

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims (“Settlement Agreement”) is made and entered into between Plaintiffs Salvador Chavez (“Chavez”), Rodger Capps (“Capps”), and Sergio Jimenez (“Jimenez”) (collectively “Plaintiffs”) acting in a private attorney general capacity on behalf of the State of California and Defendants HLT Conrad Domestic LLC and HLT Conrad Domestic Employer LLC (collectively “Defendants” or “Hilton”).

I. DEFINITIONS

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

1. “Action” means the following PAGA actions: *Salvador Chavez v. HLT Conrad Domestic LLC*, SDSC Case No. 37-2020-00016193-CU-OE-CTL filed May 26, 2020. LWDA notice letter filed April 20, 2020, LWDA No.: LWDA-CM-783733-20, alleging violations of California Labor Code Sections §§ 201, 202, 203, 204, 226(a), 226.3, 226.7, 510, 512, 558, 1194, 1197, 1197.1, 1198, Applicable Industrial Welfare Commission Wage Orders, and Pursuant to California Labor Code Section 2699.3; *Rodger Capps v. HLT Conrad Domestic Employer LLC*, SDSD Case No. 37-2020-00023101-CU-OT-CTL filed July 6, 2020. LWDA notice letter filed April 3, 2020, alleging violations of California Labor Code Sections §§ 201, 202, 203, 204, 210, 226, 226.7, 1194, 1194.2, 1197, 1197.1, 1198, 1199, Applicable Industrial Welfare Commission Wage Order 5-2001, and Pursuant to California Labor Code Section 2699.3; and *Sergio Jimenez v. HLT Conrad Domestic LLC*, SDSC Case No. 37-2021-00000849-CU-OE-CTL. LWDA notice letter filed January 6, 2021, alleging violations of California Labor Code Sections §§ 201, 202, 203, 204, 226, 226(a), 246, and Pursuant to California Labor Code Section 2699.3 (collectively, the “Action”).

2. “Aggrieved Employees” mean “all current and former non-exempt employees of Defendants employed in California at the Hilton San Diego Bayfront and/or Parc 55 Hotel during the PAGA Period.” The PAGA Period means “the period beginning on April 3, 2019 and ending December 16, 2021.”

3. “Court” means the Superior Court of California, County of San Diego.

4. “Hilton” and/or “Defendants” means HLT Conrad Domestic LLC and HLT Conrad Domestic Employer LLC.

5. “Released Parties” means HLT Conrad Domestic LLC and HLT Conrad Domestic Employer LLC, collectively, and any of their present and former parent corporations, members, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, Hilton San Diego Bayfront and Parc 55 Hotel ownership entities (including, but not limited to, One Park Boulevard, LLC and P55 Hotel Owner LLC) and their respective affiliates, subsidiaries, divisions, members, partners, predecessors, insurers, successors and assigns, and all current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities,

and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

6. “Hilton’s Counsel” means the law firm of Jackson Lewis P.C.

7. “Effective Date” means the earliest date, following entry by the Court of an order and judgment finally approving this settlement upon which one of the following have occurred:

- a. If no objection is filed to the settlement and no objector appears at the hearing of final approval, ten (10) calendar days following the Court’s entry of the order granting approval.
- b. If an objection is filed to the settlement and/or an objector appears at the hearing of final approval, then the earlier of the following:
 - (1) The expiration of all potential appeal periods without filing of a notice of appeal of the final approval order or judgment; or
 - (2) final affirmance of the approval order and judgment by an appellate court as a result of any appeal(s); or
 - (3) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the approval order and judgment is no longer subject to further judicial review.

8. “Individual PAGA Payment” means the amount to be paid to each of the Aggrieved Employees out of 25% of the PAGA Payment. Such individual shares are to be apportioned and based solely on the number of pay periods attributed to each Aggrieved Employee during the PAGA Period. These shares will be calculated by the Settlement Administrator based on the data Hilton submits to the Settlement Administrator thirty (30) days following the Effective Date. If the thirtieth day falls on a Saturday, Sunday, or holiday, the corresponding deadline will be the following business day.

9. “LWDA” means the California Labor & Workforce Development Agency.

