion” means a letter submitted by a Class Member indicating
26 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
27 of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and
28 last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class

Member does not wish to be included in the Class Settlement; and (d) be returned by email or mail to the Settlement Administrator at the specified address, emailed or postmarked on or before the Response Deadline.

hh. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five (45) calendar days from the initial emailing and/or mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Class Notice is re-emailed or re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline.

ii. “Settlement Administrator” means Apex Class Action LLC, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering the Settlement. The Parties and their counsel each represent that they do 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.

jj. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in Paragraph 26.

kk. “Settlement Class” or “Settlement Class Member(s)” means all Class Members who do not submit a timely and valid Request for Exclusion.

CLASS CERTIFICATION

21. The Class has been previously certified as a class.

22. Should, for whatever reason, the Court not grant Final Approval, the Parties’ shall return to their pre-Settlement positions relating to certification of the claims in dispute.

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1 **TERMS OF THE AGREEMENT**

2 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
3 forth herein, the Parties agree, subject to the Court's approval, as follows:

4 23. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
5 or motion by Class Counsel for attorneys' fees in the amount up to 35% of the Gross Settlement
6 Amount (*i.e.*, \$4,147,500.00 if the Gross Settlement Amount is \$11,850,000.00) and reimbursement
7 of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action,
8 in an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00),
9 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all
10 work performed and any and all costs incurred by Class Counsel in connection with the litigation of
11 the Action, including without limitation all work performed and costs incurred to date, and all work
12 to be performed and all costs to be incurred in connection with obtaining the Court's approval of this
13 Settlement Agreement, including any objections raised and any appeals necessitated by those
14 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this
15 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
16 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
17 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
18 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

19 24. Enhancement Payment. Defendant agrees not to oppose or impede any application or
20 motion by Plaintiff for an Enhancement Payment in the amount up to Twenty-Five Thousand Dollars
21 and Zero Cents (\$25,000.00). The Enhancement Payment, which will be paid from the Gross
22 Settlement Amount, subject to Court approval, will be in addition to her Individual Settlement
23 Payment as a Settlement Class Member and Individual PAGA Payment as a PAGA Employee.
24 Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax
25 purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue
26 an IRS Form 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested
27 Enhancement Payment that is not awarded by the Court to Plaintiff shall be reallocated to the Net
28 Settlement Amount for the benefit of the Settlement Class Members.

1 25. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
2 Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) shall be allocated from the Gross
3 Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code
4 Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$375,000.00,
5 will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$125,000.00,
6 will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis (i.e.,
7 the Individual PAGA Payments).

8 26. Settlement Administration Costs. The Settlement Administrator will be paid for the
9 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
10 which is currently not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00). These
11 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
12 *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices
13 and other documents for the Settlement, calculating and distributing payments due under the
14 Settlement, issuing of 1099 IRS Forms and all required tax reporting, filings, withholdings, and
15 remittances, providing necessary reports and declarations, and other duties and responsibilities set
16 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
17 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
18 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
19 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
20 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
21 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
22 Settlement Class Members.

23 27. Escalator Clause. Defendant has represented that there is a total of 6,187 Class
24 Members during the Class Period. If it is determined by the Settlement Administrator that the total
25 number Class Members during the Class Period actually exceeds 6,187 by more than 5% (i.e., by more
26 than 6,496 Class Members), then the Gross Settlement Amount will be increased on a *pro rata* basis
27 equal to the percentage increase in the number of Class Members above 5%.

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1 28. Individual Settlement Payment Calculations. Individual Settlement Payments will be
2 calculated and apportioned from the Net Settlement Amount, as follows:

3 a. After Preliminary Approval, the Settlement Administrator will create a
4 “Preliminary Allocation Percentage” for each Class Member. The numerator will be the individual
5 Class Member’s estimated full waiting time penalties, based on their hourly rate of pay and
6 classification of full-time (8 hours per day) or part-time (5 hours per day) status, and the denominator
7 will be the sum of all Class Members’ estimated full waiting time penalties. The Settlement
8 Administrator will then multiply the Preliminary Allocation Percentage for each Class Member by the
9 Net Settlement Amount to determine that Class Member’s estimated Individual Settlement Payment.

