

Settlement and Release Agreement

It is stipulated and agreed by and among the undersigned Parties, subject to the approval of the Court, that the Settlement of this Action shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or as defined elsewhere in this Settlement and Release Agreement (“Agreement” or “Settlement”).

This Agreement is made by and between Plaintiff Rocio Rosales (“Rosales”) and Plaintiff Ericka Kraut (“Kraut”) (collectively referred to herein as “Plaintiffs”), on the one hand, and Defendants DT Employer LLC; DT Management LLC; and Doubletree Employer LLC; (“Doubletree”), on the other hand. Plaintiffs and Defendants collectively are referred to in this Agreement as “the Parties.”

The Parties agree that the Actions shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendants to pay the settlement amount of Three Million Five Hundred Thousand Dollars (\$3,500,000.00) as provided in Section 3.06(a) below (“Gross Settlement Amount”) pursuant to the terms and conditions of this Agreement and for the consideration set forth herein.

RECITALS

1. On May 26, 2021, Rosales filed a putative class action complaint against Defendants DT Employer LLC and Hilton Employer Inc. in Orange County Superior Court. Rosales asserted various claims under California’s Labor Code and Unfair Competition Law (“UCL”), including claims for (1) failure to pay all wages due during employment, including minimum and straight time wages; (2) failure to pay overtime; (3) failure to provide meal periods and pay meal period premiums at correct rates; (4) failure to provide rest periods and pay rest period premiums at correct rates; (5) failure to timely pay wages due to terminated employees; (6) failure to provide accurate wage statements and maintain accurate payroll records; (7) failure to reimburse necessary business expenses; and (8) unfair business practices. On July 1, 2021, Defendants removed the case to the U.S. District Court for the Central District of California.

2. On March 4, 2021, Rosales submitted a notice to California’s Labor and Workforce Development Agency purporting to exhaust certain claims under California’s Private Attorney General Act (“PAGA”) (“Rosales PAGA Notice”). On September 16, 2021, Rosales filed a PAGA action against Defendants DT Employer LLC and Hilton Employer Inc. in Orange County Superior Court, seeking civil PAGA penalties associated with the same underlying claims that she alleged in the putative class action.

3. On October 14, 2021, Kraut submitted a notice to California’s Labor and Workforce Development Agency purporting to exhaust certain claims under PAGA (“Kraut PAGA Notice”). On December 28, 2021, Kraut filed a putative class action complaint against Defendants DT Employer LLC; DT Management LLC; Doubletree Employer LLC; Hilton Employer Inc.; Hilton Hotel Employer LLC; Embassy Suites Employer LLC; Curio Employer LLC; Hampton Inns Employer LLC; Hlt Conrad Domestic Employer LLC; Hlt Conrad Domestic LLC; Conrad Employer LLC; Waldorf=Astoria Employer LLC; and Homewood Suites Employer

LLC in the San Bernardino Superior Court. Kraut asserted various claims under California's Labor Code, PAGA, and the UCL, including claims for (1) failure to provide meal periods and pay meal period premiums at correct rates; (2) failure to provide rest periods and pay rest period premiums at correct rates; (3) failure to pay all wages due during employment, including minimum and straight time wages; (4) failure to pay overtime; (5) failure to provide accurate wage statements and maintain accurate payroll records; (6) failure to timely pay wages due to terminated employees; (7) unfair business practices; and (8) civil penalties under PAGA. On February 25, 2022, Defendants removed the case to the U.S. District Court for the Central District of California.

4. On February 1, 2023, the Parties jointly mediated the class and PAGA claims alleged in all three of these cases with respect to the claims of all current and former non-exempt employees of DT Management LLC, DT Employer LLC, and Doubletree Employer LLC with mediator David A. Rotman. On April 24, 2023, with the aid of the mediator and after weeks of further negotiations, the Parties reached the Settlement to resolve the Actions, as defined below.

ARTICLE I **DEFINITIONS**

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

a. "Actions" means the actions described as follows: (1) *Rosales v. DT Employer LLC, et al.*, Case No. 30-2021-01202903-CU-OE-CXC, commenced on May 26, 2021 in the Orange County Superior Court and removed to United States District Court for the Central District of California on July 1, 2021, Case No. 8:21-cv-01146-CJC (ADSx) ("*Rosales* Class Action"); (2) *Rosales v. DT Employer LLC, et al.*, Case No. 30-2021-01221604, commenced on September 16, 2021 in Orange County Superior Court ("*Rosales* PAGA Action"); and (3) *Kraut v. DT Employer LLC et al.*, commenced on December 28, 2021 in San Bernardino Superior Court, Case No. CIVSB2132004, and removed to United States District Court for the Central District of California-Eastern on February 25, 2022, Case No. 5:22-cv-00349-JGB-SP ("*Kraut* Action").

b. "Agreement" means this Settlement and Release Agreement, including the attached Exhibit(s).

c. "Class" means all current and former non-exempt employees who are or were employed by DT Management LLC, DT Employer LLC, and/or Doubletree Employer LLC in California from May 26, 2017 to the date of preliminary approval.

d. "Class Counsel" means the attorneys for the Class and the Class Members, who are:

Armond M. Jackson
Andrea M. Fernandez-Jackson
Anthony S. Filer, Jr.
JACKSON APC
2 Venture Plaza, Suite 240
Irvine, CA 92618
Phone: (949) 281-6857

Fax: (949) 777-6218

Farzad Rastegar
Douglas Perlman
RASTEGAR LAW GROUP, APC
22760 Hawthorne Blvd., Suite 200
Torrance, California 90505
Phone: (310) 961-9600
Fax: (310) 961-9094

e. “Class List” means a list based on Defendants’ business records that identifies each Class Member’s name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, and dates of employment, and identifies the number of Qualifying Workweeks worked during the Class Period and the number of Qualifying PAGA Workweeks worked during the PAGA Period. The Settlement Administrator shall keep names, contact information, and social security numbers strictly confidential, except as needed to verify their identity and contact information.

f. “Class Member(s)” means all members of the Class.

g. “Class Period” means May 26, 2017 to March 1, 2024.

h. “Court” means the San Bernardino County Superior Court.

i. “Date of Finality” means the later of the following: (1) the date the Final Order is signed if no objections are made to the Settlement or if objections are made and withdrawn; (2) five (5) days after the deadline to appeal the Final Order has expired without a timely appeal or request for review being filed if objections are filed and overruled; (3) ten (10) days after any appeal is withdrawn or after an appellate decision affirming the Final Order without material modification becomes final if objections are filed and overruled and an appeal is taken of the Final Order; (4) the date that the *Rosales* Class Action is dismissed with prejudice; or (5) the date that the *Rosales* PAGA Action is dismissed with prejudice.

j. “Defendants” means DT Employer LLC; DT Management LLC; Doubletree Employer LLC; Hilton Employer Inc.; Hilton Hotel Employer LLC; Embassy Suites Employer LLC; Curio Employer LLC; Hampton Inns Employer LLC; Hlt Conrad Domestic Employer LLC; Hlt Conrad Domestic LLC; Conrad Employer LLC; Waldorf=Astoria Employer LLC; Homewood Suites Employer LLC.

k. “Defense Counsel” means counsel for Defendants:

JACKSON LEWIS P.C.
Connie L. Chen, State Bar No. 275649
Paul J. Cohen, State Bar No. 293797
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430

l. “Final Order Approving Settlement of Class Action” or “Final Order” means the final court order and judgment signed and entered by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, certifying the Class for settlement purposes, finally approving the settlement of Plaintiffs’ class and PAGA claims, and entering judgment thereupon.

m. “Gross Settlement Amount” means Three Million Five Hundred Thousand Dollars (\$3,500,000.00) to be paid on behalf of DoubleTree as provided by this Agreement to settle the Actions. All payments contemplated by this Settlement, including but not limited to payments to the Plaintiffs, Participating Class Members, PAGA Group Members, the LWDA, the Settlement Administrator, Class Counsel, and any associated payroll taxes, including the employer’s share of payroll taxes, shall be paid out of the Gross Settlement Amount. The Gross Settlement Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross Settlement Amount shall revert to DoubleTree. If the Court rejects the provision to include the employer’s share of payroll taxes in the Gross Settlement Amount, the employer’s share of payroll taxes shall be paid on behalf of DoubleTree outside of the Gross Settlement Amount. Other than the potential employer’s share of payroll taxes, in no event shall DoubleTree or Defendants be required to pay more than the Gross Settlement Amount.

n. “Incentive Awards” means a monetary amount of up to Ten Thousand Dollars (\$10,000) each, to be paid to Kraut and Rosales each, subject to Court approval, in recognition of their efforts and work in prosecuting the Action on behalf of Class Members.

o. “Individual PAGA Payment(s)” means each PAGA Group Member’s respective share of the Net PAGA Payment. Individual PAGA Payments will be determined by the calculations provided in this Agreement, which will be in addition to Individual Settlement Payments if PAGA Group Members are Participating Class Members as well.

p. “Individual Settlement Payment(s)” means each Participating Class Member’s respective share of the Net Settlement Amount. Individual Settlement Payments will be determined by the calculations provided in this Agreement.

q. “LWDA” means The State of California Labor and Workforce Development Agency.

r. “LWDA Payment” means the 75% of the PAGA Settlement Amount to be distributed to the LWDA.

s. “Motion for Final Approval” means Plaintiffs’ submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to enter a Final Order in this Action.

t. “Motion for Preliminary Approval” means Plaintiff’s submission of a written motion, including any evidence as may be required for the Court to grant preliminary approval of the Settlement as required by Rule 3.769 of the California Rules of Court.

u. “Named Plaintiffs” means Rocio Rosales and Ericka Kraut.

v. “Named Plaintiffs’ Individual Settlement Agreements” means the settlement agreements (1) by and between Kraut and Defendants releasing all claims asserted by Kraut in the charge of discrimination she filed with the California Civil Rights Department, CRD Case No. 202211-18848810, and in the related action she filed in San Bernardino Superior Court, Case No. CIV SB 2222141, and (2) by and between Rosales and Defendants releasing all claims asserted by Rosales in the charge of discrimination she filed with the California Department of Fair Employment and Housing, DFEH Case No. [202203-16280402], and in the related action she filed in Orange County Superior Court, Case No. 30-2023-01305870-CU-WT-CJC.

w. “Net Settlement Amount” means the Gross Settlement Amount less the Settlement Administration Costs, Attorney’s Fees and Costs, Incentive Awards, PAGA Settlement Amount, and payroll taxes that are approved by the Court, pursuant to Section 3.06 below.

x. “Net PAGA Payment” means the 25% of the PAGA Settlement Amount to be distributed to the PAGA Group Members.

y. “Non-Participating Class Member(s)” means any Class Member(s) who submit a valid and timely written request to be excluded from the Class pursuant to Section 3.04(b) below.

z. “Notice Packet” means the Court-approved version of the Notice of Class Action Settlement attached hereto as **Exhibit A**.

aa. “PAGA” means the California Private Attorneys General Act of 2004, which is codified in California Labor Code §§ 2698 *et seq.*

bb. “PAGA Settlement Amount” means the portion of the Gross Settlement Amount approved by the Court to be allocated to the resolution of the PAGA Group Members’ claims arising under PAGA.

cc. “PAGA Group Members” means all Class Members employed by DT Management LLC, DT Employer LLC, and/or Doubletree Employer LLC at any time between August 3, 2019 and March 1, 2024 (“PAGA Period”).

dd. “Participating Class Member(s)” is defined as a Class Member who does not timely exclude himself or herself from the Settlement.

ee. “Preliminary Approval Date” means the date the Court signs an order preliminarily approving the Settlement embodied in this Agreement and ordering that notice be sent to all Class Members.

ff. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement Administrator.

gg. “Qualifying PAGA Workweeks” means the number of weeks that PAGA Group Members worked as non-exempt employees during the PAGA Period.

hh. “Qualifying Workweeks” means the number of weeks that Class Members worked

as non-exempt employees during the Class Period.

ii. “Released Parties” means Defendants and each of their past, present, and future respective subsidiaries, dba’s, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them.

jj. “Response Deadline” means the deadline by which Class Members must postmark requests for exclusion or written notices of objection. The Response Deadline is either: (1) forty-five (45) calendar days after the initial mailing of the Notice Packet by the Settlement Administrator; or (2) if a Class Member’s notice is re-mailed, fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of the initial mailing, whichever is later. If the Response Deadline would otherwise fall on a Sunday or federal holiday, the Response Deadline is extended to the next day on which the U.S. Postal Service is open.

kk. “Settlement Administration Costs” means all costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, mailing of notice to the class, calculation of Individual Settlement Payments, generation of Individual Settlement Payment checks and related tax reporting forms, administration of unclaimed checks, and generation of checks to Class Counsel for attorneys’ fees and costs, to Named Plaintiffs for their Incentive Awards, and to the LWDA. The Settlement Administration Costs are estimated not to exceed \$29,950.00. If the actual amount of the Settlement Administration Costs is less than \$29,950.00, the difference between \$29,950.00 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$29,950.00 and are approved by the Court, then such excess will be paid solely from the Gross Settlement Amount and neither Doubletree nor Defendants will be responsible for paying any additional funds in order to pay these additional costs.

ll. “Settlement Administrator” means Phoenix Class Action Administrators or such settlement administrator as is approved by the Court to be responsible for the administration of this Settlement.

ARTICLE II

CONTINGENT NATURE OF THE AGREEMENT

Section 2.01: Stipulation of Class Certification for Settlement Purposes

The Parties stipulate to the certification of the Settlement Class under this Agreement for purposes of settlement only. This Agreement is contingent upon the approval and certification by the Court. If the Date of Finality does not occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement to a Class shall have no bearing on, nor be admissible in connection with, the issue of certification of the Class with respect to all causes of action alleged in the Actions. Defendants do not consent to certification of the Class for any purpose other than to effectuate settlement of the Actions. If the Date of Finality does not occur, any certification of

the Class as to Defendants will be vacated and Named Plaintiffs, Defendants, and the Class will be returned to their positions with respect to the Actions as if the Agreement had not been entered into. In the event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally approving certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in this Agreement, the fact that Defendants did not oppose the certification of a Class under this Agreement, or that the Court preliminarily approved the certification of the Class, shall not be used or cited thereafter by any person or entity, in any manner whatsoever, including without limitation any contested proceeding relating to the certification of any class. If the Date of Finality does not occur, this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever. Defendants expressly reserve the right to challenge the propriety of class certification in the Actions for any purpose, if the Date of Finality does not occur. The Parties and their respective counsel shall take all steps that may be requested by any court relating to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain court approval and implement this Agreement. If any court does not grant the Motion for Preliminary Approval and/or the Motion for Final Approval or approve any other request necessary to fully implement this Settlement, the Parties agree to meet and confer to address the court's concerns.

ARTICLE III

PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT

The procedure for obtaining court approval of and implementing this Agreement shall be as follows:

Section 3.01: Consolidation of Actions and Motion for Conditional Class Certification and Preliminary Approval

The Parties shall file a stipulation and proposed order in the form attached hereto as **Exhibit B** in the *Rosales* Class Action and in the *Kraut* Action asking the U.S. District Court for the Central District of California to remand the *Rosales* Class Action to the Orange County Superior Court for the purposes of settlement approval only, and the *Kraut* Action to the San Bernardino Superior Court for the purposes of settlement approval only. Both remands shall be requested on the condition that, if the Settlement is not approved and does not become final, the Parties shall stipulate to re-remove the cases and resume litigation in the U.S. District Court. In the event that this Settlement Agreement does not become final for any reason, Defendants shall have the right to move to reinstate the *Kraut* Action and the *Rosales* Class Action to the U.S. District Court for the Central District of California. Plaintiffs shall not oppose such motion or request but shall rather stipulate to reinstatement, and the Parties shall take any other steps that may be necessary to return the *Kraut* Action and the *Rosales* Class Action to the U.S. District Court in the same position as they were before Settlement was reached.

