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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

MARTIN JADAN on behalf of himself, and all
others similarly situated,

Plaintiff,

vs.

AIMBRIDGE HOSPITALITY, LLC, a
Delaware EVOLUTION HOSPITALY, LLC, a
California corporation; and DOES I through 50,
inclusive,

Defendants.

Case No. HG21092197

PAGA SETTLEMENT AGREEMENT

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Subject to Court approval by the Superior Court of the State of California for the County of Alameda (“Court”), Plaintiffs Luis Robles and Martin Jadan (“Plaintiffs”) and Defendants Evolution Hospitality, LLC, Aimbridge Hospitality, LLC, Evolution Hospitality Employee Services LLC, and Aimbridge Employee Service Corp. (“Defendants”) (collectively with Plaintiffs, the “Parties”) hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”).

DEFINITIONS

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

1. “Actions” means *Jadan v. Aimbridge Hospitality, LLC*, No. HG21092197 (Alameda County Superior Court) and *Robles v. Evolution Hospitality, LLC*, No. 37-2021-00022541-CU-OE-CTL (San Diego County Superior Court).

2. “Aggrieved Employees” means all persons who were employed by Defendants in California in non-exempt positions at any of the following hotel locations during the Settlement Period:

2(a) Hampton San Diego Mission Valley, 2151 Hotel Circle South, San Diego, CA 92108;

2(b) Hilton Garden Inn San Diego Bayside, 2137A Pacific Highway, San Diego, CA 92101;

2(c) Hilton Garden Inn San Diego Old Town, 4200 Taylor Street, San Diego, CA 92110;

2(d) Hilton San Diego Mission Valley, 901 Camino Del Rio South, San Diego, CA 92108;

2(e) Homewood Mission Valley, 445 Camino Del Rio South, San Diego, CA 92109;

2(f) Homewood San Diego Downtown Bayside, 2137B Pacific Highway, San Diego, CA 92101; and

2(g) Homewood Suites San Diego Hotel Circle, 2201 Hotel Circle South, San Diego, CA 92108.

3. “Court” means the Superior Court for the State of California, County of Alameda.

4. “FCRA Action” means the related action *Jadan v. Aimbridge Hospitality, LLC et al.*, Alameda County Superior Court (CA), Case No. (RG21091933), alleging that Jadan was subjected to an unlawful background check when he applied for his employment with Defendants.

5. “Gross Settlement Amount” means the settlement amount of Four Hundred Seventy Five Thousand Dollars (\$475,000) to be paid by Defendants in full satisfaction of all Settled Claims arising from the Actions including the FCRA Action.

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

7. “PAGA Penalties Fund” means the Gross Settlement Amount less the Attorneys’ Fees and Costs, Service Awards, and Settlement Administrator Costs.

8. “Plaintiffs’ Counsel” means Capstone Law APC and Setareh Law Group.

9. “Service Awards” means the amounts to be paid to Plaintiffs as payment for their service on behalf of the LWDA and Aggrieved Employees and for general releases of all claims arising out of their employment with Defendants.

10. “Settled Claims” means any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or could have been alleged to have been violated in the Actions with respect to Aggrieved Employees based on the facts alleged in the Actions during the Settlement Period.

11. “Settlement Period” means February 18, 2020 to the earlier of July 1, 2023.

TERMS

12. Gross Settlement Amount. In consideration for Plaintiffs’ promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendants will pay Four Hundred Seventy Five Thousand Dollars (\$475,000) (“Gross Settlement Amount”) to settle the Actions. The Gross Settlement Amount includes Plaintiffs’ attorneys’ fees, litigation costs and expenses, consideration for Plaintiffs’ service on behalf of the LWDA and Aggrieved Employees, Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendants.

13. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Actions with respect to Aggrieved Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be paid to all Aggrieved Employees according to the following formula:

13(a) Defendants will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the Settlement Period.