10 b. After Final Approval, the Settlement Administrator will create a “Final
11 Allocation Percentage” for each Settlement Class Member. The numerator will be the individual
12 Settlement Class Member’s full waiting time penalties, based on their hourly rate of pay and
13 classification of full-time (8 hours per day) or part-time (5 hours per day) status, and the denominator
14 will be the sum of all Settlement Class Members’ full waiting time penalties. The Settlement
15 Administrator will then multiply the Final Allocation Percentage for each Settlement Class Member
16 by the Net Settlement Amount to determine that Settlement Class Member’s final Individual
17 Settlement Payment.

18 29. Individual PAGA Payment Calculations. Individual PAGA Payments will be
19 calculated and apportioned from the PAGA Employee Amount, as follows: The Settlement
20 Administrator will divide the PAGA Employee Amount, *i.e.*, 25% of the PAGA Amount, by the total
21 number of PAGA Employees to yield each PAGA Employee’s Individual PAGA Payment.

22 30. Tax Treatment of Individual Settlement Payments and Individual PAGA Payments.
23 Each Individual Settlement Payment and Individual PAGA Payment will be allocated as one hundred
24 percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement
25 Administrator.

26 31. Administration of Taxes by the Settlement Administrator. The Settlement
27 Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA
28 Employees, and Class Counsel any tax forms (*i.e.*, IRS Forms 1099, etc.) as may be required by law

1 for all amounts paid pursuant to this Settlement Agreement.

2 32. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not
3 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
4 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
5 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation
6 by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement Class
7 Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class Members, and
8 PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on
9 the payments described in this Settlement Agreement. Plaintiff, Settlement Class Members, and PAGA
10 Employees should consult with their tax advisors concerning the tax consequences of any payment
11 they receive under the Settlement.

12 33. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
13 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
14 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
15 "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
16 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
17 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS
18 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
19 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
20 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
21 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
22 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
23 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
24 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
25 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
26 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
27 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
28 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO

1 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
2 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX
3 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
4 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR
5 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
6 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

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

17 35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
18 Upon execution of this Settlement Agreement, Plaintiff will obtain a hearing date from the Court for
19 Plaintiff's motion for preliminary approval of the Settlement, which Plaintiff and Class Counsel will
20 be responsible for drafting and submitting this Settlement Agreement to the Court in support of said
21 motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion
22 before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval of
23 the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply
24 for the entry of the Preliminary Approval Order seeking the following:

- 25 a. Granting Preliminary Approval of the Settlement;
- 26 b. Confirming Plaintiff as the representative of the Class;
- 27 c. Confirming Class Counsel as counsel for the Class;

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1 d. Approving as to form and content, the mutually-agreed upon and proposed
2 Class Notice and directing its emailing and mailing by First Class U.S. Mail;

3 e. Approving the manner and method for Class Members to request exclusion
4 from or object to the Class Settlement as contained herein and within the Class Notice; and

5 f. Scheduling a Final Approval Hearing at which the Court will determine whether
6 Final Approval of the Settlement should be granted.

7 36. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
8 Class Counsel shall notify the LWDA of the Settlement.

9 37. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
10 Defendant will provide the Class List to the Settlement Administrator.

11 38. Notice.

12 a. Within seven (7) calendar days after receiving the Class List from Defendant,
13 the Settlement Administrator will perform a search based on the National Change of Address Database
14 or any other similar services available, such as provided by Experian, for information to update and
15 correct for any known or identifiable address changes, and will email a Class Notice in English and
16 Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members. If an
17 email address is not available, the Settlement Administrator shall mail the Class Notice by First-Class
18 U.S. Mail, using the most current, known mailing addresses identified by the Settlement
19 Administrator.

20 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
21 or before the Response Deadline will be sent promptly via email (or First-Class U.S. Mail if an email
22 address is not available) to the forwarding email address (or mailing address affixed thereto) and the
23 Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no
24 forwarding address is provided, the Settlement Administrator will promptly attempt to determine the
25 correct address using a skip-trace or other search, using the name, address, and/or Social Security
26 number of the Class Member, and perform a single re-mailing within five (5) calendar days.