Following the execution of the Agreement and remand of the *Kraut* Action to the San Bernardino Superior Court, the Parties shall stipulate to the filing of the First Amended Complaint ("FAC") attached hereto as **Exhibit C** that: (1) adds Rosales as a named plaintiff and (2) conforms the allegations and claims of the FAC, including adding all those considered in all three Actions

and at mediation. Defendants shall have no obligation to answer. Prior to filing the First Amended Complaint, Plaintiffs shall submit an amended PAGA notice to the LWDA, attached hereto as **Exhibit D**, that adds any new allegations and claims included in the FAC which were not previously disclosed to the LWDA in either the Rosales PAGA Notice or Kraut PAGA Notice. Following execution of the Agreement and remand of the *Rosales* Class Action, the Parties still file a joint request to relate the *Rosales* Class Action and the *Rosales* PAGA Action and, either in the related cases or individually, depending on whether the request to relate is granted, stipulate to stay proceedings in both Actions pending Final Approval of the Settlement. Within five days of the court order granting Final Approval in the amended *Kraut* Action, Class Counsel will file a dismissal with prejudice in the *Rosales* Class and PAGA Actions.

Within 21 (twenty-one) days of the Order of Remand, Class Counsel will provide notice of the Settlement to the LWDA under California Labor Code section 2699(i) as to both the Kraut and Rosales PAGA Notices and move the Court for an order granting preliminary approval of this Agreement, including: preliminary certification, for settlement purposes only, of the Class; preliminary appointment, for settlement purposes only, of Class Counsel; preliminary appointment of Phoenix Class Action Administrators as the Settlement Administrator; preliminary approval of the resolution of Plaintiffs' class and PAGA claims; approval of the Parties' proposed Notice Packet; authorization for the Settlement Administrator to send out class notice; and setting any deadlines and hearing dates necessary to implement the Settlement and secure final approval. Class Counsel shall provide Defendants' counsel with a draft of the motion and all supporting papers for review and approval seven (7) days before they are filed with the Court. The date that the Court grants preliminary approval of this Agreement will be the "Preliminary Approval Date."

Section 3.02: The Settlement Administrator

Subject to Court approval, the Parties have chosen Phoenix Class Action Administrators to administer this Settlement and to act as the Settlement Administrator, including but not limited to distributing and responding to inquiries about the Notice Packet, determining the validity of exclusions/opt-outs, calculating the Net Settlement Amount and the Individual Settlement Payments, establishing and maintaining the QSF, and making all payments required under this Agreement. The Settlement Administrator shall expressly agree to all of the terms and conditions of this Agreement, including the Settlement Administration Costs. All Settlement Administration Costs shall be paid to the Settlement Administrator from the Gross Settlement Amount.

Section 3.03: Notice to Class Members

No later than forty-five (45) days after the Preliminary Approval Date, Defendants will provide the Settlement Administrator the Class List.

Within ten (10) business days of receiving a Class List from Defendants, the Settlement Administrator will provide their calculations of anticipated Individual Settlement Payments and Individual PAGA Payments to counsel for the Parties for review and approval. Within fifteen (15) business days of receiving a Class List from Defendants, the Settlement Administrator will send Class Members the Court-approved Notice Packet by first-class mail to their last known address, or using such alternative methods as the Court may require. The Settlement Administrator will check all Class Member addresses against the National Change of Address database and shall

update any addresses before mailing.

The Settlement Administrator will skip trace and re-mail all returned, undelivered mail within five (5) days of receiving notice that a Notice Packet was undeliverable. If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace and, if another address is identified, shall mail the Notice Packet to the newly identified address. The Settlement Administrator will note for its own records and notify Class Counsel and Defense Counsel of the date of each re-mailing as part of a weekly status report provided to the Parties.

In the event a Class Member's Notice Packet remains undeliverable forty-five (45) calendar days after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class Member's Individual Settlement Payment. The Settlement Administrator will hold the Class Member's Individual Settlement Payment during the check cashing period on behalf of the Class Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the procedures set forth in Section 3.07(g) below.

No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration attesting to completion of the notice process, including any attempts to obtain valid mailing addresses for and re-sending of any returned Notice Packets, as well as the number of valid requests for exclusion and objections that the Settlement Administrator received.

Section 3.04: Responses to Notice

a. Class Member Disputes

If any Class Member disagrees with his or her Qualifying Workweeks during the Class Period or Qualifying PAGA Workweeks as reflected in the Notice Packet, the Class Member shall contact the Settlement Administrator and provide any supporting documentation by the Response Deadline. The Settlement Administrator shall immediately contact Defense Counsel regarding the dispute and Defense Counsel will work in good faith with the Settlement Administrator to resolve it. If the dispute remains unresolved, the Settlement Administrator will be the final arbiter of the Qualifying Workweeks for each Class Member during the Class Period based on the information provided to it. All disputes shall be resolved before the Settlement Administrator provides its declaration regarding the completion of the notice process.

b. Requests for Exclusion from Class

Any Class Member who wishes to exclude himself or herself from the Class and this Settlement (*i.e.*, to opt out), must mail a written request to be excluded to the Settlement Administrator postmarked on or before the Response Deadline.. To be valid, a Request for Exclusion must include: (1) the Class Member's full legal name; (2) the last four digits of the Class Member's Social Security Number (for identity verification purposes); (3) the Class Member's

signature; and (4) the following statement: “Please exclude me from the Settlement Class in the *[Rosales/Kraut] v. DT Employer LLC, et al.* matter” or any statement of similar meaning standing for the proposition that the Class Member does not wish to participate in the Settlement. The Settlement Administrator shall immediately provide copies of all Requests for Exclusion to Defendants’ Counsel (including the mailing envelope evidencing the postmark date) and shall report the number of Requests for Exclusions that it receives, to all counsel in weekly reports, and to the Court, in its declaration to be provided in advance of the Final Approval Hearing. It shall be presumed that, if A Request for Exclusion is not postmarked and sent by first class mail before the Response Deadline, the Class Member did not timely submit the form. Any Class Member who timely and validly requests exclusion from the Class and this Settlement will not be entitled to any Individual Settlement Payment, will not be bound by the Released Claims by Class Members set forth in Section 5.01 below, and will not have any right to object, appeal, or comment thereon. However, any individual who excludes him or herself from the Class shall remain a member of the PAGA Group and be bound by the Released Claims by PAGA Group Members set forth in Section 5.02 below.

The Settlement Administrator shall review each Request for Exclusion upon receipt for timeliness, completeness, and validity. If a Request for Exclusion is defective or incomplete, the Settlement Administrator will promptly notify the Settlement Class Member of the defect or deficiency and permit the Settlement Class Member fifteen calendar days from the date of the mailing of the deficient notice or to the Response Deadline, whichever is later (the “Cure Deadline”), to cure the defect. Notwithstanding the foregoing, any returned Request for Exclusion that is cured will not be considered effective unless: (i) the original returned form was postmarked or delivered before the Response Deadline; and (ii) the cured Request for Exclusion was postmarked or delivered before the Cure Deadline. Settlement Class Members shall only be permitted one opportunity to cure a defective Request for Exclusion.

Any Class Member who fails to timely submit a request for exclusion shall automatically be deemed a Class Member whose rights and claims with respect to the issues raised in the Action are determined by the Court’s Final Order Approving Settlement of Class Action. Thus, said Class Member’s rights to pursue any claims covered by the Action and/or released in this Agreement will be extinguished.

c. Objections to Settlement

Any Class Member who wishes to object to this Agreement must send a written statement of the grounds for their objection to the Settlement Administrator, signed by the objector and postmarked no later than the Response Deadline, or appear at the Final Approval Hearing. Written objections should contain: the full name, home address, and telephone number of the objecting Class Member; the last four digits of the objecting Class Member’s social security number, and a clear statement explaining the legal and factual basis for the objection(s); identification of the objector’s attorney (if any); a clear statement indicating whether the objector or a legal representative intends to appear at the Final Settlement Approval Hearing; and the case name and number. It shall be presumed that, if an objection is not postmarked and sent by first class mail before the Response Deadline, the Class Member did not timely submit the form. The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within three (3) business days of receipt. The Court retains final authority with respect to the process,

consideration, and admissibility of any Class Member objections.

Class Members who object to the Agreement may still participate in the settlement. A Class Member who objects to the Agreement, but does not timely submit a Request for Exclusion, will remain a Class Member. Accordingly, if the Court approves the Agreement, such Class Members will be bound by the terms of the Agreement in the same way as those who do not object. If a Class Member validly submits both a Request for Exclusion and an objection, the Request for Exclusion will prevail and the Class Member shall not participate in the Settlement or have standing to object.

d. Plaintiffs' Waiver of Right to Be Excluded and Object and Waiver of Appeal

Plaintiffs agree that, by signing this Settlement Agreement, they are hereby bound by the terms herein. For good and valuable consideration, Plaintiffs further agree that they will not request to be excluded from the Settlement Agreement, nor object to any terms herein. Nor will they appeal the Final Approval Order. Any such request for exclusion or objection by Plaintiffs will be void and of no force or effect. Any efforts by Plaintiffs to circumvent the terms of this paragraph will be void and of no force or effect.

e. Encouragement of Class Members

At no time shall Plaintiffs or their counsel (directly or indirectly) seek to solicit or otherwise encourage Class Members to opt out of or object to the Settlement, or to appeal the Court's Final Approval Order. Class Counsel may respond to inquiries from Class Members.

f. Right of Plaintiffs to Adjust Gross Settlement Amount

Defendants have estimated that the number of workweeks in the Class Period is 240,000. If the number of workweeks increases by more than 5% as of the end of the Class Period, there will be a pro rata adjustment to the Gross Settlement Amount by the same proportion as the increase (e.g., if the number of workweeks increases by 10%, i.e., 24,000 workweeks, the Gross Settlement Amount shall increase by 10%, i.e., \$350,000). In the event this clause is triggered, Defendants shall have the ability to shorten the Class Period, at their sole discretion, to limit the number of workweeks to 252,000. However, Defendant's option to exercise this clause shall expire at the time notice is scheduled to be mailed to Class Members.

g. Termination for Lack of Sufficient Participation

If five percent (5%) or more of the Class Members make a valid request to be excluded from the Class, Defendants will have the sole right, but not the obligation, to void the Agreement within fourteen (14) days of the latest Response Deadline. If Defendants exercise that right to void the Agreement, then the Parties will have no further obligations under the Agreement, including any obligation by Defendants to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Agreement. Defendants shall notify Class Counsel, in writing via USPS and email, and the Court whether it is exercising its right to void the Agreement.

Section 3.05: Final Fairness and Approval Hearing

On or before the date required pursuant to the Order for Preliminary Approval, Class

Counsel shall file a Motion for Final Approval of the Settlement, asking the Court to issue the Final Order, along with any other filings the Court has required. Class Counsel shall provide Defendants' counsel with a draft of the motion and all supporting papers for review and approval seven (7) days before they are filed with the Court. On the date set forth in the Order for Preliminary Approval or as subsequently reset by the Court, a Final Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement and determine whether the Court should give it final approval, and (2) consider any objections made and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a Proposed Final Order and Judgment Approving Settlement of Class Action.

Section 3.06: Settlement Payment Procedures

a. Settlement Amount

Within thirty (30) days after the Date of Finality, Defendants shall transfer the Gross Settlement Amount into a QSF established by the Settlement Administrator either directly or by sending the funds to the Settlement Administrator to be deposited and distributed. Within ten (10) court days, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct for any known or identifiable address changes and use the Gross Settlement Amount to make all payments required under this Agreement. In connection with Defendants' transfer of the Gross Settlement Amount into the QSF, the following definitions will apply: Defendants will be "transferors" within the meaning of Treasury Regulation § 1.468B-1(d)(1) to the QSF with respect to the amounts transferred; the Claims Administrator will be the "administrator" of the QSF within the meaning of Treasury Regulation § 1.468B-2(k)(3), responsible for causing the filing of all tax returns required to be filed by or with respect to the QSF, paying from the QSF any taxes owed by or with respect to the QSF, and complying with any applicable information reporting or tax withholding requirements imposed by Treasury Regulation § 1.468B-2(1)(2) or any other applicable law on or with respect to the QSF, and in accordance with this Settlement Agreement; and Defendants and the Claims Administrator shall reasonably cooperate in providing any statements or making any elections or filings necessary or required by applicable law for satisfying the requirements for qualification as a QSF, including the relation-back election within the meaning of Treasury Regulation § 1.468B-1(j). The Claims Administrator shall promptly provide a current Internal Revenue Service ("IRS") Form W-9 of the QSF to Defendants. Defendant shall not be required to make any payments unless and until the Date of Finality occurs and all other conditions specified in this Agreement are fully satisfied.

b. Payment of Attorneys' Fees and Costs

Class Counsel shall move for an award of attorneys' fees of up to one-third of the Gross Settlement Amount, and Defendant shall not oppose the request for attorneys' fees so long as the request does not exceed one-third of the Gross Settlement Amount. Class Counsel shall submit an application for an award of actual costs associated with Class Counsel's prosecution of the Actions as set forth by declaration testimony in an amount up to not to exceed Forty-Five Thousand Dollars (\$45,000.00), and Defendant shall not oppose the request for costs so long as it does not exceed that amount. Such application for attorneys' fees and costs shall be heard by the Court at the Final Fairness and Approval Hearing.

Any attorneys' fees and costs awarded to Class Counsel by the Court ("Attorney's Fees and Costs") shall be paid from the Gross Settlement Amount and shall not constitute payment to any Class Member(s). The Attorney's Fees and Costs shall encompass all work performed, costs, and expenses related to the investigation, prosecution, and settlement of the Actions. To the extent that the Court approves less than the amount of attorney's fees and/or costs that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. The Court's adjustment, if any, of the amount allocated to the Attorney's Fees and Costs will not invalidate this Agreement.

c. Payment of Settlement Administration Costs

Subject to Court approval, Settlement Administration Costs in the amount of Twenty-Nine Thousand Nine Hundred Fifty Dollars (\$29,950.00) shall be paid out of the Gross Settlement Amount to the Settlement Administrator, and shall not constitute payment to any Participating Class Member(s).

d. Payment of Incentive Awards to Named Plaintiffs

Subject to Court approval, the Named Plaintiffs shall each receive an Incentive Award, and Defendant shall not oppose Named Plaintiffs' requests for incentive awards. The Incentive Awards shall be paid out of the Gross Settlement Amount and shall not constitute payment to any Participating Class Member(s) other than Named Plaintiffs. To the extent that the Court approves less than the amount of incentive award that Class Counsel request, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. This Agreement is not contingent upon approval of the full amount of the requested Incentive Awards, and a Court order granting no Incentive Awards or Incentive Awards in a lesser amount shall not invalidate the Agreement.

Because it is the intent of the Parties that the Incentive Awards represent payment to Named Plaintiffs for their service to the Class Members, and not wages, the Settlement Administrator will not withhold any taxes from the Incentive Awards. The Incentive Awards will be reported on a Form 1099, which the Settlement Administrator will provide to Named Plaintiffs and to the pertinent taxing authorities as required by law.

e. Payment to the Labor and Workforce Development Agency

In consideration of claims made under PAGA, Class Counsel will request that the Court approve allocation of fifty-thousand dollars (\$50,000.00) of the Gross Settlement Amount to these claims. Defendants will not oppose this request. The entire Court-approved PAGA Settlement Amount will be paid out of the Gross Settlement Amount. The Court's adjustment, if any, of the amount allocated to the PAGA claims in the Action will not invalidate this Agreement. The PAGA allocation shall be paid as follows: 75% to the California Labor and Workforce Development Agency, and 25% to the PAGA Group Members.

f. Payment of Individual Settlement Payments

The Net Settlement Amount shall be used to fund Individual Settlement Payments. The Net Settlement Amount shall be divided between all Participating Class Members in proportion to

the number of individual Qualifying Workweeks for each Class Member. To calculate the amount each Participating Class Member will receive based on their individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total number of Qualifying Workweeks for all Class Members and then allocated on a pro rata basis. Qualifying Workweeks will be rounded up to the next whole integer. Each Class Member's approximate Individual Settlement Payment amount will be included in his or her Notice Packet. After final approval by the Court, the Net Settlement Amount will be dispersed to Participating Class Members (those who did not exclude themselves) on a pro rata basis based on the individual Qualifying Workweeks worked during the Class Period by each Participating Class Member.

Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 20% allocated to wages and 40% allocated to penalties and 40% allocated interest. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings, including employer-side taxes to the extent approved by the Court, and shall be reported by W-2 forms issued by the Settlement Administrator. The amounts paid as penalties and interest shall be reported by IRS 1099 forms issued by the Settlement Administrator.

g. Payment of Individual PAGA Payments

The Net PAGA Amount shall be used to fund Individual PAGA Payments. The Net PAGA Amount shall be divided between all PAGA Group Members in proportion to the number of individual Qualifying PAGA Workweeks for each PAGA Group Member. To calculate the amount each PAGA Group Member will receive based on their individual Qualifying PAGA Workweeks, the Net PAGA Amount will be divided by the total number of Qualifying PAGA Workweeks for all PAGA Group Members and then allocated on a pro rata basis. Qualifying PAGA Workweeks will be rounded up to the next whole integer. Each PAGA Group Member's approximate Individual PAGA Payment amount will be included in his or her Notice Packet. After final approval by the Court, the Net PAGA Amount will be dispersed to PAGA Group Members.

Each Individual PAGA Payment will represent penalties allocated using the following formula: 100% allocated to penalties and interest. The amounts paid as penalties and interest shall be reported by IRS 1099 forms issued by the Settlement Administrator.

h. No Tax Representations or Reliance

The Parties make no representations as to the tax treatment or legal effect of the payments specified herein, and Class Members are not relying on any statement or representation by the Parties, Class Counsel or Defense Counsel in this regard. Participating Class Members, PAGA Group Members, and Class Counsel understand and agree that they shall be responsible for the payment of all taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel and Defense Counsel free and harmless from and against any claims resulting from treatment of such payments as non-taxable, including the treatment of such payments as not subject to withholding or deduction for payroll and employment taxes.

The Parties acknowledge and agree that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties, Class Counsel or Defense Counsel

and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

i. Uncashed or Returned Checks

Participating Class Members shall have 180 days from the date their Individual Settlement Payment checks are mailed to cash their Settlement checks. Any checks that are not cashed upon the expiration of that 180-day time period will be void, and the uncashed funds shall be paid to the Legal Aid Foundation of Los Angeles, pursuant to California Code of Civil Procedure Section 384.

If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace and, if another address is identified, the Settlement Administrator shall mail the check to the newly identified address. If the Settlement Administrator is unable to obtain a valid mailing address through this process, the Settlement Administrator will hold the check until the end of the check cashing period, and forward the check to the Class Member if contacted by the Class Member during that period. The Settlement Administrator shall tender the funds from the undeliverable checks to the Legal Aid Foundation of Los Angeles pursuant to California Code of Civil Procedure Section 384.

j. No Credit Toward Benefit Plans

All settlement payments to Class Members and Aggrieved Employees shall be deemed to be paid to such Class Members and Aggrieved Employees solely in the year in which such payments actually are received by the Class Members and Aggrieved Employees. It is expressly understood and agreed that the Individual Settlement Payments made to Participating Class Members and the Individual PAGA Payments made to PAGA Group Members under this Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that the individual settlement payments provided for in this Agreement are the sole payments to be made by Defendants to the Class Members and Aggrieved Employees, and that the Class Members and Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the individual settlement payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the

period covered by this Agreement).

ARTICLE IV

LIMITATIONS ON USE OF THIS SETTLEMENT

Section 4.01: No Admission

Defendants dispute the allegations in the Action and deny any wrongdoing of any sort and further deny any liability to Plaintiffs and the putative Class with respect to any claims or allegations asserted in the Actions. This Agreement is entered into solely for the purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be construed as an admission of liability or wrongdoing by Defendants. Moreover, it is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that a class action is appropriate.

Section 4.02: Non-Evidentiary Use

Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendants to establish that a Class Member has resolved any of his or her claims released through this Agreement.

Section 4.03: Nullification

The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for settlement, (b) the Court should for any reason fail to approve this Settlement, (c) the Court should for any reason fail to enter the Final Order, (d) the Final Order is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to stipulate to class certification of all causes of action pled in the Action as part of the Settlement will have no bearing on, and will not be admissible in connection with, the issue of whether the Class should be certified by the Court in a non-settlement context in this Action or any other action, and in any of those events, Defendants expressly reserve the right to oppose certification of the Class.

ARTICLE V

RELEASES

Section 5.01: Released Claims by All Participating Class Members

Effective the date that the Gross Settlement Amount is deposited into the QSF, Named Plaintiffs and all Participating Class Members release the Released Parties from any and all federal, California state law, and local wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description, whether known or unknown, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, gratuities, reimbursements, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, which were or could have been asserted in the Actions based upon the alleged claims under any federal, state, or local statutes, Wage Orders, codes, or ordinances, to the extent permitted by applicable law, for the duration of the Class Period. The claims released shall include, without limitation, known and unknown claims relating to any alleged: underpayment of wages or gratuities; failure to pay minimum wages; failure to pay or correctly calculate regular, overtime, or meal or rest break premium pay; failure to provide meal or rest periods; failure to maintain accurate payroll records; failure to timely pay wages when due; failure to pay reporting time pay; failure to pay split shift wages; failure to reimburse business expenses; and any statutory and/or civil penalty claims including but not limited to claims for inaccurate wage statements, untimely or late pay, and underpayment of wages due at termination ("Released Claims").

It is agreed that, because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute the Agreement. The Class Notice shall advise all Class Members of the binding nature of the Settlement, and the release of Released Claims and shall have the same force and effect as if this Agreement were executed by each Participating Class Member.

Section 5.02: Released Claims by All PAGA Group Members

Effective the date that Defendants deposit the Gross Settlement Amount into the QSF, the State of California and PAGA Group Members, regardless of whether PAGA Group Members opt out of the Class Settlement, release the Released Parties from any and all claims for penalties under PAGA that were or could have been asserted in the Kraut PAGA Notice, the Rosales PAGA Notice and/or the Actions, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties relating to any alleged: underpayment of wages or gratuities; failure to pay minimum wages; failure to pay or correctly calculate regular, overtime, or meal or rest break premium pay; failure to provide meal or rest periods; failure to maintain accurate payroll records; failure to timely pay wages when due; failure to pay reporting time pay; failure to pay split shift wages; failure to reimburse business expenses; and any statutory and/or civil penalty claims including but not limited to claims for inaccurate wage statements, untimely or late pay, and underpayment of wages due at termination ("Released PAGA Claims").

Section 5.03: General Release by Named Plaintiffs

In addition to the preceding paragraph, for all periods up to and including the date of Final Approval and with the exclusion of those claims released in the Named Plaintiffs' Individual Settlement Agreements, Plaintiffs for themselves and also on behalf of their respective heirs, assigns, executors, administrators, and agents, past or present (collectively, their "Affiliates"),

hereby fully and without limitation release and discharge the Released Parties from any and all claims, including but not limited to: any and all claims arising under the laws of the State of California; all claims raised or that could have been raised in the Actions; all other statutory, constitutional, contractual, and/or common law claims for wages, damages, restitution, unreimbursed expenses, equitable relief, penalties, liquidated damages, and/or punitive damages (including, without limitation, claims under any applicable Industrial Welfare Commission Wage Order, PAGA, or any other provision of the California Labor Code); and any and all claims under Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; 42 U.S.C. § 1981; the Age Discrimination In Employment Act; the Americans With Disabilities Act; Sections 503 and 504 of the Rehabilitation Act of 1973; the Family Medical Leave Act; the Fair Labor Standards Act; the Employee Retirement Income Security Act; the Occupational Safety and Health Act; the Worker Adjustment and Retraining Notification Act, as amended; the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 et seq.); the California Fair Employment and Housing Act; the Equal Pay Act; the Genetic Information Nondiscrimination Act of 2008; the California Family Rights Act; the California Unruh Civil Rights Act; the California Confidentiality of Medical Information Act; California Equal Pay Law – Cal. Lab. Code § 1197.5; California Investigative Consumer Reporting Agencies Law – Cal. Civ. Code § 1786.10 et seq.; California Paid Sick Leave Laws, Cal. Lab. Code §§246-249; The California WARN Act – Cal. Lab. Code § 1400 et seq.; The California Consumer Credit Reporting Agencies Act– Cal. Civ. Code §1785 et seq.; The California Investigative Consumer Reporting Agencies Act – Cal. Civ. Code §1786 et seq.; Cal. Lab. Code §§ 132(a) and 4553; any state, civil, or statutory laws, including any and all human rights laws and laws against discrimination; any other federal, state, or local statutes, codes, or ordinances; any common law, contract law, or tort law cause of action; and any claims for interest, attorneys’ fees, and/or costs, incurred in these released matters.

This General Release expressly excludes Plaintiff Rosales’ claims for discrimination, retaliation, failure to prevent discrimination and retaliation, failure to accommodate, failure to engage in timely good faith interactive process, wrongful termination in violation of public policy, and related claims that are the subject of a separate matter between Plaintiff Rosales and Defendants.

This General Release further expressly excludes Plaintiff Kraut’s claims for discrimination, failure to take all reasonable steps to prevent discrimination, harassment, and related claims that are the subject of a separate matter between Plaintiff Kraut and Defendants.

Section 5.04: Section 1542 Statement

Plaintiffs acknowledge that they are aware of and familiar with the provisions of Section 1542 of the California Civil Code, which provides 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.

With full awareness and understanding of the above provision, Plaintiffs on behalf of themselves and their Affiliates hereby waive and relinquish any and all rights and benefits that

they may have under Section 1542 of the California Civil Code, or the law of any other state or jurisdiction, or common law principle, to the same or similar effect, and agree and acknowledge that this waiver of rights under Section 1542 extends beyond the waiver set forth in Section 5.04.

ARTICLE VI MISCELLANEOUS PROVISIONS

Section 6.01: Amendments or Modification

Except for the mutually agreeable extension of deadlines and dates necessary to implement the Settlement, the terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by all the Parties (or their successors-in-interest) or their counsel, and approved by the Court.

Section 6.02: Assignment

None of the rights, commitments, or obligations recognized under this Agreement have been assigned to date or may be assigned by any Party or Class Counsel without the express written consent of each other Party and their respective counsel. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

Section 6.03: Governing Law

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, without regard to conflicts of laws.

Section 6.04: No Publicity

The Plaintiffs and Class Counsel shall not issue any press release, contact the press, respond to any press inquiry or have any communication with the press about the fact, amount or terms of this Settlement. The Plaintiffs and Class Counsel shall not engage in any advertising or marketing relating to the settlement of these Actions in any manner that identifies or that is suggestive of Defendants, including but not limited to any postings on any websites maintained by Class Counsel. However, Class Counsel may identify this Settlement in court filings in other matters to demonstrate their adequacy as counsel in connection with the prosecution or settlement of other class actions. Notwithstanding the foregoing, the Parties hereby expressly agree that this Agreement shall remain confidential until a motion for preliminary approval is filed with the Court. Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with Class Members regarding the Settlement.

Section 6.05: Entire Agreement

This Agreement, including the Exhibits referred to herein, which form an integral part hereof, contains the entire understanding of the Parties with respect to the subject matter contained

herein. In case of any conflict between text contained in Articles I through VI of this Agreement and text contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be controlling, unless the Exhibits are changed by or in response to a Court order. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties with respect to the settlement of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of prior agreements or proposals.

Section 6.06: Waiver of Compliance

Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.07: Counterparts and Fax/PDF Signatures

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original. All counterparts taken together shall constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

Section 6.08: Meet and Confer Regarding Disputes

Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, a representative of Class Counsel and a representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior to submitting such disputes to the Court.

Section 6.09: Agreement Binding on Successors

This Agreement will be binding upon, and inure to the benefit of, the successors in interest of each of the Parties.

Section 6.10: Cooperation in Drafting

The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

Section 6.11: Fair and Reasonable Settlement

The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement

of the Action and have arrived at this Agreement through arm's-length negotiation and in the context of adversarial litigation, taking into account all relevant factors, current and potential. The Parties further believe that the Settlement is consistent with public policy, and fully complies with applicable law.

Section 6.12: Headings

The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement and shall not be considered in interpreting this Agreement.

Section 6.13: Notice

Except as otherwise expressly provided in the Agreement, all notices, demands, and other communications under this Agreement must be in writing and addressed as follows:

To Named Plaintiffs and the Class:

Armond M. Jackson
Andrea M. Fernandez-Jackson
Anthony S. Filer, Jr.
JACKSON APC
2 Venture Plaza, Suite 240
Irvine, CA 92618
Phone: (949) 281-6857
Fax: (949) 777-6218

Farzad Rastegar
Douglas Perlman
RASTEGAR LAW GROUP, APC
22760 Hawthorne Blvd., Suite 200
Torrance, California 90505
Phone: (310) 961-9600
Fax: (310) 961-9094

To Defendants:

Connie Chen
Paul J. Cohen
JACKSON LEWIS P.C.
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430

Section 6.14: Enforcement of Settlement and Continuing Court Jurisdiction

The Final Order entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

Section 6.15: Mutual Full Cooperation

The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to the execution of such documents, and the taking of such other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties and their respective counsel shall take all steps that may be requested by the Court relating to the approval and implementation of this Agreement, and shall otherwise use their respective best efforts to obtain Court approval and implement this Agreement. The Parties to this Agreement shall use their best efforts, to obtain Court approval and effectuate and implement this Agreement and its terms. If the Court does not grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree to meet and confer to address the Court's concerns.

Section 6.16: Authorization to Act

Class Counsel warrant and represent that they are authorized by Named Plaintiffs, and Defense Counsel warrants that they are authorized by Defendants, to take all appropriate action required to effectuate the terms of this Agreement that are required to be taken by the Parties themselves. Defendants represent and warrant that the individual executing this Agreement on their behalf has the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.17: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

Section 6.18: Severability

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. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

Section 6.19: Court Approval

All amounts and procedures described in this Agreement herein will be subject to final Court approval.

EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 07/17/2024

ROCIO ROSALES

By: 
Named Plaintiff

Dated: 07/18/2024

ERICKA KRAUT

By: 
Named Plaintiff

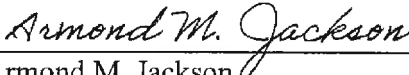
Dated: July 23, 2024

DT EMPLOYER LLC

By: 
(Signature)
William Steven Standefer
(Printed Name)
President
(Title)

Dated: July 17, 2024

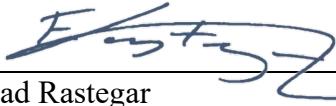
JACKSON APC

By: 
Armond M. Jackson
Andrea M. Fernandez-Jackson
Anthony S. Filer, Jr.

Attorneys for Plaintiff Rocio Rosales

Dated: 7-18-2024

RASTEGAR LAW GROUP

By: 

Farzad Rastegar
Douglas W. Perlman

Attorneys for Plaintiff Ericka Kraut

Dated: 7-26-2024

JACKSON LEWIS PC

By: 

Connie L. Chen
Paul J. Cohen

Attorneys for Defendants DT Employer LLC,
DT Management LLC, and Doubletree
Employer LLC

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Ericka Kraut, et al. v. DT Employer LLC, et al.
San Bernardino County Superior Court, Case No.: CIVSB2132004

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from the settlement of an employee class action lawsuit (“Action”) against DT Employer LLC, DT Management LLC, and Doubletree Employer LLC (collectively “Defendants”) for alleged wage and hour violations. The Action was filed by former employees Ericka Kraut and Rocio Rosales (jointly “Plaintiffs”) and seeks (1) damages for a class of all current and former non-exempt employees who are or were employed by Defendants in California during the Class Period of May 26, 2017 to March 1, 2024 (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all Class Members who worked for Defendants during the PAGA Period of August 3, 2019 to March 1, 2024 (“PAGA Group Members”).