10. “Gross Settlement Amount” means the total sum of Eight Hundred Fifty Thousand Dollars and Zero Cents (\$850,000.00) for payment of the Settlement Administration Expenses, Attorneys’ Fees, Attorneys’ Expenses, PAGA Representative Enhancement Awards, and the PAGA Payment. The Gross Settlement Amount shall be the total amount paid by Hilton in connection with this matter. The Gross Settlement Amount cannot be increased for any reason, except as provided for herein at Paragraph III (3).

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

12. “PAGA Action” means the Cause of Action collectively asserted in the Chavez, Capps and Jimenez Complaints in the Action.

13. “PAGA Approval Date” means the date that the Court signs the Judgment approving the settlement of the PAGA Action.

14. “PAGA Payment” means the total amount remaining in the Gross Settlement Amount after payment of the Attorneys’ Fees, Attorneys’ Expenses, PAGA Representative Enhancement Awards, and the Administration Costs. Of the PAGA Payment, 75% shall go to the LWDA and 25% to the Aggrieved Employees. The Aggrieved Employees will be issued a form 1099 for their Individual PAGA Payments.

15. “PAGA Representative Enhancement Awards” refers to the monetary amounts to be paid to Plaintiffs from the Gross Settlement Amount in exchange for their services as PAGA representatives. PAGA Representatives will apply to the Court for an Order approving PAGA Representative Enhancement Awards in the amount of Seven Thousand-Five Hundred Dollars (\$7,500) to plaintiff Capps, Five Thousand Dollars (\$5,000) to plaintiff Chavez and Five Thousand Dollars (\$5,000) to plaintiff Jimenez. The PAGA Representative Enhancement Awards shall be paid from the Gross Settlement Amount and are subject to Court approval, and a reduction or denial of which is not a basis for any Plaintiff to void, rescind, or terminate this binding Agreement.

16. “PAGA Period” means the time period from April 3, 2019 and ending on December 16, 2021.

17. “Parties” mean Salvador Chavez (“Chavez”), Rodger Capps (“Capps”), and Sergio Jimenez (“Jimenez”) (collectively “Plaintiffs”) and Defendants HLT Conrad Domestic LLC and HLT Conrad Domestic Employer LLC (collectively “Defendants” or “Hilton”).

18. “Plaintiffs’ Counsel” and “PAGA Counsel” mean Jean-Claude Lapuyade, Esq. of the JCL LAW Firm, APC, Shani Zakay, Esq. of the ZAKAY LAW GROUP, APLC, James M. Treglio, Esq. of POTTER HANDY, LLP, Larry Lee, Esq. of DIVERSITY LAW GROUP, APC, Edward W. Choi, Esq. of LAW OFFICES of CHOI & ASSOCIATES, and David Lee of DAVID LEE LAW, APC.

19. “Settlement Administrator” means ILYM Group, Inc.

II. RECITALS

1. On May 26, 2020, Plaintiff Chavez filed a Complaint in the Action in the Court (“Chavez Action”). The Complaint asserted a single cause of action under PAGA.

2. On July 3, 2020, Plaintiff Capps filed a Complaint in the Action in the Court (“Capps Action”). The Complaint asserted a single cause of action under PAGA.

3. On January 7, 2021, Plaintiff Jimenez filed a Complaint in the Action in the Court (“Jimenez Action”). The Complaint asserted a single cause of action under PAGA.

4. On May 7, 2021, the Parties stipulated to consolidate the Chavez, Capps, and Jimenez Actions into one case with the Chavez Action designated as the lead case for filing purposes. The Parties further agreed that the Chavez Action, Capps Action, and Jimenez Action

would proceed before Honorable John S. Meyer in Department C-64.

5. The Parties engaged in an investigation and discussions in an effort to resolve the PAGA Action. Hilton provided Plaintiffs' Counsel with documents and data points related to their PAGA claims pursuant to the mediation privilege.

6. Hilton denies all of the allegations made by Plaintiffs in the Action and denies that it is liable or owes damages or other compensation or remedies to anyone with respect to the Action.

7. The Parties engaged in a virtual mediation session presided over by a third-party mediator, Tripper Ortman, Esq., on October 1, 2021.