27 c. Compliance with the procedures described herein above shall constitute due and
28 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.

1 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
2 provide notice of the Settlement.

3 39. Disputes. Class Members will have an opportunity to dispute the amounts to which
4 they have been credited, as reflected in their respective Class Notices, by submitting a timely and valid
5 Dispute to the Settlement Administrator, by email or mail, emailed or postmarked on or before the
6 Response Deadline. The date of the postmark on the email or return mailing envelope will be the
7 exclusive means to determine whether a Dispute has been timely submitted. Absent evidence rebutting
8 the accuracy of Defendant's records and data as they pertain to the amounts to be credited to a
9 disputing Class Member, Defendant's records will be presumed to be correct and determinative of the
10 dispute. However, if a Class Member produces information and/or documents to the contrary, the
11 Settlement Administrator will evaluate the materials submitted by the Class Member and the
12 Settlement Administrator will resolve and determine the amounts that the disputing Class Member
13 should be credited with under the Settlement. The Settlement Administrator's decision on such
14 disputes will be final and non-appealable.

15 40. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
16 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
17 Settlement Administrator, by email or mail, emailed or postmarked on or before the Response
18 Deadline. The date of the postmark on the return email or mailing envelope will be the exclusive
19 means to determine whether a Request for Exclusion has been timely submitted. The Settlement
20 Administrator will certify jointly to Class Counsel and Defendant's Counsel the number of timely and
21 valid Requests for Exclusion that are submitted, and also identify the individuals who have submitted
22 a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in advance
23 of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or
24 otherwise encourage Class Members to request exclusion from the Class Settlement. Any Class
25 Member who submits a Request for Exclusion is prohibited from making any objection to the Class
26 Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be
27 bound by the Class Settlement and will not be issued an Individual Settlement Payment. Any Class
28 Member who does not affirmatively request exclusion from the Class Settlement by submitting a

1 timely and valid Request for Exclusion will be bound by all of the terms of the Class Settlement,
2 including and not limited to those pertaining to the Released Class Claims, as well as any judgment
3 that may be entered by the Court if it grants Final Approval to the Settlement. Notwithstanding the
4 above, all PAGA Employees will be bound to the PAGA Settlement and will be issued their Individual
5 PAGA Payment, irrespective of whether they submit a Request for Exclusion.

6 41. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
7 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
8 email or mail, emailed or postmarked on or before the Response Deadline. The date of the postmark
9 on the return email or mailing envelope will be the exclusive means to determine whether a Notice of
10 Objection has been timely submitted. The Settlement Administrator will certify jointly to Class
11 Counsel and Defendant's Counsel the number of Notices of Objection that are submitted (specifying
12 which ones were timely and complete and which were not), and also attach them to a declaration that
13 is to be filed with the Court in advance of the Final Approval Hearing. At no time will any of the
14 Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to
15 the Class Settlement or appeal from the Judgment. Settlement Class Members, individually or through
16 counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether
17 they have submitted a Notice of Objection.

18 42. Reports by the Settlement Administrator. The Settlement Administrator shall provide
19 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-emailed or
20 re-mailed Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the
21 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of
22 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement
23 Administrator will provide to counsel for the Parties any updated reports regarding the administration
24 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it
25 receives a request from an individual or any other entity regarding inclusion in the Class and/or
26 Settlement or regarding a Dispute.

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1 43. Defendant's Right to Rescind. If more than five percent (5%) of the Class Members
2 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement
3 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
4 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of
5 the number of Class Members who have submitted timely and valid Requests for Exclusion following
6 the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
7 administration owed to the Settlement Administrator incurred up to that date.

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

11 45. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
12 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
13 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
14 Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
15 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final
16 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
17 Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
18 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
19 before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final
20 Approval Order and Judgment, which will provide for, in substantial part, the following:

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

23 b. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

24 c. Approval of the application for Enhancement Payment to Plaintiff;

25 d. Directing Defendant to fund all amounts due under the Settlement Agreement
26 and ordered by the Court; and

27 e. Entering judgment in the Action, while maintaining continuing jurisdiction, in
28 conformity with California Rules of Court 3.769 and the Settlement Agreement.