The Court has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. **Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Defendants that are covered by this Settlement (Released Claims). See Section 4 of this Notice for your estimated Individual Class Payment and estimated Individual PAGA Payment.
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion by the Opt-out Deadline. Once excluded, you will be a Non-Participating Class Member and you will not receive an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice for additional detail. You cannot opt-out of the PAGA portion of the proposed Settlement even if you opt-out of the Class Settlement. If the Court grants final approval of the proposed Settlement, even if you are a Non-Participating Class Member, you will still receive an Individual PAGA Payment if you are entitled to one under the Settlement, and you will still give up your rights to pursue the Released PAGA Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to the Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice for additional detail.
You Can Participate in the _____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost). Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice for additional detail.
You Can Challenge the Calculation of Your Workweeks Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many workweeks you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Workweeks you worked according to Defendants’ records is stated in Section 4 of this Notice. If you disagree with either of these numbers, you must challenge them by _____. See Section 4 of this Notice for additional detail.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendants who assert various claims against Defendants relating to their employment including but not limited to claims for: (1) failure to pay all wages due during employment, including minimum and straight time wages; (2) failure to pay overtime; (3) failure to provide meal periods and pay meal period premiums at correct rates; (4) failure to provide rest periods and pay rest period premiums at correct rates; (5) failure to timely pay wages due to terminated employees; (6) failure to provide accurate wage statements and maintain accurate payroll records; (7) failure to reimburse necessary business expenses; and (8) unfair business practices. Based on the same or similar claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Armond M. Jackson and Andrea M. Fernandez-Jackson of Jackson APC; and Farzad Rastegar and Douglas Perlman of Rastegar Law Group, APC (“Class Counsel.”)

Defendants deny all allegations in the Action and maintain that they properly paid all current and former employees and complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court did not decide in favor of Plaintiffs or Defendants. There was no trial. However, to avoid the additional expense, inconvenience, and risks of continued litigation, Plaintiffs and Defendants have concluded that it is in their respective best interests and the interests of the Class Members and PAGA Group Members to settle the Action on the terms summarized in this Notice. Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Group Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$3,500,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Incentive Awards, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval and the Settlement becomes effective, Defendants will fund the Gross Settlement not more than 30 days after the Settlement becomes effective. The Settlement will be effective on the date the Court enters Judgment and certain related cases also filed by Plaintiffs are dismissed pursuant to the terms of the Settlement, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$1,166,666.67 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$ _____ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$20,000 (\$10,000 per Plaintiff) as Class Representative Incentive Awards for filing the Action, working with Class Counsel and representing the Class. A Class Representative Incentive Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payments and any Individual PAGA Payments.
 - C. Up to \$ _____ to the Administrator for services administering the Settlement.
 - D. Up to \$50,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Group Members based on their

PAGA Period Workweeks.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendants have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth the Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have

agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final, the Settlement is effective, and Defendants have fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by timely and validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Defendants or related entities for claims resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members release the Released Parties from any and all federal, California state law, and local wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description, whether known or unknown, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, gratuities, reimbursements, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief, which were or could have been asserted in Plaintiffs’ Actions based upon the alleged claims under any federal, state, or local statutes, Wage Orders, codes, or ordinances, to the extent permitted by applicable law, for the duration of the Class Period. The claims released shall include, without limitation, known and unknown claims relating to any alleged: underpayment of wages or gratuities; failure to pay minimum wages; failure to pay or correctly calculate regular, overtime, or meal or rest break premium pay; failure to provide meal or rest periods; failure to maintain accurate payroll records; failure to timely pay wages when due; failure to pay reporting time pay; failure to pay split shift wages; failure to reimburse business expenses; and any statutory and/or civil penalty claims including but not limited to claims for inaccurate wage statements, untimely or late pay, and underpayment of wages due at termination.

10. PAGA Group Members’ PAGA Release. After the Court’s judgment is final, and Defendants have paid the Gross Settlement, all PAGA Group Members will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all PAGA Group Members, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other lawsuit against Defendants or their related entities for PAGA claims resolved by this Settlement.

The PAGA Group Members’ Releases for Participating and Non-Participating Class Members are as follows:

PAGA Group Members, regardless of whether PAGA Group Members opt out of the Class Settlement, release the Released Parties from any and all claims for penalties under PAGA

that were or could have been asserted in the Plaintiffs' PAGA Notices and/or Actions, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties relating to any alleged: underpayment of wages or gratuities; failure to pay minimum wages; failure to pay or correctly calculate regular, overtime, or meal or rest break premium pay; failure to provide meal or rest periods; failure to maintain accurate payroll records; failure to timely pay wages when due; failure to pay reporting time pay; failure to pay split shift wages; failure to reimburse business expenses; and any statutory and/or civil penalty claims including but not limited to claims for inaccurate wage statements, untimely or late pay, and underpayment of wages due at termination.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Class Period Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Class Period Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500 by the total number of PAGA Period Workweeks worked by all PAGA Group Members and (b) multiplying the result by the number of PAGA Period Workweeks worked by each individual PAGA Group Member.
3. Estimated Payments. Based on Defendants' records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ _____ (less withholding) and your Individual PAGA Payment is estimated to be \$ _____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants' records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

The above estimates are based on Defendants' records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date.

4. Workweek Challenges. If you believe that you should be credited with a different number of workweeks, you have until _____ to challenge the numbers listed above. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You should support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Group Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Group Member who opts out of the Class Settlement (i.e., every Non-Participating Class Member who is a PAGA Group Member). Non-Participating Class Members who are not PAGA Group Members will not receive any payment.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Mail, via first class mail, a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement on or before _____. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ericka Kraut, et al. v. DT Employer LLC, et al.*, Case No.: CIVSB2132004, and include your identifying information (full name, address, telephone number, approximate dates of employment and last four digits of your social security number for verification purposes). **Your request to be excluded must be post-marked by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least _____ days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Incentive Awards stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as a Class Representative Incentive Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. The pleadings and other records in the Action may also be examined on the Court's website (<https://www.sb-court.org/>).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Class Representative Incentive Awards may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Ericka Kraut, et al. v. DT Employer LLC, et al.*, Case No.: CIVSB2132004 and include

your name, current address, telephone number and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department S26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Court's website (<https://www.sb-court.org/>) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. For the precise terms and conditions of the settlement, you should review the detailed "Settlement and Release Agreement" which is on file with the Clerk of the Court. The pleadings and other records in the Action may be examined on the Court's website (<https://www.sb-court.org/>).

If you need more information or have any questions, you can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Armond M. Jackson
Andrea M. Fernandez-Jackson
Anthony S. Filer, Jr.
JACKSON APC
2 Venture Plaza, Suite 240
Irvine, CA 92618
Phone: (949) 281-6857
Fax: (949) 777-6218

Farzad Rastegar
Douglas Perlman

RASTEGAR LAW GROUP, APC
22760 Hawthorne Blvd., Suite 200
Torrance, California 90505
Phone: (310) 961-9600
Fax: (310) 961-9094

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT B

1 ARMOND M. JACKSON, Bar No. 281547
2 ANDREA M. FERNANDEZ-JACKSON, Bar No. 295924
3 JACKSON LAW, APC
4 2 Ventura Plaza, Suite 240
Irvine, CA 92618
Telephone: 949.281.6857
Fax No. 949.777.6218

5 Attorneys for Plaintiff
6 ROCIO ROSALES

7 Connie L. Chen (SBN 275649)
8 Paul J. Cohen (SBN 293797)
9 JACKSON LEWIS P.C.
10 725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430
11 connie.chen@jacksonlewis.com
12 paul.cohen@jacksonlewis.com

13 Attorneys for Defendants
14 DT EMPLOYER LLC, and
15 HILTON EMPLOYER INC.

16 UNITED STATES DISTRICT COURT

17 CENTRAL DISTRICT OF CALIFORNIA

18 ROCIO ROSALES, as an individual
19 and on behalf of others similarly
20 situated,

21 Plaintiff,

22 vs.

23 DT EMPLOYER LLC, a Virginia
24 Corporation; HILTON EMPLOYER
25 INC., a Virginia Corporation; and
DOES 1-50, inclusive,

26 Defendant.
27
28

Case No. 8:21-cv-01146 KK-ADS

Assigned to Honorable Kenya Kiya Kato
and Magistrate Judge, Honorable
Autumn D. Spaeth

**JOINT STIPULATION TO REMAND
MATTER FOR SETTLEMENT
PURPOSES ONLY**

Complaint Filed: May 26, 2021
Removal Date: July 1, 2021

1 Plaintiff Rocio Rosales (“Rosales”) and Defendants DT Employer LLC and
2 Hilton Employer Inc. (“Defendants”) (together, the “parties”) by and through their
3 respective counsel of record, hereby stipulate as follows:

4 WHEREAS, on July 1, 2021, Defendants removed this action to this Court;

5 WHEREAS, the parties agree the Court has jurisdiction over this action;

6 WHEREAS, on February 14, 2023, this matter was related to *Ericka Kraut v. DT*
7 *Employer LLC, et al.*, Case No. 5:22-cv-00349 (together, the “related matters”);

8 WHEREAS, the parties attended a joint mediation and reached a settlement of
9 the related matters and a PAGA-only action filed by Plaintiff Rosales pending in Orange
10 County Superior Court as *Rosales v. DT Employer LLC, et al.*, Case No. 30-2021-
11 01221604;

12 WHEREAS, under the terms of the parties’ agreement, the parties agreed to
13 request the remand of this action to the Orange County Superior Court for settlement
14 purposes only and without prejudice; and

15 WHEREAS, also under the terms of the parties’ settlement, if preliminary or final
16 approval of the settlement terms are not granted by the state court, the parties agree to
17 resume litigation before this Court;

18 Now, therefore, the Parties hereby stipulate and agree as follows:

19
20 **STIPULATION**

- 21 1. The Parties request that the Court issue an Order remanding this action to
22 state court for the purposes of approval of the parties’ settlement only,
23 vacating all pending Federal Court dates and without prejudice; and
24 2. Should preliminary or final approval of the settlement not be granted by
25 state court, the parties will stipulate to remove the case and resume litigation
26 before this Court.

1 DATED: _____

JACKSON LAW, APC

2
3 By: _____

Armond M. Jackson

4 Andrea M. Fernandez-Jackson

5 Attorneys for Plaintiff
6 ROCIO ROSALES

7 DATED: _____

JACKSON LEWIS P.C.

8
9 By: _____

10 Connie L. Chen

11 Paul J. Cohen

12 Attorneys for Defendants
13 DT EMPLOYER LLC, and
14 HILTON EMPLOYER INC.

1
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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10 ROCIO ROSALES, as an individual
11 and on behalf of others similarly
12 situated,

13 Plaintiff,

14 vs.

15 DT EMPLOYER LLC, a Virginia
16 Corporation; HILTON EMPLOYER
17 INC., a Virginia Corporation; and
18 DOES 1-50, inclusive,

19 Defendants.
20
21

Case No. 8:21-cv-01146 KK-ADS

Assigned to Honorable Judge Kenya
Kiya Kato and Magistrate Judge,
Honorable Autumn D. Spaeth

22 **ORDER**
23
24
25
26 **[PROPOSED] ORDER RE JOINT
STIPULATION TO REMAND
MATTER FOR SETTLEMENT
PURPOSES ONLY**

[Filed concurrently with Joint
Stipulation]

27 The Parties stipulating thereto, and notwithstanding the existence of federal
28 jurisdiction over this matter, it is so ORDERED that this matter is remanded *without*
prejudice to the Superior Court of the State of California, County of Orange, Case
Number 30-2021-01202903-CU-OE-CXC for the purposes of approval of the parties'
settlement only. All pending dates are vacated.

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IT IS SO ORDERED.

Dated: _____

HON. KENYA KIYA KATO
United States District Judge

1 FARZAD RASTEGAR, (SBN 155555)
2 farzad@rastegarlawgroup.com
3 DOUGLAS W. PERLMAN, (SBN 167203)
4 douglas@rastegarlawgroup.com
5 **RASTEGAR LAW GROUP, APC**
6 22760 Hawthorne Blvd., Suite 200
7 Torrance, CA 90505
8 Tel.: (310) 961-9600
9 Fax: (310) 961-9094

10 Attorneys for Plaintiff Ericka Kraut

11 Connie L. Chen (SBN 275649)
12 Connie.Chen@jacksonlewis.com
13 Paul J. Cohen (SBN 293797)
14 Paul.Cohen@jacksonlewis.com

15 **JACKSON LEWIS P.C.**
16 725 South Figueroa Street, Suite 2500
17 Los Angeles, California 90017-5408
18 Telephone: (213) 689-0404
19 Facsimile: (213) 689-0430

20 Attorneys for Defendants
21 DT EMPLOYER LLC; DT MANAGEMENT LLC;
22 DOUBLETREE EMPLOYER LLC; HILTON EMPLOYER INC.;
23 HILTON HOTEL EMPLOYER LLC; EMBASSY SUITES
24 EMPLOYER LLC; CURIO EMPLOYER LLC; HAMPTON INNS
25 EMPLOYER LLC; HLT CONRAD DOMESTIC EMPLOYER LLC;
26 HLT CONRAD DOMESTIC LLC; CONRAD EMPLOYER LLC;
27 WALDORF=ASTORIA EMPLOYER LLC; HOMEWOOD SUITES
28 EMPLOYER LLC

1 UNITED STATES DISTRICT COURT
2
3 CENTRAL DISTRICT OF CALIFORNIA

4 ERICKA KRAUT, individually, and on
5 behalf of all others similarly situated
6 current and former employees of
7 Defendants,

8 Plaintiffs,

9 vs.

10 DT EMPLOYER LLC, a California limited
11 liability company; DT MANAGEMENT,
12 LLC, DOUBLETREE EMPLOYER, LLC,
13 a California limited liability company;
14 HILTON EMPLOYER, INC., a California
15 limited liability company; HILTON
16 HOTEL EMPLOYER, LLC, a California
17 limited liability company; EMBASSY
18 SUITES EMPLOYER, LLC, a California
19 limited liability company; CURIO
20 EMPLOYER, LLC, a California limited
21 liability company; HAMPTONS INNS
22 EMPLOYER, LLC, a California limited
23 liability company; HLT CONRAD
24 DOMESTIC EMPLOYER, LLC, a
California limited liability company;
HLTCONRAD DOMESTIC, LLC, a
California limited liability company;
CONRAD EMPLOYER, LLC, a
California limited liability company;
WALDORF=ASTORIA EMPLOYER,
LLC, a California limited liability
company; HOMEWOOD SUITES
EMPLOYER, LLC, a California limited
liability company; a California limited
liability company; and DOES 1 through
100, inclusive,

25 Defendants.
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Case No. 5:22-cv-00349 KK-ADS

Assigned to Honorable Judge
Kenya Kiya Kato and Magistrate
Judge, Honorable Autumn D.
Spaeth

**JOINT STIPULATION TO
REMAND MATTER FOR
SETTLEMENT PURPOSES
ONLY**

Complaint Filed: December 28,
2021

Removal Date: February 25,
2022

1 Plaintiff Ericka Kraut (“Kraut”) and Defendants DT Employer LLC, DT
2 Management LLC, Doubletree Employer LLC, Hilton Employer Inc., Hilton Hotel
3 Employer LLC, Embassy Suites Employer LLC, Curio Employer LLC, Hampton Inns
4 Employer LLC, HLT Conrad Domestic Employer LLC, HLT Conrad Domestic LLC,
5 Conrad Employer LLC, Waldorf=Astoria Employer LLC, and Homewood Suites
6 Employer LLC (collectively “Defendants”) (together with Plaintiff, the “parties”) by
7 and through their respective counsel of record, hereby stipulate as follows:

8 WHEREAS, on February 25, 2022, Defendants removed this action to this Court;

9 WHEREAS, the parties agree the Court has jurisdiction over this action;

10 WHEREAS, on February 14, 2023, this matter was related to *Rocio Rosales v.*
11 *DT Employer LLC, et al.*, Case No. 8:21-cv-01146 (together, the “related matters”);

12 WHEREAS, the parties attended a joint mediation and reached a settlement of
13 the related matters and a PAGA-only action filed by Plaintiff Rosales pending in Orange
14 County Superior Court as *Rosales v. DT Employer LLC, et al.*, Case No. 30-2021-
15 01221604;

16 WHEREAS, under the terms of the parties’ agreement, the parties agreed to
17 request the remand of this action to the San Bernardino County Superior Court for
18 settlement purposes only and without prejudice; and

19 WHEREAS, also under the terms of the parties’ settlement, if preliminary or final
20 approval of the settlement terms are not granted by the state court, the parties agree to
21 resume litigation before this Court;

22 Now, therefore, the Parties hereby stipulate and agree as follows:

23
24 **STIPULATION**

- 25 1. The Parties request that the Court issue an Order remanding this action to
26 state court for the purposes of approval of the parties’ settlement only,
27 vacating all pending Federal Court dates and without prejudice; and
28 2. Should preliminary or final approval of the settlement not be granted by

3.