13(b) To determine each Aggrieved Employee's payment from the PAGA Penalties Fund, Defendants will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund $\times$ [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period $\div$ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

13(c) If the total number of pay periods worked during the Settlement Period is greater than 19,124, then Defendants will proportionally increase the Gross Settlement Amount according to the following formula: Proportionally Increased Gross Settlement Amount = Total Number of Pay Periods During the Settlement Period $\div$ 19,124 $\times$ \$475,000.

14. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Plaintiffs' Counsel for Attorneys' Fees and Costs of not more than One Hundred Fifty Eight Thousand Three Hundred Thirty Three Dollars (\$158,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiffs' Counsel's litigation and settlement of the Actions (including expert/consultant fees, investigations costs, etc.), not to exceed Thirty Thousand Dollars (\$30,000), both of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiffs' Counsel will be added to the PAGA Penalties Fund.

15. Service Awards. For general releases of all claims Plaintiffs may have against Defendants arising out of their employment, and for their service on behalf of the LWDA and Aggrieved Employees, Defendants agree not to oppose or impede any application or motion by Plaintiffs for a service award of up to Ten Thousand Dollars (\$10,000) each ("Service Awards"). Upon receipt of the Service Awards, Plaintiffs will be deemed to have fully released and discharged Defendants from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Defendants arising out of, or relating to, Plaintiffs' employment with Defendants or termination thereof, including but not limited to claims asserted in the FCRA Action as well as claims for wages, restitution, penalties, including PAGA civil penalties for their individual (i.e., non-representative) PAGA claims, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiffs will be deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

16. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and effect even if the full amount of Service Awards sought by Plaintiffs is not ultimately awarded by the Court.

17. Settlement Administration Costs. The Parties will retain CPT as the third-party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiffs, and Plaintiffs' Counsel. The Settlement Administration

Costs will be paid from the Gross Settlement Amount. Based on the estimate that there are approximately Seven Hundred (700) Aggrieved Employees, Settlement Administration Costs are estimated at Seven Thousand Five Hundred Dollars (\$7,500).

18. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the Court issue an order and judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement (the "Order and Judgment").

19. List of Aggrieved Employees. Within seven (7) calendar days after entry of the Order and Judgment, Defendants will provide the Settlement Administrator a complete list of all Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft Office Excel and will include each Aggrieved Employees full name; most recent mailing address and telephone number; Social Security number; the respective number of pay periods during which each Aggrieved Employee worked during the Settlement Period; and any other relevant information needed to calculate settlement payments.

20. Funding of the Settlement. Within twenty one (21) calendar days after: (a) entry of the Order and Judgment, and (b) the dismissal with prejudice of the *Robles v. Evolution Hospitality, LLC*, No. 37-2021-00022541-CU-OE-CTL including the individual Robles individual arbitration and the Robles appeal of the order granting the motion to compel arbitration collectively ("Robles Action"); and c) the dismissal with prejudice of the FCRA Action. The dismissal of both the Robles Action and the FCRA Action are conditions precedent to the funding of the settlement. Defendant will deposit the Gross Settlement Amount into the QSF to be established by the Settlement Administrator. Within fourteen (14) calendar days of the funding of the Settlement, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; (d) Plaintiffs' Counsel; and (e) itself. The Settlement Administrator, and not Defendants, will issue the appropriate tax forms for all payments issued under this Settlement.

21. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a

1 search based on the National Change of Address Database for information to update and correct for any
2 known or identifiable address changes. Any checks returned as non-deliverable on or before the check
3 cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address
4 affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt
5 to determine the correct address using a skip-trace, or other search using the name, address or Social
6 Security number of the Aggrieved Employee involved, and will then perform a single re-mailing.
7 Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain
8 outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be
9 tendered to the LWDA. All settlement payments to Aggrieved Employees will be treated as
10 miscellaneous income for which a 1099 will be issued.

11 22. Settled Claims. Upon entry of the Order and Judgment, Plaintiffs, the State of California,
12 and the LWDA will release and forever discharge Defendants from any and all Settled Claims during the
13 Settlement Period. Aggrieved Employees, other than Plaintiffs, will not be deemed to have released any
14 individual wage and hour claims by virtue of this Settlement.