1 46. Funding of the Gross Settlement Amount. No later than five (5) business days after the
2 Effective Date, Defendant will deposit the Gross Settlement Amount into a Qualified Settlement Fund
3 (“QSF”) within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by
4 the Settlement Administrator.

5 47. Distribution of the Gross Settlement Amount. Within five (5) business days of the
6 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
7 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
8 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys’ Fees and Costs to Class
9 Counsel, and Settlement Administration Costs to itself.

10 48. Settlement Checks. The Settlement Administrator will be responsible for undertaking
11 appropriate deductions (if any), required tax reporting, and issuing the Individual Settlement Payments
12 to the Settlement Class Members and the Individual PAGA Payments to the PAGA Employees in
13 accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator
14 may combine the Individual Settlement Payment and Individual PAGA Payment into one payment if
15 the intended recipient for both payments is one individual. Settlement Class Members and PAGA
16 Employees are not required to submit a claim to be issued an Individual Settlement Payment and/or
17 Individual PAGA Payment. Settlement Class Members and/or PAGA Employees will have the option
18 to receive their payment(s) via Venmo, Zelle, or check, which option will be located on the Settlement
19 Administrator’s website. If the Settlement Class Member and/or PAGA Employee does not pick one
20 of the options, then the Settlement Administrator will issue their payment(s) via check(s). Each
21 Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for
22 one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall
23 be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement
24 Administrator to the State of California’s Unclaimed Property Division in the name of the Settlement
25 Class Member and/or PAGA Employee. The Parties agree that this disposition results in no “unpaid
26 residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be
27 paid out to Settlement Class Members, whether or not they cash their settlement checks. Therefore,
28 Defendant will not be required to pay any interest on such amounts. The Settlement Administrator
shall undertake amended and/or supplemental tax filings and reporting required under applicable local,

1 state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement
2 Payment and/or Individual PAGA Payment checks. Settlement Class Members whose Individual
3 Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and
4 PAGA Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be
5 bound by the PAGA Settlement.

6 49. Class Settlement Release. Upon the Effective Date and full funding of the Gross
7 Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,
8 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
9 Released Class Claims.

10 50. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
11 Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all
12 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
13 relinquished, and discharged the Released Parties of all Released PAGA Claims.

14 51. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross
15 Settlement Amount, Plaintiff, individually and on her own behalf, will be deemed to have fully, finally,
16 and forever released, settled, compromised, relinquished, and discharged the Released Parties from
17 any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees,
18 damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
19 unsuspected, asserted or unasserted, which Plaintiff, at any time of execution of this Settlement
20 Agreement, had or claimed to have or may have. It is agreed that this is a general release and is to be
21 broadly construed as a release of all claims, provided that, notwithstanding the foregoing, this
22 Paragraph expressly does not include a release of any claims that cannot be released hereunder by law.
23 Plaintiff understands and expressly agrees that this Settlement Agreement extends to claims that she
24 has against Defendant, of whatever nature and kind, known or unknown, suspected or unsuspected,
25 vested or contingent, past, present, or future, arising from or attributable to an incident or event,
26 occurring in whole or in part, on or before the execution of this Settlement Agreement. Any and all
27 rights granted under any state or federal law or regulation limiting the effect of this Settlement
28 Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY

EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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

52. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the Class will be required.

53. Continued Jurisdiction. After entry of the Judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

54. Effects of Termination or Rescission of Settlement. Termination or rescission of the Settlement Agreement shall have the following effects:

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

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

c. The Preliminary Approval Order, Final Approval Order, and Judgment shall be vacated;

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

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

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

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

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

18 57. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
19 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
20 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
21 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
22 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
23 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),
24 which provide that a written agreement is to be construed according to its terms and may not be varied
25 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

26 58. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
27 the Action (including with respect to California Code of Civil Procedure § 583.310), except such
28 proceedings necessary to implement and complete this Settlement Agreement, pending the Final

1 Approval Hearing to be conducted by the Court.

2 59. Amendment or Modification. Prior to the filing of the motion for preliminary approval
3 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
4 except by written agreement signed by counsel for all Parties. After the filing of the motion for
5 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
6 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
7 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
8 constitute a waiver of any other provision.