8. The mediation concluded without a settlement, but the Action settled subsequently after all sides agreed to a Mediator's proposal which was memorialized in the form of a Memorandum of Understanding ("MOU"). Without admitting or conceding any liability or damages whatsoever, the Parties have agreed to fully and finally resolve the Action pursuant to the terms and conditions of this Settlement Agreement.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. Non-Admission. Hilton contends that it has complied with all federal, state, and local laws that Plaintiffs allege were violated. Hilton has denied, and continues to deny, each of the claims and contentions alleged in the Action. Hilton has asserted and continues to assert defenses to the Chavez, Capps, and Jimenez Complaints, and has expressly denied and continues to deny any wrongdoing or liability arising out of any of the facts or conduct alleged in the Action. Neither this Settlement Agreement, nor any action taken to carry out the terms of this Settlement Agreement, shall ever be construed as, offered, admitted, received, or deemed to be evidence in any civil, criminal, administrative, or other proceeding against Hilton, or may be used as an admission, concession, or indication by or against Hilton of any fault, wrongdoing, or liability whatsoever.

Nothing in this Settlement Agreement shall be construed to be an admission by Hilton of any liability or wrongdoing as to Plaintiffs, the Aggrieved Employees, or any other person, or entity, including the State of California. Hilton specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

Nothing in this Settlement Agreement, nor any action taken in implementation of it, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the negotiations leading to this Settlement Agreement, is intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used or be

admissible in any way in this case or any other judicial, arbitral, administrative, investigative or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity, by Hilton or any other Released Party.

Neither this Settlement Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or any of the Aggrieved Employees, in the Action or in any other action or proceeding; provided, however, this shall not prevent this Settlement Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Settlement Agreement.

2. Qualified Stipulation to Representative Treatment. The Parties stipulate to representative treatment for purposes of settlement only. Hilton contends that the facts do not justify representative treatment and would contest that matter in the Action but for the Settlement Agreement. The trial court has not ruled on manageability in the underlying litigation. This is not intended to be, and it should not be construed as, any admission of fact or law in this matter or any other matter that representative treatment is appropriate. If the Court does not grant approval of this settlement, then the Parties revert to their previous positions and Hilton will not stipulate to representative treatment.

3. Escalator Clause. It is estimated that there are approximately 1,358 Aggrieved Employees who worked an aggregate total of 32,372 Pay Periods during the PAGA Period. Defendants and the Settlement Administrator will confirm the number of applicable Aggrieved Employees and Pay Periods worked during the PAGA Period in support of Plaintiffs' motion for approval, and will provide a declaration under oath, if necessary or requested by the Court. If the total number of pay periods worked by the Aggrieved Employees exceeds 32,372 by more than 5% (or 1,619 for a total of 33,991 Pay Periods), the Gross Settlement Amount will increase proportionally for the number of pay periods over 33,991.

4. Timing of Payment. Within thirty (30) days after the Effective Date of this settlement, Hilton shall (a) deposit Eight Hundred Fifty Thousand Dollars and Zero Cents (\$850,000.00) as the Gross Settlement Amount in a Qualified Settlement Fund ("QSF") established by the Settlement Administrator ("Funding Date") and (b) provide the Settlement Administrator with a list of all Aggrieved Employees including each Aggrieved Employee's full name; last known address; Social Security number; and data on the total number of pay periods attributable to each of the Aggrieved Employees during the PAGA Period. Based upon this data, the Settlement Administrator will determine, and thereafter inform Hilton and Plaintiffs of, the Individual PAGA Payments it will pay each of the Aggrieved Employees. The information provided by Hilton to the Settlement Administrator is considered by the Parties to be confidential information and will not be shared with Plaintiffs or Plaintiffs' Counsel. If the thirtieth day falls on a Saturday, Sunday, or holiday, the corresponding deadline will be the following business day.