1 state court, the parties will stipulate to remove the case and resume litigation
2 before this Court.

3
4 Dated: _____

RASTEGAR LAW GROUP

6 By: _____

7 Farzad Rastegar
8 Douglas W. Perlman
9 Attorneys for Plaintiff
ERICKA KRAUT

10 Dated: _____

JACKSON LEWIS P.C.

12 By: _____

13 Connie L. Chen
14 Paul J. Cohen
15 Attorneys for Defendants
16 DT EMPLOYER LLC; DT
17 MANAGEMENT LLC; DOUBLETREE
18 EMPLOYER LLC; HILTON
19 EMPLOYER INC.; HILTON HOTEL
20 EMPLOYER LLC; EMBASSY SUITES
21 EMPLOYER LLC; CURIO
22 EMPLOYER LLC; HAMPTON INNS
23 EMPLOYER LLC; HLT CONRAD
24 DOMESTIC EMPLOYER LLC; HLT
25 CONRAD DOMESTIC LLC; CONRAD
26 EMPLOYER LLC;
27 WALDORF=ASTORIA EMPLOYER
28 LLC; HOMEWOOD SUITES
EMPLOYER LLC

1
2
3
4 UNITED STATES DISTRICT COURT
5 CENTRAL DISTRICT OF CALIFORNIA

6 ERICKA KRAUT, individually, and on
7 behalf of all others similarly situated
8 current and former employees of
9 Defendants,

10 Plaintiffs,

11 vs.

12 DT EMPLOYER LLC, a California limited
13 liability company; DT MANAGEMENT,
14 LLC, DOUBLETREE EMPLOYER, LLC,
15 a California limited liability company;
16 HILTON EMPLOYER, INC., a California
17 limited liability company; HILTON
18 HOTEL EMPLOYER, LLC, a California
19 limited liability company; EMBASSY
20 SUITES EMPLOYER, LLC, a California
21 limited liability company; CURIO
22 EMPLOYER, LLC, a California limited
23 liability company; HAMPTONS INNS
24 EMPLOYER, LLC, a California limited
25 liability company; HLT CONRAD
26 DOMESTIC EMPLOYER, LLC, a
California limited liability company;
HLTCONRAD DOMESTIC, LLC, a
California limited liability company;
CONRAD EMPLOYER, LLC, a
California limited liability company;
WALDORF=ASTORIA EMPLOYER,
LLC, a California limited liability
company; HOMEWOOD SUITES
EMPLOYER, LLC, a California limited
liability company; a California limited
liability company; and DOES 1 through
100, inclusive,

27 Defendants.
28

Case No. 5:22-cv-00349 KK-
ADS

Assigned to Honorable Judge
Kenya Kiya Kato and Magistrate
Judge, Honorable Autumn D.
Spaeth

**[PROPOSED] ORDER RE
JOINT STIPULATION TO
REMAND MATTER FOR
SETTLEMENT PURPOSES
ONLY**

[Filed concurrently with Joint
Stipulation]

ORDER

The Parties stipulating thereto, and notwithstanding the existence of federal jurisdiction over this matter, it is so ORDERED that this matter is remanded *without prejudice* to the Superior Court of the State of California, County of San Bernardino, Case Number CIVSB 2132004 for the purposes of approval of the parties' settlement only. All pending dates are vacated.

IT IS SO ORDERED.

Dated: _____

HON. KENYA KIYA KATO
United States District Judge

EXHIBIT C

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Attorneys for Plaintiff Ericka Kraut
and all other similarly situated current
and former employees of Defendants

**SUPERIOR COURT OF STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

ROCIO ROSALES and ERICKA KRAUT, as
individuals and on behalf of others similarly
situated,

Plaintiffs,

vs.

DT EMPLOYER, LLC, a California limited
liability company; DT MANAGEMENT,
LLC,
a California limited liability company;
DOUBLETREE EMPLOYER, LLC, a
California limited liability company; HILTON
EMPLOYER, INC., a California corporation;

Case No.: CIVSB2132004

Assigned for all purposes to:

CLASS ACTION CLAIMS

FIRST AMENDED COMPLAINT FOR:

- 1. CLAIM FOR FAILURE TO PAY
MINIMUM WAGE (LAB. CODE
§ 1194)**
- 2. CLAIM FOR FAILURE TO PAY
OVERTIME WAGES (CAL. LAB.
CODE SECTION 1194; IWC
WAGE ORDER 5, SECTION 3);**

1 HILTON HOTEL EMPLOYER, LLC, a
2 California limited liability company;
3 EMBASSY SUITES EMPLOYER, LLC, a
4 California limited liability company; CURIO
5 EMPLOYER, LLC, a California limited
6 liability company; HAMPTON INNS
7 EMPLOYER, LLC, a California limited
8 liability company; HLT CONRAD
9 DOMESTIC EMPLOYER, LLC, a California
10 limited liability company; HLT CONRAD
11 DOMESTIC, LLC, a California limited
liability company; CONRAD EMPLOYER,
LLC, a California limited liability company;
WALDORF-ASTORIA EMPLOYER, LLC, a
California limited liability company;
HOMEWOOD SUITES EMPLOYER, LLC, a
California limited liability company; and
DOES 1 through 100, inclusive,

Defendants.

3. **CLAIM FOR FAILURE TO
PROVIDE MEAL BREAKS (IWC
WAGE ORDERS 5, SECTION 11)**
4. **CLAIM FOR FAILURE TO
PROVIDE REST PERIODS (IWC
WAGE ORDERS 5, SECTION 12)**
5. **CLAIM FOR FAILURE TO PAY
TIMELY WAGES UPON
TERMINATION (LAB. CODE §
203)**
6. **CLAIM FOR FAILURE TO
PROVIDE AND MAINTAIN
ACCURATE ITEMIZED WAGE
STATEMENTS AND MAINTAIN
RECORDS (LAB. CODE § 226(a))**
7. **CLAIM FOR FAILURE TO PAY
FOR NECESSARY EXPENSES**
8. **UNLAWFUL BUSINESS
PRACTICES UNDER (BUS. AND
PROF. CODE, § 17200, ET SEQ.)**
9. **VIOLATION OF THE
CALIFORNIA LABOR CODE
PRIVATE ATTORNEYS
GENERAL ACT OF 2004 (CAL
LAB. CODE §§ 2698, ET SEQ.)**

[JURY DEMAND]

Plaintiffs Rocio Rosales (“Ms. Rosales”) and Ericka Kraut (“Ms. Kraut”) (jointly “Plaintiffs”) make the following allegations against Defendants DT Employer, LLC, DT Management, LLC, and Doubletree Employer, LLC (collectively referred to throughout herein as “Defendants”):

INTRODUCTION

1. Plaintiffs bring this class action on behalf of all non-exempt employees (collectively referred to herein as “Class Members”) employed by Defendants and, DOES 1-50 in California from the date four years prior to the filing of the action in Orange County Superior Court Case No. 30-2021-01202903-CU-OE-CXC through the date of signed order certifying the class.

2. Defendants violated California law by, among other things described herein, not paying Class Members for all hours worked, not paying them the lawful wage rates for minimum wages and overtime wages, not paying them all earned gratuities, split-shift premiums, and reporting time pay, not providing them with all rest breaks and meal breaks to which they were entitled, not paying the penalties to which they were entitled when they were not provided with rest breaks and meal breaks and/or not paying penalties at the correct rate of pay, not timely paying wages upon termination, not paying waiting time penalties following termination, not providing accurate itemized wage statements, not maintaining accurate payroll records, and by failing to reimburse for necessary business expenses.

3. In this action, Plaintiffs, on behalf of themselves and all Class Members, seek unpaid minimum wages and overtime wages, premium wages for missed meal breaks, rest breaks, wages, and wages upon termination, reimbursement for necessary business expenses, statutory penalties, restitution, declaratory and injunctive relief, attorneys' fees and costs, prejudgment interest and other relief under California Industrial Welfare Commission (I.W.C.) Wage Order 5-2001, 8 Cal. Code of Reg. section 11050 ("Wage Order 5-2001"), California Labor Code (Labor Code") sections 203, 226(a) 1-2, 5, 9, 226.3, 226.7, 510, 512, 515, 558, 1774, 1198, 2802, 2699.5, California Code of Civil Procedure section 1021.5, California Business and Professions Code sections 17200 et seq. ("UCL"), and California common law.

1 4. The “Class Period” is designated as the time from four years prior to the filing of the
2 action in Orange County Superior Court Case No. 30-2021-01202903-CU-OE-CXC through
3 the date of signed order certifying the class based upon the allegation that the violations of the
4 Labor Code and UCL, as described more fully below, have been ongoing since at least four
5 years prior to the date of the filing of the action, and are continuing.

6 5. During the Class Period, Defendants had a consistent policy and/or practice of; (1)
7 failing to pay Class Members the correct minimum and overtime wage rate for all hours
8 worked; (2) failing to provide Class Members with adequate off-duty meal periods at least one
9 half hour every five hours worked and/or failing to pay meal period penalties at the correct rate
10 of pay; (3) failing to provide Class Members with adequate off-duty rest periods of ten minutes
11 every four hours worked or a major fraction thereof and/or failing to pay rest period penalties
12 at the correct rate of pay; (4) willfully failing to pay compensation owed (including meal and
13 rest period penalties) in a prompt and timely manner to Plaintiffs and other Class Members
14 whose employment with Defendants terminated; (5) willfully withholding wages and
15 compensation owed to employees (including meal and rest period penalties, gratuities, split-
16 shift premiums, and reporting time pay); (6) knowingly and intentionally failing to furnish
17 timely and accurate itemized wage statements; and, (7) failing to reimburse employees for
18 necessary business expenses including the use of personal phones and uniforms.

19 6. During the Class Period, Defendants failed to reimburse Class Members for the use of
20 their cell phones for work purposes, as required by Labor Code section 2802.

21 7. During the Class Period, Defendants failed to reimburse Class Members for their
22 purchase of uniforms for work purposes, as required by Labor Code section 2802.

23 8. During the Class Period, Defendants failed to provide Class Members with the lawful
24 overtime rates and/or double time rates for all hours worked as required by Labor Code
25 sections 510 and 1194, Wage Order No. 5-2001.

26 9. During the Class Period, Defendants failed to provide Class Members with the lawful
27 minimum wage rates for all hours worked as required by Labor Code sections 510 and 1194,
28 Wage Order No. 5-2001.

1 10. During the Class Period, Defendants failed to provide Class Members with an
2 uninterrupted off-duty thirty (30) minute meal break for each five hour work period as required
3 by Labor Code sections 226.7 and 512, and Wage Order No. 5-2001.

4 11. During the Class Period, Defendants have failed to provide Class Members with an
5 uninterrupted paid ten (10) minute rest break for each four (4) hour work period or major
6 fraction thereof as required by Labor Code section 226.7 and Wage Order No. 5-2001.

7 12. During the Class Period, Defendants have failed to pay meal and rest period premiums
8 at the rates required by California law by, among other things, failing to adjust Class Members
9 regular wages rates to reflect the per-hour value of any nondiscretionary compensation earned
10 by them, including, without limitation, the per-hour value of employer-provided meals,
11 incentive pay, and mini-bar goods/services.

12 13. During the Class Period, Defendants have willfully failed to timely pay all wages owed
13 to terminated and quitting employees, in violation of Labor Code sections 201-203.

14 14. During the Class Period, Defendants have failed to provide Class Members with
15 accurate, itemized wage statements as required by Labor Code section 226.

16 15. During the Class Period, Defendants have maintained a policy and practice of requiring
17 Class Members to perform work off-the-clock that was not compensated. This off-the-clock
18 work regularly occurred as a result of Defendants' requiring employees to work before
19 clocking in, or after clocking out, and/or automatically deducting thirty (30) minutes for on-
20 duty and/or short meal periods.

21 16. Accordingly, Defendants violated the UCL, with the violations of the California wage
22 and hour laws described above.

23 **GENERAL ALLEGATIONS**

24 **Parties and Venue.**

25 17. Plaintiffs are, and at all relevant times were, residents of the State of California.

26 18. Plaintiffs are informed and believe and on that basis allege that at all relevant times
27 Defendants were companies organized under and existing by virtue of the laws of the State of
28 California. Plaintiffs are further informed and believe that Defendants are authorized to conduct,

1 and do conduct, business in the State of California. Upon information and belief, Defendants
2 maintain offices and conduct business, and engage in unlawful business policies and practices, in
3 the State of California.

4 19. In light of the facts that the wrongful acts of Defendants occurred and the causes against
5 them arose at least in part in the County of San Bernardino, State of California, jurisdiction and
6 venue are proper in San Bernardino County Superior Court.

7 **Doe Allegations.**

8 20. Plaintiffs do not presently know the true names and capacities of defendants named as
9 Doe 1 through Doe 100, inclusive. Plaintiffs will amend this complaint, setting forth the true
10 names and capacities of these fictitious defendants, when they are ascertained. Plaintiffs are
11 informed and believe and on that basis allege that each of the DOE defendants have participated
12 in the acts alleged in this complaint to have been perpetrated by the named defendants.

13 **Vicarious Liability.**

14 21. Unless otherwise indicated, each defendant herein sued is the agent, co-conspirator, joint
15 venturer, partner, and/or employee of every other defendant and, as alleged, has been acting
16 within the course and scope of said agency, conspiracy, joint venture, partnership, and/or
17 employment, with the knowledge and/or consent of co-defendants, and each of them. Plaintiffs
18 are informed and believe and thereon allege that each defendant has authorized and/or ratified
19 the wrongful activities of each of the other defendants.

20 **COMMON ALLEGATIONS TO ALL CAUSES OF ACTION**

21 22. Plaintiffs worked for Defendants as nonexempt employees tasked with housekeeping and
22 cleaning rooms for customers at Defendants' hotels. Some duties included cleaning guest rooms
23 and various parts of the hotel.

24 23. During Plaintiffs' employment by Defendants, Plaintiffs would be subjected to high
25 volumes of work assignments.

26 **Defendants Failed to Reimburse for Business Expenses**

27 24. Plaintiffs and Class Members were regularly required to use their
28

1 personal cell phones for work purposes, and were not reimbursed for this expense incurred in
2 order to perform their job duties, in violation of California Labor Code section 2802 and the
3 applicable California Industrial Welfare Commission wage order(s).

4 25. Plaintiffs and Class Members were regularly required to purchase their own uniforms,
5 including shoes, used for work purposes, and were not reimbursed for these expenses incurred in
6 order to perform their job duties, in violation of California Labor Code section 2802 and the
7 applicable California Industrial Welfare Commission wage order(s).

8 **Defendants Did Not Provide All Meal Breaks and Rest Breaks**

9 26. Typically, Plaintiffs would work shifts lasting more than 5-hours. During these shifts,
10 Plaintiffs would be required to do many tasks involving servicing guest rooms and services for
11 guests. During these shifts it would be very busy, Plaintiffs would not be authorized or permitted
12 to take all of their legally entitled uninterrupted 10-minute rest breaks and 30 minute
13 uninterrupted meal breaks. Moreover, Defendants had a policy, pattern or practice of requiring or
14 pressuring their employees to take late, short, on-premises, on-call, interrupted, or no 10-minute
15 rest breaks and/or 30-minute meal breaks. Defendants would not compensate Plaintiffs for all of
16 their missed, short, late, on-premises or interrupted meal breaks or rest periods throughout their
17 employment, nor were they paid all of premium wages for the missed, short, late, on-call, on-
18 premises or interrupted meal breaks and rest periods that should have been paid. Moreover, meal
19 penalties and/or rest break penalties that were paid to Plaintiffs were not paid at the correct rate
20 of pay.

21 27. Plaintiffs are informed and on that basis believe that all other similarly situated
22 employees of Defendants worked under the same circumstances and conditions of employment
23 as them. Specifically, all other similarly situated employees were not authorized or permitted to
24 take all of their legally compliant 10-minute rest breaks, or legally compliant 30-minute meal
25 breaks when they worked more than a five hour shifts. Moreover, Defendants had a policy,
26 pattern or practice of requiring or pressuring their employees to take late, short, on-premises, on-
27 call, interrupted or no 10-minute rest breaks or 30-minute meal breaks. Defendants would not
28 compensate the other employees for all of their missed, on-premises, short, late or interrupted

1 meal breaks or rest periods throughout their employment, nor were they paid all of their premium
2 wages for the missed, short, on-premises, on-call, late or interrupted meal breaks and rest periods
3 that should have been paid. Defendants would not compensate the other employees for all of
4 their missed, short, on-premises, on-call, late or interrupted meal breaks or rest periods
5 throughout their employment, nor were they paid all of their premium wages for the missed, on-
6 premises, short, late or interrupted meal breaks and rest periods that should have been paid.
7 Moreover, meal penalties and/or rest break penalties that were paid to other employees were not
8 paid at the correct rate of pay.