15 23. No Right to Exclusion or Objections by Representative Action Members. Because this
16 settlement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as
17 Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no
18 Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved
19 Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court,
20 regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties
21 also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

22 24. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced
23 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
24 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,
25 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
26 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
27 contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

28 25. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant

1 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
2 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
3 action or right herein released and discharged.

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

8 27. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court
9 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
10 of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters
11 as may be appropriate under court rules or as set forth in this Settlement.

12 28. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
13 settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding
14 on the Parties.

15 29. Amendment or Modification. This Settlement Agreement may be amended or modified
16 only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all
17 Parties, and approved by the Court.

18 30. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
19 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
20 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
21 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
22 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
23 other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to
24 reach agreement on the form or content of any document needed to implement the Settlement, or on any
25 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
26 may seek the assistance of the Court to resolve such disagreement.

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

32. California Law Governs. All terms of this Settlement Agreement will be governed by and interpreted according to the laws of the State of California.

33. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and scanned copies of the signature pages, will be deemed to be one and the same instrument.

34. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement 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.

35. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that Plaintiffs may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement's terms.

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

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

38. 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.

39. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including

expert witness fees incurred in connection with any enforcement actions.

40. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

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

42. 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.

43. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

44. Denial of Liability. The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Actions, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments

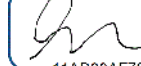
1 of the Court entered into in connection therewith.

2
3 **READ CAREFULLY BEFORE SIGNING**

4 **PLAINTIFF**

5 Dated: 10/3/2023

DocuSigned by:



11AD30AF79E9493...

Luis Robles

7 **PLAINTIFF**

8
9 Dated: _____

Martin Jadan

11 **DEFENDANTS**

12 Dated: _____



Karen Kovach

Evolution Hospitality, LLC, Aimbridge Hospitality,
LLC, Evolution Hospitality Employee Services LLC,
and Aimbridge Employee Service Corp.

16 **APPROVED AS TO FORM**

17 **CAPSTONE LAW APC**

18 Dated: October 3, 2023



Raul Perez

21 **SETAREH LAW GROUP**

22 Dated: _____

Shaun Setareh

24 **FISHER & PHILLIPS LLP**

25 Dated: _____

Boris Sorsher

of the Court entered into in connection therewith.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Luis Robles

PLAINTIFF

Dated: 12/19/2023


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Martin Jadan

DEFENDANTS

Dated: _____



Karen Kovach
Evolution Hospitality, LLC, Aimbridge Hospitality,
LLC, Evolution Hospitality Employee Services LLC,
and Aimbridge Employee Service Corp.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

Raul Perez

SETAREH LAW GROUP

Dated: 12/18/2023


ID 2qxyylDtpvB8xhyKeQHDFCC

Shaun Setareh

FISHER & PHILLIPS LLP

Dated: _____

Boris Sorsher

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

**Re: Payment From *Jadan v. Aimbridge Hospitality, LLC*,
No. HG21092197 (Alameda County Superior Court)**

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Jadan v. Aimbridge Hospitality, LLC*, No. HG21092197 (Alameda County Superior Court) (the “Action”).

The Action was filed against Defendants Evolution Hospitality, LLC, Aimbridge Hospitality, LLC, Evolution Hospitality Employee Services LLC, and Aimbridge Employee Service Corp. (“Defendants”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Action was brought on behalf of the State of California and all allegedly “aggrieved employees” of Defendants. You have been identified as one of the employees on whose behalf the case was brought.

The Action alleges that Defendants owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendants deny that they violated the Labor Code or California Wage Orders. Moreover, in agreeing to this settlement, Defendants do not admit that they are liable in any way for any penalties.

The Court has not ruled on the merits of the Action but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

Aggrieved employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order, for which they have a private right of action, by virtue of the Settlement.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]