5. Distribution of Individual PAGA Payments. The Individual PAGA Payments are to be apportioned by the Settlement Administrator based on the number of pay periods attributed to each Aggrieved Employee during the PAGA Period divided by the total number of pay periods attributed to all Aggrieved Employees during the PAGA Period. The Settlement Administrator

shall determine the Individual PAGA Payments to each of the Aggrieved Employees based on the data provided to it by Hilton. Hilton shall have no additional obligations to search or review any records to determine the number of Aggrieved Employees or pay periods. No Aggrieved Employee shall have the right to object to, or contest, the calculation of his/her/their Individual PAGA Payment.

6. Payments From the Gross Settlement Amount. The Parties agree to the following allocations to be paid from the Gross Settlement Amount:

a. PAGA Payment: The PAGA Payment is the total of the Gross Settlement Amount, less the Attorneys' Fees, Attorneys' Expenses, PAGA Representative Enhancement Awards, and the Administration Costs, as approved by the Court. The PAGA Payment will be subject to Court approval consistent with Labor Code section 2699. Upon approval, the PAGA Payment shall be distributed as follows:

- (1) 75% of the PAGA payment being paid to the LWDA; and
- (2) 25% of the PAGA payment being paid to the Aggrieved Employees per Sections 5 and 6 of the Settlement Agreement.
- (3) The payments set forth in section 6(a)(2) of this Settlement Agreement will be reported on IRS Form 1099s. The Parties acknowledge and agree that all payments under this Settlement Agreement are for the settlement of contested claims for penalties. Accordingly, the Parties acknowledge and agree that Hilton is not responsible for any employer-side taxes in connection with any payments under this Settlement Agreement. Plaintiffs and Plaintiffs' Counsel will each provide Hilton with a completed W-9 form before the payments set forth in section 4(a)(2) of this Settlement Agreement are made.

b. Attorneys' Fees and Attorneys' Expenses: Plaintiffs' Counsel shall request that the Court approve an award of Attorney's Fees in an amount not to exceed one-third (currently \$283,333.33) of the Gross Settlement Amount (currently \$850,000.00) pursuant to Declarations by Plaintiffs' Counsel in connection with the prosecution of this Action. In addition, Plaintiffs' Counsel shall also request up to \$25,000.00 in Attorneys' Expenses. The Attorneys' Fees and Attorneys' Expenses requests shall be subject to the Court's review and approval. Hilton agrees that it will not oppose Plaintiffs' request for Attorneys' Fees or Attorneys' Expenses in the amounts above. In the event that the Court approves a payment of less than one-third of the Gross Settlement Amount in Attorneys' Fees, and/or less than \$25,000.00 in Attorneys' Expenses, to Plaintiffs' Counsel, the unawarded difference will be added to the PAGA Payment. Payment of Attorneys' Fees and Attorneys' Expenses will be reported on IRS Form 1099 issued to Plaintiffs' Counsel. Except as set forth in this Settlement Agreement, each party shall bear their own costs and fees of this Action. The payment of Attorneys' Fees and Attorneys' Expenses shall be made by the Settlement Administrator to Plaintiffs' Counsel. Approval of Attorneys' Fees and/or Attorneys' Expenses by the Court in an amount(s) less than the amount(s) requested is not a material term of

this Settlement Agreement and the award of any Attorneys' Fees and/or Attorneys' Expenses at less than requested by Plaintiffs' Counsel does not give rise to a basis to abrogate this Settlement Agreement. Plaintiffs' Counsel will each provide Hilton with a completed W-9 form before the payment of any Attorneys' Fees and Attorneys' Expenses awarded by the Court is made to Plaintiffs' Counsel.

c. Administration Costs: The Settlement Administrator was selected by Plaintiffs and was approved by Hilton. Subject to Court approval, Administration Costs shall include the cost of the Settlement Administrator to administer the settlement in the amount not to exceed \$12,000.00. If payment of less than \$12,000.00 is approved, or if the actual cost to administer the settlement is less than \$12,000.00, the difference will be added to the PAGA Payment. In the event that the Settlement Administrator incurs documented expenses in excess of \$12,000.00, the Settlement Administrator may request that the Court approve payment of those expenses from the Gross Settlement Amount. Approval of Administration Costs by the Court in an amount less than the amounts requested is not a material term of this Settlement Agreement and the award of an amount less than requested does not give rise to a basis to abrogate this Settlement Agreement. The amount of Administration Expenses requested for allocation from the Settlement Payment shall not exceed \$12,000.00, based upon the bid submitted by the Settlement Administrator to administrate the settlement. Except as otherwise provided herein, if the Court does not grant approval of the settlement, PAGA Counsel and Defendants shall each pay one-half of any Administration Expenses incurred.