9 **Defendants Provided Inaccurate Wage Statements**

10 28. Furthermore, throughout Plaintiffs' employment, their wage statements did not accurately
11 reflect their applicable hours worked, wages earned, and/or actual applicable wage rate, all in
12 violation of California Labor Code Section 226(a), specifically sections 1-2, 4-5 and 8-9. The
13 wage statements did not accurately reflect the net wages earned, gross wages earned, correct
14 hourly rates, accurately depict deductions or accurately state the name and address of the legal
15 entity that employed Plaintiffs.

16 29. Plaintiffs are informed and on that basis believes that all other similarly situated
17 employees of Defendants were under the same circumstances and conditions of employment as
18 them. Specifically all other similarly situated employees were not provided with accurate
19 itemized wages statements and received paystubs that did not reflect their applicable total hours
20 worked, gross wages earned, net wages earned, as well as the name and address of the legal
21 entity that employed Plaintiffs and actual applicable wage rates including the correct overtime
22 rates corresponding with the total hours worked by virtue of excluding hourly rate and hours
23 worth of work on their paystubs. Furthermore, nor were they provided with any legally required
24 uninterrupted meal breaks and rest periods.

25 **Defendants Required Class Members to do Off-the-Clock Work and Failed to Pay All**
26 **Wages Owed**

27 30. Plaintiffs and Class Members were regularly required to continue to clock out and
28 continue working off-the-clock after their shift ended with no payment. This work was

1 completed off-the-clock and Plaintiffs and Class Members were not compensated for this time in
2 violation of California Labor Code sections 510 and 1194 and the applicable California
3 Industrial Welfare Commission wage order(s). This compensation does not get paid out at the
4 time of termination.

5 31. Plaintiffs and Class Members were not compensated for all hours worked and as a result
6 were not compensated for all minimum, straight time, overtime and/or double time wages at the
7 correct rate of pay. Plaintiff and Class Members and Subclass Members were also not properly
8 compensated for all owed gratuities, split-shift premiums, and/or reporting time pay.

9 **Defendants Failed to Pay Wages Upon Termination to Class Members**

10 32. During Plaintiffs employment, Defendants had a policy by which it did not pay minimum
11 wages and overtime wages that should have been paid. These wages were supposed to be paid
12 out to Plaintiffs and the other employees at the time the wages were earned, and upon
13 termination. However, they were paid neither on the next regularly scheduled payday, nor upon
14 termination.

15
16 **CLASS ACTION ALLEGATIONS**

17 33. This action is maintainable as a representative action pursuant to California Code of Civil
18 Procedure section 382 as to violations of Wage Order 5-2001 and UCL for meal and rest break
19 violations, interest for owed wages, owed wages, failure to pay minimum wages and overtime
20 wages, waiting time penalties, failure to furnish timely, itemized wage statements, failure to
21 reimburse business expenses, failure to pay all wages including overtime and meal/rest penalties
22 at the correct rate of pay, and attorneys' fees and costs. Plaintiffs are representatives of other
23 Class Members and are acting on behalf of their interests. The similarly situated employees are
24 known to Defendants and are readily identifiable and locatable through Defendants' own
25 employment records. The Class that Plaintiffs seek to represent is defined as follows:

26
27 All persons who were employed by Defendants as nonexempt employees, in
28 California at any time from four years prior to the date of filing of Orange County
Superior Court Case No. 30-2021-01202903-CU-OE-CXC through the date of
trial (referred to herein as "Class Members").

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34. The individuals included within the alleged Class are over one hundred (100) and are so numerous that joinder of each of them would be impracticable, and the disposition of their claims in a class action, rather than in numerous individual actions, will benefit the parties, the Court, and the interests of justice.

35. Among the proposed Class there is a well-defined community of interest in the questions of law and/or fact involved, affecting the Class Members, These common questions include, but are not limited to:

- a. Whether Defendants’ failure to provide Class Members with all wages earned for all hours worked violates Labor Code sections 510 and 1194;

- b. Whether Defendants' failure to provide meal periods to Class Members violates Labor Code sections 226.7, 512 and Wage Order 5-2001;
- c. Whether Defendants' failure to provide rest periods to Class Members violates Labor Code section 226.7 and Wage Order 5-2001;
- d. Whether Defendants' failure to provide formerly employed Class Members with all wages due upon separation violates Labor Code sections 201-203;
- e. Whether Defendants' failure to keep accurate payroll records of daily hours worked violates Labor Code section 1174;
- f. Whether Defendants' failure to provide Class Members with itemized statements of wages and hours worked violates Labor Code section 226;
- g. Whether Defendants' failure to reimburse Class Members for necessary business expenses violates Labor Code section 2802;
- h. Whether Defendants' various violations of the Labor Code serve as predicate violations of the UCL.

36. Common questions of law and/or fact predominate over questions that affect only individual Class Members.

37. Plaintiffs' claims are typical of those belonging to the members of the Class they seek to represent, and Plaintiffs can adequately represent the Class they seek to represent.

FIRST CAUSE OF ACTION

(Claim for Failure to Pay All Wages, Including All Minimum Wages, Cal. Lab. Code sections 204, 510, 1194, 1194.2 and 1197 and Wage Order 5-2001, By Plaintiffs and Class Members Against All Defendants and DOES 1-50)

38. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs above and below by reference as though set forth in full in this cause of action.

39. Plaintiffs bring this claim on behalf of themselves and the Class Members.

40. Defendants were required to compensate Plaintiffs and Class Members for all hours worked pursuant to California Labor Code sections 510 and 1194 and Industrial Welfare Commission Wage Order 5-2001 Section 3. Defendants failed to do so as they unlawfully deducted, discounted and secretly paid lower wages than Class Members earned or were entitled

1 to. Defendants also failed to pay all gratuities, split-shift premiums, and/or reporting time pay
2 owed to Class Members. Plaintiffs and Class Members are entitled to minimum wages and civil
3 penalties as a consequence of this failure.

4 41. Defendants were required to pay Plaintiffs and Class Members for all of the minimum
5 wages they are entitled to pursuant to California Labor Code sections 510 and 1194, and
6 Industrial Welfare Commission Wage Order 5-2001. Defendants failed to do so. Plaintiffs and
7 Class Members are entitled to civil penalties and are owed wages as a consequence of this
8 failure.

9 42. As a direct result of Defendants' violations alleged herein, Plaintiffs and Class Members
10 have suffered and continue to suffer substantial losses related to the use and enjoyment of such
11 wages, including lost interest on such monies and expenses and attorney's fees in seeking to
12 compel Defendants to fully perform their obligations under state law, all to their respective
13 damage in amounts according to proof at trial and within the jurisdictional limitations of this
14 Court. As a result of the violations alleged herein, Plaintiffs and Class Members seek all civil
15 penalties and unpaid wages available pursuant to the Labor Code and Wage Order 5-2001
16 including an award of interest on the unpaid wages plus reasonable attorney's fees and costs and
17 civil penalties. The exact amount of the applicable penalties is an amount to be shown according
18 to proof at trial.

19 **SECOND CAUSE OF ACTION**

20 **(Claim for Failure to Provide Overtime Wages – Lab. Code 510 and 1194, Wage Order 5 21 Section 3 by Plaintiffs and Class Against All Defendants and DOES 1-50)**

22 43. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs
23 above and below by reference as though set forth in full in this cause of action.

24 44. Plaintiffs bring this claim on behalf of themselves and the Class Members.

25 45. Defendants were required to compensate Plaintiffs for all hours worked pursuant to
26 California Labor Code sections 510 and 1194 and Industrial Welfare Commission Wage Order
27 5-2001 Section 3. Defendants failed to do so. Plaintiffs and Class Members are entitled to
28 overtime wages and civil penalties as a consequence of this failure.

1 46. Defendants were required to pay the Plaintiffs and Class Members for all of the overtime
2 wages they are entitled to pursuant to California Labor Code sections 510 and 1194 and
3 Industrial Welfare Commission Wage Order 5-2001 Section 3. They failed to do so. Plaintiffs
4 and Class Members are entitled to civil penalties and are owed wages as a consequence of this
5 failure.

6 47. Defendants were required to pay the Plaintiffs and Class Members overtime at the rate of
7 one and one-half times the employee's regular rate of pay, but failed to do so. In calculating the
8 "regular rate[s] of pay" pursuant to California Labor Code section 510, subdivision (a),
9 Defendants failed to make adjustments to reflect the per-hour value of all nondiscretionary
10 compensation earned by Plaintiffs and Class Members, including, without limitation, the per-
11 hour value of their employer-provided meals, incentive pay, and mini-bar goods/services.
12 Plaintiffs and Class Members are entitled to civil penalties and are owed wages as a consequence
13 of this failure.

14 48. As a direct result of Defendants' violations alleged herein, Plaintiffs and Class Members
15 have suffered and continue to suffer substantial losses related to the use and enjoyment of such
16 wages, including lost interest on such monies and expenses and attorney's fees in seeking to
17 compel Defendants to fully perform their obligations under state law, all to their respective
18 damage in amounts according to proof at trial and within the jurisdictional limitations of this
19 Court.

20 49. As a result of the violations alleged herein, Plaintiffs seek all civil penalties and wages
21 available pursuant to the Labor Code, Wage Order 5, and an award of reasonable attorney's fees
22 and costs. The exact amount of the applicable penalties is an amount to be shown according to
23 proof at trial.

24 **THIRD CAUSE OF ACTION**

25 **(Claim for Failure to Provide Meal Breaks – Lab. Code 226.7, 512 and Wage Order 5,
Section 11 by Plaintiffs and Class Against All Defendants and DOES 1-50)**

26 50. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs
27 above and below by reference as though set forth in full in this cause of action.

28 51. Plaintiffs bring this claim on behalf of themselves, and the Class Members.

52. Defendants were required to authorize and permit Plaintiffs and Class Members to take uninterrupted meal breaks pursuant to Industrial Welfare Commission Wage Order 5-2001 Section 11(A). Defendants failed to do so by not allowing such uninterrupted meal breaks. Plaintiffs and Class Members are entitled to premium wages and civil penalties as a consequence of this failure.

53. Defendants were required to pay the Plaintiffs and Class Members employees one (1) hour of pay at their regular rate of compensation for each workday that the legally compliant meal breaks are not provided, pursuant to Industrial Welfare Commission Wage Order 5-2001 Section 11(B). Defendants failed to pay all owed meal break penalties and/or failed to pay meal break penalties at the correct rate of pay. In calculating the “regular rate[s] of compensation” pursuant to California Labor Code section 226.7, subdivision (c), Defendants failed to make adjustments to reflect the per-hour value of all nondiscretionary compensation earned by Plaintiffs and Class Members, including, without limitation, the per-hour value of their employer-provided meals, incentive pay, and mini-bar goods/services. Plaintiffs and Class Members are entitled to civil penalties and are owed wages as a consequence of this failure.

54. As a direct result of Defendants’ violations alleged herein, Plaintiffs and Class Members have suffered and continue to suffer substantial losses related to the use and enjoyment of such wages, including lost interest on such wages and expenses and attorney's fees in seeking to compel Defendants to fully perform their obligations under state law, all to their respective damage in amounts according to proof at trial and within the jurisdictional limitations of this Court.

55. As a result of the violations alleged herein, Plaintiffs seek all civil penalties and wages available pursuant to the Labor Code and Wage Order 5, and an award of reasonable attorney’s fees and costs. The exact amount of the applicable penalties is an amount to be shown according to proof at trial.

FOURTH CAUSE OF ACTION

(Claim for Failure to Provide Rest Periods – Lab. Code 226.7 and Wage Order 5, Section 12 by Plaintiffs and Class Against All Defendants and DOES 1-50)

1 56. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs
2 above and below by reference as though set forth in full in this cause of action.

3 57. Plaintiffs bring this claim on behalf of themselves and the Class Members.

4 58. Defendants were required to authorize and permit employees to take uninterrupted rest
5 periods pursuant to Industrial Welfare Commission Wage Order 5-2001 Section 12(A).

6 Defendants failed to do so by not allowing such uninterrupted rest periods. Plaintiffs and Class
7 Members are entitled to wages and civil penalties as a consequence of this failure.

8 59. Defendants were required to pay the employees one (1) hour of pay at their regular rate of
9 compensation for each workday that the legally compliant rest period is not provided, pursuant to
10 Industrial Welfare Commission Wage Order 5-2001 Section 12(B). Defendants failed to pay all
11 owed rest break penalties and/or failed to pay rest break penalties at the correct rate of pay. In
12 calculating the “regular rate[s] of compensation” pursuant to California Labor Code section
13 226.7, subdivision (c), Defendants failed to make adjustments to reflect the per-hour value of all
14 nondiscretionary compensation earned by Plaintiffs and Class Members, including, without
15 limitation, the per-hour value of their employer-provided meals, incentive pay, and mini-bar
16 goods/services. Plaintiffs are entitled to civil penalties as a consequence of this failure.

17 60. As a direct result of Defendants’ violations alleged herein, Plaintiffs and Class Members
18 have suffered and continue to suffer substantial losses related to the use and enjoyment of such
19 wages, including lost interest on such wages and expenses and attorney's fees in seeking to
20 compel Defendants’ to fully perform their obligations under state law, all to their respective
21 damage in amounts according to proof at trial and within the jurisdictional limitations of this
22 Court. The exact amount of the applicable penalties is an amount to be shown according to proof
23 at trial.

24 61. As a result of the violations alleged herein, Plaintiffs and Class Members seek all civil
25 penalties and wages available pursuant to the Labor Code and Wage Order 5, and an award of
26 reasonable attorney’s fees and costs.

27 **FIFTH CAUSE OF ACTION**

28 **(Claim For Failure to Pay Wages Upon Termination in Violation of Labor Code § 203 by
Plaintiffs on Behalf of Herself and Class Against All Defendants and DOES 1-50)**

62. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs above and below by reference as though set forth in full in this cause of action.

63. Pursuant to Labor Code section 203, an employer may not willfully fail to pay any wages owed to an employee who is either discharged or quits.

64. Plaintiffs bring this claim on behalf of themselves and the Class Members.

65. Defendants failed to pay Class Members who are no longer employed by Defendants compensation due upon termination as required by California Labor Code sections 201 and 202. As a result, Defendants are liable to former employee Class Members for waiting time penalties provided under California Labor Code section 203, plus reasonable attorney's fees and costs of suit. At the time of Plaintiffs' termination, Plaintiffs were owed wages for Defendants' failure to compensate them for overtime time and hours worked, in violation of Labor Code section 203.

66. Plaintiffs, on behalf of themselves and Class Members, also request relief as described below.

67. The exact amount of the applicable damages is an amount to be shown according to proof at trial.

SIXTH CAUSE OF ACTION

(Provide Accurate Wage Statements in Violation of Labor Code § 226(a) by Plaintiffs, Class Against All Defendants and DOES 1-50)

68. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs above and below by reference as though set forth in full in this cause of action.

69. Plaintiffs bring this claim on behalf of themselves, and the Class Members.

70. Labor Code section 226(a) requires an employer, semimonthly or at the time of each payment of wages, to furnish to its employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the

1 employee is paid, (7) the name of the employee and only the last four digits of his or her social
2 security number or an employee identification number other than a social security number, (8)
3 the name and address of the legal entity that is the employer and, if the employer is a farm labor
4 contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity
5 that secured the services of the employer, and (9) all applicable hourly rates in effect during the
6 pay period and the corresponding number of hours worked at each hourly rate by the employee
7 and, beginning July 1, 2013, if the employer is a temporary services employer as defined in
8 Section 201.3, the rate of pay and the total hours worked for each temporary services assignment.
9 The applicable Wage Order provides: “Every employer shall semimonthly or at the time of each
10 payment of wages furnish each employee, either as a detachable part of the check, draft, or
11 voucher paying the employee's wages, or separately, an itemized statement in writing showing:
12 (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the
13 name of the employee or the employee's social security number; and (4) the name of the
14 employer, provided all deductions made on written orders of the employee may be aggregated
15 and shown as one item.”