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

18 61. Signatories. It is agreed that because the members of the Class are so numerous, it is
19 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
20 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
21 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
22 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
23 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
24 Member and PAGA Employee.

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

27 63. California Law Governs. All terms of this Settlement Agreement and attached exhibits
28 hereto will be governed by and interpreted according to the laws of the State of California.

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1 64. Execution and Counterparts. This Settlement Agreement is subject only to the
2 execution of all Parties. However, this Settlement Agreement may be executed in one or more
3 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
4 copies of the signature page, will be deemed to be one and the same instrument.

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

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

18 67. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
19 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
20 to implement the Settlement.

21 68. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
22 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
23 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and
24 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines
25 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
26 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
27 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
28 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be

1 construed as an admission or concession by Defendant of any such violations or failures to comply
2 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
3 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
4 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant
5 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
6 federal, state, local or other applicable law.

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

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

16 71. Representation By Counsel. The Parties acknowledge that they have been represented
17 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
18 that this Settlement Agreement has been executed with the consent and advice of counsel, and
19 reviewed in full.

20 72. All Terms Subject to Final Court Approval. All amounts and procedures described in
21 this Settlement Agreement herein will be subject to final Court approval.

22 73. Notices. All notices, demands, and other communications to be provided concerning
23 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
24 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
25 as follows:

26 To Plaintiff and Class Counsel:

27 Jonathan M. Genish

28 jgenish@blackstonepc.com

Matthew Dietz

mdietz@blackstonepc.com

Karen I. Gold
kgold@blackstonepc.com
Marissa A. Mayhood
mmayhood@blackstonepc.com
Alexandra Rose
arose@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendant:
Michael Afar
mafar@seyfarth.com
SEYFARTH SHAW LLP
2029 Century Park East, Suite 3500
Los Angeles, California 90067
Tel: (310) 277-7200 / Fax: (310) 201-5219

Brian P. Long
bplong@seyfarth.com
SEYFARTH SHAW LLP
601 South Figueroa Street, Suite 3300
Los Angeles, California 90017
Tel: (213) 270-9600 / Fax: (213) 270-9601

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

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

IT IS SO AGREED.

PLAINTIFF KAREN HARTTEIN

Dated: 05/05/2025

Karen Hartstein

Plaintiff Karen Hartstein

DEFENDANT HYATT CORPORATION

Dated: _____

Full Name: _____

Title: _____
On behalf of Hyatt Corporation

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC



Dated: May 6, 2025

Jonathan M. Genish
Matthew Dietz
Karen I. Gold
Marissa A. Mayhood
Alexandra Rose

*Attorneys for Plaintiff Karen Hartstein
and Proposed Class Counsel*

SEYFARTH SHAW LLP

Dated: _____

Michael Afar
Brian P. Long

Attorneys for Defendant Hyatt Corporation

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Dated: 06/05/2025

APPROVED AS TO FORM ONLY:

Dated:

Dated: 6/5/2025

DEFENDANT HYATT CORPORATION

Margaret Egan
margaret.egan@hyatt.com
Full Name: Margaret Egan
Title: EVP & General Counsel
On behalf of Hyatt Corporation

BLACKSTONE LAW, APC

Jonathan M. Genish
Matthew Dietz
Karen I. Gold
Marissa A. Mayhood
Alexandra Rose
Attorneys for Plaintiff Karen Hartstein
and Proposed Class Counsel

SEYFARTH SHAW LLP

DocuSigned by:
Michael Afar
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Michael Afar
Brian P. Long
Attorneys for Defendant Hyatt Corporation

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Karen Hartstein v. Hyatt Corporation **Superior Court of California for the County of Los Angeles, Case No. 20STCV15895**

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because you are included in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the amount of your Individual Settlement Payment and/or hourly rate of pay that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Karen Hartstein (“Plaintiff”) and Defendant Hyatt Corporation (“Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”) in the case entitled *Karen Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court Case No. 20STCV15895 (“Action”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. SCOPE OF SETTLEMENT AND IMPORTANT DEFINITIONS

The scope of this settlement is limited to only those individuals who were employed by Defendant in approximately March 2020 when Defendant furloughed many of its California employees in response to the Covid-19 pandemic, and runs through approximately June to August 2020, when Defendant paid its terminated employees all money owed for vested vacation time and/or floating holidays.