7. PAGA Released Claims. In their capacity as a private attorney general "aggrieved employee" acting on behalf of themselves, the State of California, and the Aggrieved Employees, and in consideration of the PAGA Payment, upon entry of the Judgment and funding of the Gross Settlement Amount in full, Plaintiffs will fully release and discharge Released Parties from all claims for civil penalties under PAGA, California Labor Code sections 2698, *et seq.*, that were alleged in the Action, as to the Aggrieved Employees, including without limitation, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, California Industrial Commission Wage Orders, and including all claims for civil penalties under PAGA related to alleged unpaid wages, overtime or double time wages, minimum wages, regular rate of pay, timely payment of wages during employment, timely payment of wages at separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-clock work, wage statements, payroll records and recordkeeping, business expense reimbursement, paid sick leave, interest, attorneys' fees, costs arising therefrom, that accrued during the PAGA Period.

8. Covenants and Representations by Plaintiffs and Plaintiffs' Counsel.

a. Plaintiffs represent and warrant that they have not assigned nor transferred nor purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement.

b. The Parties acknowledge that they have read this Settlement Agreement, that they fully understand their rights, privileges and duties under the Settlement Agreement, and enter into this Settlement Agreement freely and voluntarily. The Parties further acknowledge that

they have had the opportunity to consult with their attorneys to explain the terms of this Settlement Agreement and the consequences of signing this Settlement Agreement.

9. No Tax Advice or Liability. Except as otherwise stated within this Agreement, all payments from the Settlement Amount shall be characterized as payments subject to Form 1099 reporting. The Parties have had an opportunity to consult with independent tax counsel. The Parties are not giving any tax advice in connection with the settlement or any payments to be made pursuant to this Settlement Agreement. The Parties do not intend anything contained in this Settlement Agreement to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall anything in this Settlement Agreement be relied upon as such. Each recipient of a settlement payment shall be solely and legally responsible for paying all applicable taxes on their respective settlement payments and shall indemnify and hold harmless the Parties from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

10. No Publicity. The Parties agree this settlement is confidential, except for purposes of enforcement. Plaintiffs and Plaintiffs' Counsel shall not publicize the settlement on their websites, in advertising/marketing materials or on social media, other than filing documents with the Court. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the settlement. If counsel for any party receives an inquiry about the settlement from the media, counsel may respond only after the motion for approval of the settlement has been filed and only by confirming the accurate terms of the settlement. Nothing in this provision shall prevent Hilton or Released Parties from making any required disclosure.

11. Court Approval of the PAGA Payment. Plaintiffs will prepare a Motion Requesting Approval of PAGA Settlement with the proposed Judgment ("Approval Motion") within sixty (60) days after complete execution of this Settlement Agreement unless otherwise agreed upon by the Parties, and will provide Hilton with at least three (3) business days to review this Approval Motion before it is filed. Plaintiffs will be responsible for submitting the Parties' long-form settlement agreement and the motion for settlement approval to the LWDA consistent with PAGA. The Parties shall jointly agree on the filing date for the Approval Motion. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents reasonably necessary to be prepared or filed and shall take all steps that may be requested by the Court pertaining to the approval and implementation of the Settlement. Plaintiffs shall be responsible for submitting a copy of the Court's judgment in any civil action filed pursuant to PAGA, and any other order in the Action that either provides for or denies an award of civil penalties under PAGA, to the LWDA within ten (10) business days after entry of the judgment or order.