16 71. Defendants knowingly and intentionally failed to provide Plaintiffs and Class Members
17 with timely and accurate wage statements showing gross wages earned, total hours worked, all
18 deductions made, net wages earned, the name and address of the legal entity employing them, all
19 applicable hourly rates in effect during each pay period, and the corresponding number of hours
20 worked at each hourly rate by them and Class Members.

21 72. Plaintiffs and Class suffered injury as a result of Defendants knowing and intentional
22 failure to provide them with accurate the wage and hour statements required by law, which injury
23 shall exceed the jurisdictional minimums of the superior court but no less than \$4,000.

24 **SEVENTH CAUSE OF ACTION**

25 **(Claim For Failure to Reimburse for All Necessary Expenses Per Lab. Code § 2802 on 26 Behalf of Plaintiffs and Class Members Against All Defendants and DOES 1-50)**

26 73. Plaintiffs hereby incorporate all of the allegations set for in each of the paragraphs
27 above and below by reference as though set forth in full in this cause of action.

28 74. Plaintiffs bring this claim on behalf of themselves and the Class Members.

1 75. Plaintiffs and Class Members were employees of Defendants, and were not
2 reimbursed for expenses arising in the course and scope of their employment such as the usage of
3 their personal cell phones. Defendants required Plaintiffs and Class Members to use text
4 messaging and phone services through their personal cell phones and purchase uniforms and did
5 not reimburse Plaintiffs and Class Members for any of the necessary expenses related to this
6 personal cell phone and purchase uniforms as required for completion of their employment
7 duties for Defendants.

8 76. At all times herein mentioned Defendants were subject to Labor Code § 2802 which
9 states that “an employer shall indemnify his or her employees for all necessary expenditures or
10 losses incurred by the employee indirect consequence of the discharge of his duties, or of his
11 obedience to the directions of the employer.”

12 77. As a proximate result of Defendants’ policies in violation of Labor Code § 2802,
13 Plaintiffs were damaged in sums, which will be shown according to proof to be in excess of the
14 jurisdictional minimum of this Court.

15 78. Plaintiffs are entitled to expenses, attorney’s fees, interest, and costs of suit pursuant
16 to Labor Code § 2802(c) for bringing this action.

17 79. Pursuant to Labor Code § 2802(b), in any action brought for the reimbursement of
18 necessary expenditures under this section shall carry interest at the same rate as judgment in civil
19 actions. Interest shall accrue from the date on which the employee incurred the necessary
20 expenditure. Plaintiff is entitled to said interest.

21 80. Plaintiffs are entitled to reimbursement for expenses including, but not limited to,
22 reimbursement for the use of their personal cell phone expenses and purchase of uniforms when
23 completing duties as required by Defendants, attorney’s fees, interest, and costs of suit pursuant
24 to Labor code § 2802 for bringing this action.

25 **EIGHTH CAUSE OF ACTION**

26 **(For Unlawful Business Practices-Bus. & Prof. Code § 17200 et seq.)**
27 **By Plaintiffs and Class Against All Defendants and DOES 1-50)**

28 81. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs
above and below by reference as though set forth in full in this cause of action.

1 82. Business & Professions Code section 17200 states “As used in this chapter, unfair
2 competition shall mean and include any unlawful, unfair or fraudulent business act or practice
3 and unfair, deceptive, untrue or misleading advertising and any act prohibited by Chapter 1
4 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions
5 Code.”

6 83. Through Defendants’ conduct during the applicable statutory period including, but not
7 limited to, the conduct alleged herein, including that alleged on information and belief, the
8 defendants have engaged in business practices in California by practicing, employing, and
9 utilizing, the employment practices outlined in the preceding paragraphs all in violation of
10 California law and the applicable Industrial Welfare Commission Wage Order. Defendants use
11 of such practices constitutes an unfair business practice, unfair competition, and provides as
12 unfair advantage over Defendants competitors doing business in the State of California that
13 comply with their obligations to properly provide employment conditions in compliance with the
14 law and pay employees for all earned wages and compensation as required by law.

15 84. Defendants’ violations of the California Civil Code, Labor Code and the applicable Wage
16 Order and their scheme to lower payroll costs as alleged herein constitute unlawful business
17 practices because these actions were done in a systematic manner over a period of time to the
18 detriment of Plaintiffs. The acts complained of herein occurred within the last four (4) years
19 preceding the filing of Orange County Superior Court Case No. 30-2021-01202903-CU-OE-
20 CXC, and include, but are not limited to, failure to (i) include the gross wages earned, total hours
21 worked, net wages earned and applicable hourly rates into the employee paystubs to allow them
22 to ascertain the hourly rate in which they could expect or should have been paid; (ii) provide
23 proper rest breaks and meal breaks; (iii) maintain accurate records and provide and maintain
24 accurate itemized wage statements reflecting the amount of hours worked and applicable hourly
25 rates; (iv) pay wages upon termination (v) withholding wages properly due to employees and (vi)
26 pay correct overtime rates. Plaintiffs are informed and believe and on that basis allege that, at all
27 times herein mentioned, Defendants engaged in the above-mentioned acts of unlawful, deceptive,
28 and unfair business practices prohibited by California Business and Professions Code sections

1 17200 et seq., including those set forth in the preceding paragraph, thereby depriving Plaintiffs
2 of the minimum working condition standards and conditions due, including those under Labor
3 Code and Wage Order.

4 85. As a result of Defendants' unfair competition as alleged herein, Plaintiffs have suffered
5 injury in fact and lost money or property. Plaintiffs have been deprived of the rights to accurate
6 and itemized wage statements, wages and benefits due including those as alleged herein.

7 86. Pursuant to California Business & Professions Code section 17203, Plaintiffs are entitled
8 to seek restitution of all wages and other monies owed on behalf of themselves and Aggrieved
9 Employees belonging to them, including interest thereon, which Defendants wrongfully withheld
10 from them and retained for themselves by means of their unlawful and unfair business practices.

11 87. Plaintiffs are entitled to an injunction and other declaratory and equitable relief against
12 such practices to prevent future damage for which there is no adequate remedy at law, and to
13 avoid a multiplicity of lawsuits.

14 88. Plaintiffs are informed and believe, and on that basis allege, that the illegal conduct
15 alleged herein is continuing and there is no indication that Defendants will not continue such
16 activity into the future. Plaintiffs allege that if Defendants are not enjoined from the conduct set
17 forth in this Complaint, they will continue to fail to pay the wages and compensation required to
18 be paid and will fail to comply with other requirements of the Labor Code and Wage Order.

19 89. As a direct and proximate result of Defendants' conduct, Defendants have received and
20 will continue to receive monies that rightfully belong to members of the general public who have
21 been adversely affected by Defendants' conduct, as well as to Plaintiffs by virtue of any unpaid
22 wages and other monies or penalties associated therewith.

23 90. Plaintiffs are entitled and seek any and all available remedies including but not limited to
24 restitution and recovery of reasonable attorney's fees and costs pursuant to California Code of
25 Civil Procedure section 1021.5, Business and Professions Code section 17200 et seq., the
26 substantial benefit doctrine, and/or the common fund doctrine.

27 **NINTH CAUSE OF ACTION**

28 **(For Violation of the Labor Code Private Attorneys General Act)
(Labor Code §§ 2698, et seq. By Plaintiffs Against All Defendants and DOES 1-50)**

1 91. Plaintiffs hereby incorporate all of the allegations set forth in each of the paragraphs
2 above and below by reference as though set forth in full in this cause of action.

3 92. Pursuant to Labor Code § 2699(a), any provision of the Labor Code that provides for a
4 civil penalty to be assessed and collected by the Labor and Workforce Development Agency
5 (“LWDA”) or any of its departments, divisions, commissions, boards, agencies or employees for
6 violation of the code may, as an alternative, be recovered through a civil action brought by an
7 aggrieved employee on behalf of him or her self, and other current or former employees pursuant
8 to the procedures specified in Labor Code § 2699.3.

9 93. For all provisions of the Labor Code except those for which a civil penalty is specifically
10 provided, Labor Code § 2699(f) imposes upon Defendants a penalty of one hundred dollars
11 (\$100.00) for each aggrieved employee per pay period for the initial violation and two hundred
12 dollars (\$200.00) for each aggrieved employee per pay period for each subsequent pay period in
13 which Defendants violated these provisions of the Labor Code.

14 94. Defendants’ conduct violates numerous Labor Code sections including, but not limited to
15 the following:

16 (a) Violation of Labor Code §§ 510, 1194 and Wage Order 5, Section 3 for Defendants
17 failure to provide Plaintiffs and other aggrieved employees all minimum wages for hours
18 worked;

19 (b) Violation of Labor Code §§ 510, 1194 and Wage Order 5, Section 3, for Defendants
20 failure to provide Plaintiffs and other aggrieved employees all overtime wages for hours
21 worked;

22 (c) Violation of Labor Code §§ 226.7, 512, 1198 and Wage Order 5, Section 11, for
23 Defendants failure to provide Plaintiffs and other aggrieved employees all required
24 legally compliant meal periods, and Defendants’ failure to provide Plaintiffs and other
25 aggrieved employees with one hour of pay of Plaintiffs and other aggrieved employees’
26 regular rate of compensation for each meal period that was not provided, as herein
27 alleged;

- (d) Violation of Labor Code §§ 226.7, 512, 1198 and Wage Order 5, Section 12 for Defendants failure to provide Plaintiffs and other aggrieved employees all required rest periods, and Defendants’ failure to provide Plaintiffs and other aggrieved employees with one hour of pay of Plaintiffs and other aggrieved employees’ regular rate of compensation for each rest period that was not provided, as herein alleged;
- (e) Violation of Labor Code §§ 226, 226.3, 1198 and Wage Order 5, Section 7 for failure to maintain records and provide accurate itemized wage statements to Plaintiffs and other aggrieved employees as herein alleged;
- (f) Violation of Labor Code §§ 201, 202, and 203 for failure to pay all wages upon termination, resignation or end of employment as a result of failing to pay minimum wages and overtime wages for all hours worked;
- (g) Violation of Labor Code § 2802 for failure to reimburse for business expenses.

95. Further, Labor Code § 558(a) provides “any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provisions regulating hours and days of work in any order of the IWC shall be subject to a civil penalty as follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages, (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover unpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee.” Labor Code § 558(c) provides “the civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.”

96. Plaintiffs are “aggrieved employees” because they were employed by the alleged violators and had one or more of the alleged violations committed against them, and therefore are properly suited to represent the interests of all other aggrieved employees.

On March 4, 2021, Plaintiff Ms. Rosales sent Defendants by certified mail notice of the facts and theories of their Labor Code violations. On October 14, 2021, and November 22, 2021, Plaintiff Ms. Kraut sent Defendants by certified mail notice of the facts and theories of their Labor Code

1 violations. Plaintiffs submitted notice to the Labor Workforce Development Agency via online
2 along with a payments of \$75.00. Plaintiffs' statute of limitations to file a Private Attorney
3 General Act claim was tolled pending the 65 calendar day exhaustion period. (See Cal. Lab.
4 Code § 2699.3(d). Plaintiffs have therefore exhausted the procedural requirements under Labor
5 Code § 2699.3 as to Defendants and are therefore able to pursue a claim for penalties on behalf
6 of themselves and all other aggrieved employees under PAGA.

7 97. Labor Code §§ 2698, et seq. imposes upon Defendants, a penalty of one hundred dollars
8 (\$100.00) for each aggrieved employee per pay period for the initial violation and two hundred
9 dollars (\$200.00) for each aggrieved employee per pay period for each subsequent pay period in
10 which Defendants violated the Labor Code.

11 98. Pursuant to Labor Code §§ 2699(a), 2699.3 and 2699.5, Plaintiffs on behalf of all other
12 aggrieved employees are entitled to recover civil penalties against Defendants for violations of
13 the Labor Code sections cited above.

14 99. The California Supreme Court has held that a representative action does not need to meet
15 the class certification requirements because it is strictly a state enforcement action. *Arias v.*
16 *Superior Court*, 46 Cal.4th 969, 970-75 (2009).

17 100. Defendants' conduct as alleged herein, has been and continues to be unfair, unlawful and
18 harmful to Plaintiffs and the general public. Plaintiffs seek to enforce important rights affecting
19 the public interest within the meaning of Code of Civil Procedure § 1021.5.

20 21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiffs pray individually and on behalf of the proposed Class, for
23 judgment against Defendants as follows:

24 A. Certification of Plaintiffs claims as a class action pursuant to Cal. Code of Civ. Pro.
25 Section 382, on behalf of the proposed class;

26 B. Class notice to all Class Members in California who worked for Defendants from four
27 years prior to the filing of the original Orange County Superior Court Complaint
28 through the trial of this action;

- 1 C. Plaintiffs be appointed as the representatives of the Class;
- 2 D. Counsel for Plaintiffs be appointed as counsel for the Class;
- 3 E. The Court declare Defendants' policies and/or practices of failing to provide meal
- 4 periods violates California Labor Code section 226.7, and 512 and Wage Order 5-
- 5 2001 Section 11(A) by failing to provide the Class Members and Aggrieved
- 6 Employees with meal periods of at least one-half hour in which they were relieved of
- 7 all duties for every five hours of work;
- 8 F. The Court declare Defendants' policies and/or practices of failing to provide rest
- 9 periods violates California Labor Code section 226.7 and Wage Order 5-2001 Section
- 10 12(A) by failing to provide the Class Members and Aggrieved Employees with rest
- 11 periods of at least ten minutes in which they were relieved of all duties for every four
- 12 hours of work or major fraction thereof;
- 13 G. The Court declare Defendants' policies and/or practices of failing to furnish accurate
- 14 wage statement violates Labor Code section 226;
- 15 H. The Court declare Defendants' policies and/or practices of failing to keep accurate
- 16 payroll records of daily hours worked by Plaintiffs and Class Members violates Labor
- 17 Code section 1174 and 1174.5;
- 18 I. The Court declare Defendants' policies and/or practices of failing to pay all minimum
- 19 and overtime wages to Class Members and Aggrieved employees violates Labor
- 20 Code sections 510 and 1194;
- 21 J. The Court declare Defendants' policies and/or practices of failing to pay all wages
- 22 upon termination to Class Members and Aggrieved employees violates Labor Code
- 23 sections 201 to 203;
- 24 K. The Court declare Defendants' policies and/or practices of failing to reimburse for
- 25 business expenses violates Labor Code section 2802; and
- 26 L. The Court declare that, as to former employee Class Members, Defendants have
- 27 violated California Labor Code section 201-203 for willful failure to pay
- 28

1 compensation at the time of termination of employment, resulting in unpaid waiting
2 time penalties.

3 **First Cause of Action:**

- 4 1. For an award for the Class Members for owed wages and penalties,
5 plus interest pursuant to Labor Code section 1194.
6 2. The exact amount of the applicable damages is an amount to be shown according to proof at
7 trial and within the jurisdictional limits of the Court.
8 3. An award to Class Representative Plaintiffs and the Class Members of reasonable attorneys'
9 fees and costs, pursuant to California Civil Procedure Code sections 1021.5 and California Labor
10 Code sections 203, 218.5, 226, 226.7 and/or other applicable law.

11
12 **Second Cause of Action:**

- 13 3. For an award of damages to Plaintiffs and the Class Members
14 pursuant to Labor Code sections 510 and 1194.
15 4. The exact amount of the applicable damages is an amount to be shown according to proof at
16 trial and within the jurisdictional limits of the Court.
17 5. An award to Class Representative Plaintiffs, and the Class Members of reasonable attorneys'
18 fees and costs, pursuant to California Civil Procedure Code section 1021.5, California Labor
19 Code sections 510 and 1194 and/or other applicable law.

20
21 **Third Cause of Action:**

- 22 6. For an award of damages to Plaintiffs and the Class Members pursuant to Labor
23 Code section 226.7 (c).
24 7. The exact amount of the applicable damages is an amount to be shown according to proof at
25 trial and within the jurisdictional limits of the Court.
26 8. An award to Class Representative Plaintiffs, and the Class Members of reasonable
27 attorneys' fees and costs, pursuant to California Civil Procedure Code section 1021.5, California
28 226, 226.7 and/or other applicable law.