“**Class**” or “**Class Member(s)**” means all individuals who were employed by Defendant in the State of California at any time during the Class Period whose employment was terminated (including, without limitation, temporarily laid off, laid off, or “furloughed”) and who were not paid for vested vacation time and/or floating holidays immediately upon cessation of their employment within the Class Period.

“**Class Period**” means the period from April 24, 2016 through October 30, 2024.

“**Class Settlement**” means the settlement and resolution of all Released Class Claims.

“**PAGA Employee(s)**” means all individuals who were employed by Defendant in the State of California at any time during the PAGA Period whose employment was terminated (including, without limitation, temporarily laid off, laid off, or “furloughed”) and who were not paid for vested vacation time and/or floating holidays immediately upon cessation of their employment within the PAGA Period.

“**PAGA Period**” means the period from April 23, 2019 through October 30, 2024.

“**PAGA Settlement**” means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On April 23, 2020, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated. On April 24, 2020, Plaintiff commenced a class and representative action lawsuit by filing a Class Action Complaint in the Action. On June 1, 2020, Defendant removed the Action to the United States District Court for the Central District of California, where it was assigned Case No. 2:20-cv-04874-DSF-JPR (the “Federal Action”). On October 30, 2020, Plaintiff provided an amended written notice to the LWDA and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated (“PAGA Letter”). On January 4, 2021, Plaintiff filed a First Amended Class Action Complaint (“Operative Complaint”) in the Federal Action. On May 25, 2021, the court in the Federal Action granted

Plaintiff's motion for class certification and certified the following class and subclasses:

Class: All individuals who were employed by Defendants in the State of California at any time during the period from April 24, 2016 to final judgment (the "Relevant Period") and who fall within the definition of one or all of the following Subclasses:

Subclass 1: All members of the Class whose employment was terminated (including, without limitation, temporarily laid off, laid off, or "furloughed") and who were not paid for vested vacation time and/or floating holidays immediately upon cessation of their employment within the Relevant Period.

Subclass 2: All members of the Class whose employment was terminated (including, without limitation, temporarily laid off, laid off, or "furloughed") and who were not paid for vested non-discretionary hotel room bonuses immediately upon cessation of their employment within the Relevant Period.

Subclass 3: All members of the Class who are or were hourly-paid and/or non-exempt, who worked overtime and received overtime pay, and who earned non-discretionary hotel room bonuses during the Relevant Period.

Following an appeal and extensive motion practice in the United States Court of Appeals for the Ninth Circuit, the United States Court of Appeals ordered that Subclass 2 and Subclass 3 no longer have viable claims and only the following claims remain viable in the Operative Complaint as to Subclass 1:

- a. Waiting time penalties under California Labor Code Sections 201, 203, and 227.3;
- b. Unfair and unlawful business practices under California Business & Professions Code Section 17200, *et seq.* based on violations of waiting time penalties under California Labor Code Sections 201, 203, and 227.3; and
- c. PAGA based on violations of waiting time penalties under California Labor Code Sections 201, 203, and 227.3.

On [REDACTED], the Federal Action was remanded to the Los Angeles Superior Court (i.e., the Action).

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Karen Hartstein as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Matthew Dietz
Karen I. Gold
Marissa A. Mayhood
Alexandra Rose
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the amount of your estimated Individual Settlement Payment and/or hourly rate of pay credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if