12. Court Approval of the PAGA Settlement. The Settlement Agreement is contingent upon the approval by the Court. If the Court should fail to approve this Settlement Agreement in the form agreed to by the Parties, the Parties agree to coordinate efforts to address the Court's questions or concerns. If, after a good faith attempt to address the Court's questions or comments, the Court does not make a final determination to approve this Settlement Agreement, or if appellate review is sought and on such review the Court's decision is materially modified or reversed, or if one or more of the material terms of the Settlement Agreement are not approved or is materially modified or reversed or found to be invalid and the Parties in good faith do not believe that it

would be possible to make non-material modifications that would address any concerns raised by the Court, then each of the Parties by and through Counsel shall have the right within ten (10) business days of written notice thereof to elect to terminate the Settlement Agreement, in which event it shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement Agreement. Any change in the amount of Attorneys' Fees, Attorneys' Expenses, or Settlement Administration Costs shall not be material terms that allow either party to seek to void the Settlement Agreement.

IV. ADMINISTRATION OF SETTLEMENT

1. After the execution of this Settlement Agreement, Plaintiffs shall file the Approval Motion and will submit this Settlement Agreement to the LWDA consistent with Labor Code section 2699(l)(2).

2. Settlement Administrator will administer the settlement and, subject to Court approval, shall be paid for Administration Costs, which are estimated to be no more than \$12,000.00. Hilton will provide the necessary information about the Aggrieved Employees to the Settlement Administrator consistent with Section III, paragraphs 4 and 5, of this Settlement Agreement.

3. The Settlement Administrator will report payment of the Individual PAGA Payments to all required taxing and other authorities, and issue Internal Revenue Service Forms 1099s. The Settlement Administrator will establish a QSF, pursuant to Section 468B(g) of the Internal Revenue Service, for the purposes of administering the Settlement.

4. Within ten (10) business days of the Funding Date, the Settlement Administrator will issue to each Aggrieved Employee a check for his/her/their Individual PAGA Payment at his/her/their last known home address along with an explanatory letter, attached as Exhibit A. Nothing herein shall prohibit the Settlement Administrator from paying the Attorneys' Fees and Attorneys' Expenses and/or PAGA Representative Enhancement Awards earlier than ten (10) business days following the Funding Date. Checks will remain negotiable for 180 days. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, for those settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than 180 days after issuance, the Settlement Administrator shall escheat those checks to the State Controller's Office, Unclaimed Property Division, in the name of the absent employee.

5. Within ten (10) business days of the Funding Date, the Settlement Administrator will pay the amount allocated to the LWDA, Attorneys' Fees, Attorneys' Expenses, PAGA Representative Enhancement Awards, and Administration Costs as approved by the Court from the Gross Settlement Amount.

6. The Settlement Administrator will provide an accounting, by means of a declaration under oath, to the parties of the amounts paid out. This declaration, which will also include the

amount of un-cashed checks, and undeliverable funds, will be provided to the Court once the 180 days set forth in Section IV, paragraph 4, of this Settlement Agreement expires.

7. Hilton makes no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

1. Drafting. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. No Impact on Benefit Plans. Neither the Settlement Agreement nor any amounts paid to Plaintiffs or any Aggrieved Employee under the Settlement Agreement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Hilton. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Hilton's sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Settlement Agreement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of Hilton's benefit plans, policy, or bonus program. Hilton retains the right, if necessary, to modify the language of its benefit plans, policies, and bonus programs to effect this intent, and to make clear that any amounts paid pursuant to this Settlement Agreement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies, and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement Agreement.

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

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

5. Authority. Hilton represents and warrants that the undersigned has the authority to act on behalf of Hilton and bind Hilton to the terms of this Settlement Agreement. Plaintiffs represent and warrant that they have the capacity to act on their own behalf and on behalf of the State of California (as a private attorney general under PAGA for the purposes of this Action) and all who might claim through them to bind them to the terms of this Settlement Agreement.

6. Governing Law. All terms and conditions of this Settlement Agreement will be governed by and interpreted according to the laws of the State of California. If any legal or equitable action is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the Superior Court of California, County of San Diego.

7. Complete Agreement. The Parties acknowledge and represent that upon full execution, except as otherwise stated herein, this Settlement Agreement contains the entire understanding between them with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings between them, written and oral, with respect to the subject matter hereof. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto or their successors-in-interest.

8. Disputes. Any dispute between the parties as to the remaining terms of the Settlement Agreement may be presented to the mediator, Tipper Ortman, for resolution. The Parties will split the costs of the mediator and all Parties will bear their own attorneys' fees and other costs incurred.

9. Continued Jurisdiction. The Court shall retain continuing jurisdiction over the Action to ensure the continuing implementation of the provisions of the Settlement Agreement. The Parties agree to adopt and apply Rule 3.769(h) of the California Rules of Court requiring entry of judgment.

10. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their Counsel will cooperate with each other and use their best efforts to effect the implementation of the settlement of the PAGA Action. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement of the PAGA Action, 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, Tripper Ortman, to resolve such disagreement.

11. Execution and Counterparts. This Settlement Agreement may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Settlement Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Settlement Agreement. The Parties agree the litigation will be stayed for all purposes upon signing, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the settlement, pending the hearing on the Approval Motion to be conducted by the Court.

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

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

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

15. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement and receive approval from the Court.

16. Binding Agreement. This Settlement Agreement shall be binding on the Parties upon signature from one of Plaintiffs' Counsel listed below and the Plaintiffs and upon signature by a representative of Defendants who have authority to bind Defendants to this Agreement and counsel for Defendants. This Settlement Agreement is binding only if executed by the above-identified representatives of both Parties. Counterpart facsimile or emailed copies of the signature will have the same force and effect as an original signature. This is a binding Settlement Agreement (and can be filed with the Court by either Party and enforced by either Party) with any disputes between the Parties as to the terms of the Settlement Agreement to be resolved by a magistrate judge, judge, or other person mutually agreed upon by the Parties and designated as such herein, with any gaps or missing terms to be resolved by that person if the Parties cannot agree, the resolution of which shall be final and binding on the Parties, subject to Court approval.

17. Waiver of Right to Appeal. Provided that the Judgment is consistent with the terms and conditions of the Settlement Agreement, Plaintiff, Aggrieved Employees, the State of California, and Hilton and the Released Parties, hereby waive any and all rights to appeal in connection with any issue in the Judgment (separate from the right to appeal the award of Attorneys' Fees, and Attorneys' Expenses, as provided in this Agreement).

18. Judgment To Be Entered On The PAGA Action. Any final approval order or judgment pursuant to this Settlement Agreement shall result in a dismissal with prejudice of the Action.

[Signature Page Follows]

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

Dated: 3/30/2022

DocuSigned by:
Salvador Chavez
Plaintiff Salvador Chavez

Dated: _____

Plaintiff Rodger Capps

Dated: _____

Plaintiff Sergio Jimenez

Dated: 3/30/2022

JCL LAW FIRM, APC
DocuSigned by:
Jean-Claude Lapuyade
Jean-Claude Lapuyade
Counsel for Plaintiff Salvador Chavez

Dated: 3/30/2022

ZAKAY LAW GROUP, APLC
DocuSigned by:
Shani Zakay
Shani Zakay
Counsel for Plaintiff Salvador Chavez

Dated: _____

DIVERSITY LAW GROUP, APC

Larry W. Lee
Counsel for Plaintiff Sergio Jimenez

Dated: _____

LAW OFFICES OF CHOI & ASSOCIATES

Edward W. Choi
Counsel for Plaintiff Sergio Jimenez

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

Dated: _____

Plaintiff Salvador Chavez

Dated: 03/28/2022



Plaintiff Rodger Capps

Dated: _____

Plaintiff Sergio Jimenez

JCL LAW FIRM, APC

Dated: _____

Jean-Claude Lapuyade
Counsel for Plaintiff Salvador Chavez

ZAKAY LAW GROUP, APLC

Dated: _____

Shani O. Zakay
Counsel for Plaintiff Salvador Chavez

DIVERSITY LAW GROUP, APC

Dated: _____

Larry W. Lee
Counsel for Plaintiff Sergio Jimenez

LAW OFFICES OF CHOI & ASSOCIATES

Dated: _____

Edward W. Choi
Counsel for Plaintiff Sergio Jimenez

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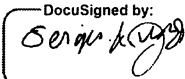
Dated: _____