the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Eleven Million Eight Hundred and Fifty Thousand Dollars and Zero Cents (\$11,850,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed 35% of the Gross Settlement Amount (*i.e.*, \$4,147,500.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) to Plaintiff for her services in the Action; (3) the amount of Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$375,000.00) (“LWDA Payment”) and the remaining 25% (\$125,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Payment”). The Settlement Administrator has created a “Preliminary Allocation Percentage” for each Class Member. The numerator of which is the individual Class Member’s estimated full waiting time penalties, based on their hourly rate of pay and classification of full-time (8 hours per day) or part-time (5 hours per day) status, and the denominator of which is the sum of all Class Members’ estimated full waiting time penalties. The Settlement Administrator has multiplied the Preliminary Allocation Percentage for each Class Member by the Net Settlement Amount to determine that Class Member’s estimated Individual Settlement Payment. Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”). The Settlement Administrator had divided the PAGA Employee Amount, *i.e.*, 25% of the PAGA Amount, by the total number of PAGA Employees to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual Settlement Payment and Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Hourly Rate, Estimated Individual Settlement Payment, and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Payment is based on your full waiting time penalties, based on your hourly rate of pay and classification of full-time (8 hours per day) or part-time (5 hours per day) status.

According to Defendant’s records:

You are credited as having an hourly rate of pay of \$ [REDACTED].

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$ [REDACTED].

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

If you wish to dispute the amount of your Individual Settlement Payment and/or hourly rate of pay, you must submit your dispute to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Hartstein v. Hyatt Corporation*, Case No. 20STCV15895); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the amounts credited to you and what you contend is the correct rate; and (d) be returned by email or mail to the Settlement Administrator at the specified address listed in Section IV.B below, emailed or postmarked **on or before [Response Deadline]**.

The settlement approval process may take multiple months. Your Individual Settlement Payment and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

C. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims, rights, demands, charges, complaints, causes of action, obligations, damages, penalties, interest, or liability of any and every kind, which were alleged or could have been alleged based on the facts in the Operative Complaint, arising during the Class Period for Defendant’s alleged failure to timely pay all wages and/or vested vacation time/paid time off and/or floating holidays immediately upon termination (including, without limitation, temporarily laid off, laid off, or “furloughed”) in or around March 2020 in connection with the Covid-19 pandemic, allegedly in violation of California Labor Code Sections 201, 203, and 227.3, and for the alleged violation of California Business and Professions Code sections 17200, *et seq.* based on the aforementioned California Labor Code alleged violations.

“Released PAGA Claims” means any and all claims, rights, demands, charges, complaints, causes of action, obligations, damages, penalties, interest, or liability of any and every kind, which were alleged or could have been alleged based on the facts in the Operative Complaint, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, as alleged in the PAGA Letter and/or Operative Complaint, arising in or around March 2020 for Defendant’s alleged failure to timely pay all wages and/or vested vacation time/paid time off and/or floating holidays immediately upon termination (including, without limitation, temporarily laid off, laid off, or “furloughed”) in connection with the Covid-19 pandemic, allegedly in violation of California Labor Code Sections 201, 203, and 227.3.

“Released Parties” means Defendant and its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

D. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$4,147,500.00 and reimbursement of litigation costs and expenses in an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

E. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). (“Enhancement Payment”), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to her Individual Settlement Payment and Individual PAGA Payment that she is entitled to under the Settlement.

F. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00 (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Payments and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.C above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.C above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Email Address]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Hartstein v. Hyatt Corporation*, Case No. 20STCV15895); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by email or mail to the Settlement Administrator at the specified address above, emailed or postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.C above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.C above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be

bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.C above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Hartstein v. Hyatt Corporation*, Case No. 20STCV15895); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by email or mail to the Settlement Administrator at the specified address listed in Section IV.B above, emailed or postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department [redacted] of the Los Angeles County Superior Court, located at Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by visiting Stanley Mosk Courthouse, 111 North Hill Street, California 90012, during normal business hours, or by online by visiting the following website: <https://www.lacourt.org/casesummary/ui/>

Additionally, you may view any documents filed in the Federal Action by accessing the court docket for a fee through the court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cacd.uscourts.gov/cgi-bin/ShowIndex.pl>.

You may also visit the Settlement Administrator’s website at [redacted] for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 5

Thank you for your Proposed Settlement Submission

Desde DIR PAGA Unit <no-reply@formassembly.com>

Fecha Vie 6 Jun 2025 15:29

Para Karina Hernandez <khernandez@blackstonepc.com>

[External Email].

06/06/2025 03:28:47 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: <http://labor.ca.gov/Private Attorneys General Act.htm>