Plaintiff Salvador Chavez

Dated: _____

Plaintiff Rodger Capps

Dated: 3/31/2022

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Plaintiff Sergio Jimenez

JCL LAW FIRM, APC

Dated: _____

Jean-Claude Lapuyade
Counsel for Plaintiff Salvador Chavez

ZAKAY LAW GROUP, APLC

Dated: _____

Shani O. Zakay
Counsel for Plaintiff Salvador Chavez

DIVERSITY LAW GROUP, APC

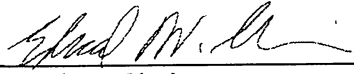
Dated: 3/31/2022



Larry W. Lee
Counsel for Plaintiff Sergio Jimenez

LAW OFFICES OF CHOI & ASSOCIATES

Dated: 3/31/2022



Edward W. Choi
Counsel for Plaintiff Sergio Jimenez

Dated: 3/31/2022

DAVID LEE LAW, APC

DocuSigned by:
David J Lee
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David Lee
Counsel for Plaintiff Sergio Jimenez

POTTER HANDY LLP

Dated:

Mark D. Potter, Esq.
James M. Treglio, Esq.
Counsel for Plaintiff Rodger Capps

HLT CONRAD DOMESTIC LLC

Dated:

By: _____
Title: _____

HLT CONRAD DOMESTIC EMPLOYER LLC

Dated:

By: _____
Title: _____

JACKSON LEWIS P.C.

Dated:

Dorothy L. Black
Arcelia N. Magaña
Counsel for Defendants HLT Conrad Domestic LLC
and HLT Conrad Domestic Employer LLC

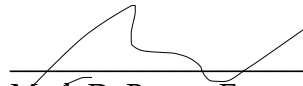
DAVID LEE LAW, APC

Dated: _____

David Lee
Counsel for Plaintiff Sergio Jimenez

POTTER HANDY LLP

Dated: April 8, 2022 _____



Mark D. Potter, Esq.
James M. Treglio, Esq.
Counsel for Plaintiff Rodger Capps

HLT CONRAD DOMESTIC LLC

Dated: _____

By: _____
Title: _____

HLT CONRAD DOMESTIC EMPLOYER LLC

Dated: _____

By: _____
Title: _____

JACKSON LEWIS P.C.

Dated: _____

Dorothy L. Black
Arcelia N. Magaña
Counsel for Defendants HLT Conrad Domestic LLC
and HLT Conrad Domestic Employer LLC

EXHIBIT A

[Administrator Notice]

You are receiving this payment because of a lawsuit brought by a former California employee, Plaintiffs Salvador Chavez (“Chavez”), Rodger Capps (“Capps”), and Sergio Jimenez (“Jimenez”) (collectively “Plaintiffs”) against HLT Conrad Domestic LLC and HLT Conrad Domestic Employer LLC (collectively “Defendants”) for civil penalties pursuant to the Private Attorneys General Act, Labor Code § 2698 et seq. (“PAGA”). Plaintiff claimed that they and other employees were not provided legally compliant meal and rest periods, not paid for all time worked, not properly paid overtime, not provided with accurate wage statements, and not timely paid final wages.

The Company denies these claims and denies that it owes any penalties, but to avoid further time and expense in litigation, the Company and Plaintiff have agreed to settle the case. The settlement resolves the claims asserted in the lawsuit on behalf of all Company non-exempt employees who worked in California between April 3, 2019 and XXX. (“PAGA Employees”).

According to Company records, you are a PAGA Employee and are therefore entitled to a share of the settlement. This settlement check shall remain valid until [insert date].

This check is issued pursuant to the terms of the PAGA settlement in the case entitled *Salvador Chavez v. HLT Conrad Domestic, LLC*, San Diego Superior Court Case No. 37-2020-00016193-CU-OE-CTL.

This payment is taxable income for federal, state, and local tax purposes and may be reported to the appropriate taxing authorities. You may be required to make additional tax payments. Please consult a tax advisor to determine your individual tax payment and reporting situation. You will be mailed appropriate tax forms in January 2023. Please notify us of any address changes so that any necessary tax forms can be mailed to your most current address.

If you have any questions about your award, please contact the [insert administrator information].