1
2 **Fourth Cause of Action:**

3 9. For an award of damages to Plaintiffs and the Class Members pursuant to Labor
4 Code section 226.7 (c).

5 10. The exact amount of the applicable damages is an amount to be shown according to proof at
6 trial and within the jurisdictional limits of the Court.

7 11. An award to Class Representative Plaintiffs, and the Class Members of reasonable
8 attorneys' fees and costs, pursuant to California Civil Procedure Code section 1021.5, California
9 226, 226.7 and/or other applicable law.

10
11 **Fifth Cause of Action:**

12 12. For an award for the Plaintiffs and Class Members for owed wages and penalties,
13 plus interest pursuant to Labor Code section 203.

14 13. The exact amount of the applicable damages is an amount to be shown according to proof at
15 trial and within the jurisdictional limits of the Court.

16 14. For attorney's fees and costs to the extent permitted by Labor Code section 218.5 and

17 15. California Code of Civil Procedure 1021.5.

18
19 **Sixth Cause of Action:**

20 16. For an award for the Plaintiffs and Class Members for penalties
21 pursuant to Labor Code section 226.

22 17. For penalties to recover the greater of actual damages of fifty dollars (\$50) for the
23 initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for
24 each subsequent violation pursuant to Labor Code section 226(e). The exact amount of the
25 applicable damages is an amount to be shown according to proof at trial and within the
26 jurisdictional limits of the Court.

27 18. For costs and reasonable attorney's fees pursuant to Labor Code section 226(e).

1 **Seventh Cause of Action:**

2 19. For general and special damages arising out of the violations of the Labor Code, including,
3 but not limited to Labor Code section 2802, such amount to be subject to proof at the time of
4 trial;

5 20. For attorney's fees Plaintiffs and Class Members have incurred to
6 enforce their rights pursuant to California Code of Civil Procedures sections 1021.5 and 226(g),
7 and Labor Code section 1194, subdivision (a) and other statutory bases for attorney's fees;

8 21. For prejudgment interest at the legal rate;

9 22. For costs of suit herein; and

10 23. For such other relief as the Court deems just and proper.
11

12 **Eighth Cause of Action:**

13 24. For a temporary restraining order, a preliminary injunction, and a permanent injunction
14 enjoining Defendants and their agents, servants and employees, and all persons acting under, in
15 concert with, or for Defendants from engaging in the unlawful, unfair, and fraudulent acts and
16 business practices described in Paragraphs 56 through 65 above;

17 25. For restitution, lost wages and penalties therewith;

18 26. For pre-judgment and post-judgment interest to the extent permitted by law;

19 27. For an award of attorneys' fees and costs incurred in the investigation, filing and prosecution
20 of this action pursuant to Code of Civil Procedure section 1021.5, Business and Professions Code
21 sections 17200, et seq., Labor Code section 1194 and any other applicable provision of law; and

22 28. For such other relief as the Court deems just and proper.
23

24 **Ninth Cause of Action:**

25 29. For civil penalties against Defendants on behalf of all aggrieved employees pursuant to
26 Labor Code §§ 2698, et seq.;

27 30. For reasonable attorney's fees and costs of suit to the extent permitted by law, including
28 pursuant to Code of Civil Procedure § 1021.5 and Labor Code §§ 2698, et seq.; and

1 31. For such relief as the Court deems just and proper.

2
3 **As to All Causes of Action:**

4 32. For reasonable attorneys' fees and costs incurred

5 33. Interest accrued to date under the California Labor Code, including under Sections 226.7;

6 34. For such other and further relief as this Court may deem just and proper.

7
8
9 Dated: July 10, 2024

Jackson Law, APC

10
11
12 By: _____
13 Armond M. Jackson
14 Attorneys for Rocio Rosales

15 Dated: July 10, 2024

Rastegar Law Group, APC

16
17
18 By: _____
19 Farzad Rastegar
20 Douglas W. Perlman

21 Attorneys for Plaintiff Ericak Kraut and all
22 other current and former similarly situated
23 employees of Defendants

24 **DEMAND FOR JURY TRIAL**

25 Plaintiffs Rocio Rosales and Ericka Kraut demands a jury trial in the above captioned
26 matter.

27
28 Dated: July 10, 2024

Jackson Law, APC

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By: _____
Armond M. Jackson
Attorneys for Plaintiff Rocio Rosales

Dated: July 10, 2024

Rastegar Law Group, APC

By: _____
Farzad Rastegar
Aja M. Taormina

Attorneys for Plaintiff Ericka Kraut and all
other current and former similarly situated
employees of Defendants

EXHIBIT D

JACKSON APC

2 Venture Plaza, Ste. 400 * Irvine, CA 92618 * Tel: 949-281-6857 * Fax: 949-777-6218
Jackson Law APC.

Armond M. Jackson
ajackson@jacksonapc.com

July 10, 2024

Sent By Certified Mail to DT Employer LLC and Hilton Employer Inc.

Submitted Via Online to Labor and Workforce Development Agency

DT Employer LLC

755 Crossover Lane
Memphis, Tennessee 38117

DT Employer LLC

7930 Jones Branch Drive
McLean, Virginia 22102

Hilton Employer Inc.

7930 Jones Branch Drive
McLean, Virginia 22102

**Corporation Service Company Which
Will DO Business in California as CSC-
Lawyers Incorporating Service Agent for
Service of Process for Hilton Employer
Inc.**

2710 Gateway Oaks Drive, Suite 150N
Sacramento, California 95833

**Labor and Workforce Development
Agency**

Attn. PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
(415) 703-4810

**Corporation Service Company Which
Will DO Business in California as CSC-
Lawyers Incorporating Service Agent for
Service of Process for DT Employer LLC**
2710 Gateway Oaks Drive, Suite 150N
Sacramento, California 95833

**AMENDED PRIVATE ATTORNEY GENERAL ACT (PAGA) NOTICE
PURSUANT TO LABOR CODE § 2699**

Re: Notice Pursuant to California Labor Code Section 2699
Violations of California Labor Code Sections 201, 202, 203, 204, 226(a) 1-2, 4-5, 8-9,
226.3, 226.7, 510, 512, 558, 1194, 2802

July 10, 2024

Page 2 of 8

Violations of California Labor Code Section 1198 (Industrial Welfare Commission Order No. 5-2001 (“Wage Order 5”), Sections 3, 4, 7, 11 and 12

Labor and Workforce Development Agency Right to Investigate and Issue a Citation (Lab. Code § 2699.3)

Rocio Rosales v. DT Employer, LLC et al.

Dear DC Employer, LLC and Hilton Employer Inc., CSC-Lawyers Incorporating Service and PAGA Administrator:

This amended letter is issued pursuant to Labor Code § 2698, et seq. (Specifically Labor Code § 2699(f), which provides notice to the PAGA Administrator, DC Employer, LLC and Hilton Employer Inc., CSC-Lawyers Incorporating Service, by Rocio Rosales (“Ms. Rosales”) (referred to herein as “Ms. Rosales”) on behalf of all California aggrieved current and aggrieved former similarly situated employees of DC Employer, LLC and Hilton Employer Inc. (collectively referred to herein as “Defendant” or “Defendants”), a private right of action under the Private Attorney General Act (PAGA) of 2004.

As a prerequisite to prosecuting this private action in superior court, Ms. Rosales is required to provide notice to the Labor and Workforce Development Agency and the employers regarding each violation, along with facts and theories supporting each violation as mentioned below. (Labor Code § 2699.3) If you have any questions regarding this letter, please contact Armond M. Jackson, Esq. at Jackson Law, APC at 949-281-6857 or via email at ajackson@jacksonapc.com.

Facts and Theories

Defendants are a hotel business that employs workers.

This letter encompasses violations for all of Defendants nonexempt California employees. The term referencing the Supervisor PAGA Group shall refer to those whom worked in a supervisory role at Defendants as a nonexempt hourly employee in California. The term referencing the All Employee PAGA Group shall refer to those whom worked as a nonexempt hourly employee in California during the relevant time period.

Ms. Rosales worked for Defendants. Ms. Rosales worked as a general laborer including housekeeper that performed many duties such as cleaning guest rooms, cleaning the hotel and other general laborer tasks as assigned as well as some supervisory duties. Throughout Ms. Rosales’ shifts, she was not provided with all 10-minute duty-free uninterrupted rest breaks during their working shifts that were at or above 7.5 as the rest breaks were either interrupted, short, late or not taken at all. Moreover, Ms. Rosales was also not free of Defendants control during any purported rest breaks deeming all rest breaks unlawful. Moreover, Ms. Rosales would also have responsibility to maintain a radio device and/or electronic device throughout their shifts interrupting rest periods and meal periods.

Furthermore, Ms. Rosales, the Supervisor PAGA Group and All Employee PAGA Group were not provided with all proper 30-minute duty-free uninterrupted meal periods each five hours of their working shifts that they were entitled to when they worked over five and ten hour shifts as the meal breaks were either interrupted, short, late or not taken at all between 10 to 20 shifts per month per worker.

The Defendants has violated California Labor Code sections 226.7, 512, and Wage Orders 5, Sections 7, 11 and 12 and any other applicable wage orders. the Supervisor PAGA Group and All Employee PAGA Group at the Defendants were under the same conditions as Ms. Rosales.

Moreover, the Defendants failed to incorporate Ms. Rosales's premium wages and hours worth of work, actual name of the legal entity of the employer and applicable rates for all hours worked on their wage statements as required by California Labor Code section 226(a) 1-2, 4-5, 8 and 9. The Supervisor PAGA Group and All Employee PAGA Group were subjected to the same working conditions as Ms. Rosales, such as not being provided with their entitled meal breaks and rest breaks and recording their actual hours worked, net wages earned, gross wages earned, applicable hourly rates for all hours worked and actual hours worked or premium wages earned on their wage statements and actual name of the legal entity of the employer.

Moreover, the Supervisor PAGA Group and All Employee PAGA Group were required to work off-the-clock after clocking out once there shift ended and during the time in which they were clocked out during their meal periods without compensation.

Moreover, the Supervisor PAGA Group and All Employee PAGA Group were not paid all gratuities, reporting time pay and split shift premiums.

Furthermore, the Supervisor PAGA Group and All Employee PAGA Group were required to use their cell phone for work purposes in order to respond to their superiors without reimbursement.

Additionally, the Supervisor PAGA Group was required to purchase uniforms including shoes without reimbursement.

By virtue of not authorizing or permitting Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group to take their entitled meal breaks and rest breaks, requiring off-the-clock work, required usage of cell phone for work purposes without reimbursement and the Supervisor PAGA Group to purchase uniforms including shoes without reimbursement, failing to incorporate hours worked and wages earned on the itemized wage statements disclosing total hours worked, total gross wages earned, net wages earned, hours worked at the applicable hourly rate and deductions that should have been taken out, and failing to include the name and address of the legal entity employer, the Defendants is violating California Labor Code Sections 201, 202, 203, 204, 226(a) 1-2, 4-5, 8, 9, 226(a), 226.3, and 226.7, 510, 512, 1194, 2802, and Wage Order 5, Sections 4, 7, 11, 12.

Violation of California Labor Code Sections, 201, 202, 203, 204

An employer may not willfully fail to pay any wages owed to an employee who is either discharged or quits. If the employer does fail to pay its employees upon separation of employment, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days. (See Lab. Code §203) Here, Defendants did not compensate Ms. Rosales and do not compensate the Supervisor PAGA Group and All Employee PAGA Group at the time of separation whom is either discharged or quits despite owing them for minimum wages, overtime wages and off-the-clock work.

Violation of California Labor Code § 226(a)

Labor Code § 226 (a) requires employers to provide “accurate itemized statement in writing” each pay period that includes nine categories of information. These categories include (1) gross wages earned, (2) total hours worked, (4) deductions taken, (5) net wages earned, (8) name and address of the legal entity employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. (See Labor Code §226, subsection (a)) Any employer who has violated California Labor Code Section 226(a) will also be subject to penalties under California Labor Code Section 226.3. These records must be maintained for a period of at least three years. It is Ms. Rosales’s contention that Defendants are in violation of the following California Labor Codes:

Violation of 226 (a)(1)

Section a (1) requires gross wages to be inserted on an employee’s paystubs. Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group worked during their entitled meal periods and rest periods and off-the-clock but Defendants did not accurately depict compensation as it failed to disclose and compensate them for the correct overtime rates and the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide wages for off-the-clock work and off-the-clock work during meal periods.

Violation of 226 (a)(2)

Section a (2) requires the total hours worked by the employee to be inserted on an employee’s paystubs. Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group ‘s paystubs did not accurately reflect their total hours worked by virtue of excluding hours worked because Ms. and the Supervisor PAGA Group and All Employee PAGA Group paystubs worked off-the-clock and worked off-the-clock during their meal periods but Defendants did not accurately depict compensation as it failed to disclose and compensate them for that recorded the extra hour worth of total hours worked on their paystub for failing to compensate for all hours worked and provide their entitled uninterrupted meal periods and wages for off-the-clock work and off-the-clock work during meal periods.

Violation of 226 (a)(4)

Section a (4) requires all deductions out of the employees' wages to be inserted on an employee's paystubs. Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group paystubs did not accurately reflect all deductions taken out of their paychecks by virtue of excluding hours worked and wages earned because Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group were required to work off-the-clock and worked off-the-clock during their meal periods but Defendants did not accurately depict compensation as it failed to disclose and compensate them for that extra hours' worth of work nor disclosed or recorded the extra hour worth of total hours worked on their paystub for failing to pay for all hours worked and provide their entitled uninterrupted meal breaks and off-the-clock work therefore inaccurately depicting deductions that were taken out of Ms. Rosales' and the Supervisor PAGA Group and All Employee PAGA Group employees' paystubs.

Violation of 226 (a)(5)

Section a (5) requires net wages to be inserted on an employee's paystubs. Ms. Rosales' and the Supervisor PAGA Group and All Employee PAGA Group paystubs did not accurately reflect their net wages earned by virtue of excluding hours worked and wages earned because Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group off-the-clock and worked off-the-clock during their meal periods but Defendants did not accurately depict compensation as it failed to disclose and compensate them for the extra hour worth of work nor disclosed or recorded the extra hour worth of net wages earned on their paystub for off-the clock work and off-the-clock work during meal periods.

Violation of 226 (a)(8)

Section a (8) requires the name and address of the legal entity that is the employer. Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group 's paystubs did not reflect the name and address of the legal entity that is the employer and instead another name that was not the employer.

Violation of 226 (a)(9)

Section a (9) requires all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group paystubs did not reflect their applicable hourly rate because Defendants excluded hours worked and wages earned because Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group were required to work during their meal periods but Defendants did not accurately depict compensation as it failed to disclose and compensate them for that the extra hour worth of gross and net wages earned as well as the additional hour worth of work on their paystub for failing to provide their uninterrupted meal periods.

Violation of California Labor Code Sections 226.7, 510, 512, 1194, 1198 and Wage Order 5, Sections 4, 7, 11, 12

An employer must provide meal periods and rest period pursuant to an applicable order of the Industrial Welfare Commission. (See Lab. Code §226.7)

Under Labor Code § 1198 an employer is required to comply with the standard conditions of labor required in the orders set by the Industrial Welfare Commission. Industrial Welfare Commission Order No. 5-2001 (hereinafter “Wage Order 5”) covering the “Housekeeping Industry” employees.

Under these circumstances, Ms. Rosales’ position at Defendants falls within Wage Order 5 as Defendants employed Ms. Rosales as a non-exempt employee classified as an employee in the “Housekeeping” industry. Thus, below all sections and subsections that pertain to California Wage Order 5 are applicable to Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group falls within the “Housekeeping Industry” that were employed or remain employed by Defendants.

California Labor Code sections 226.7, 512 and Wage Order 5, Section 11, requires employers to provide employees with uninterrupted meal breaks for 30 minutes every 5 hours unless waived by mutual consent and the work shift is not above 6 hours. California Labor Code sections 226.7, 512 and Wage Order 5, Section 11 requires every employer to provide its employees with uninterrupted meal breaks for 30 minutes every 5 hours if the employee works more than a 6 hour shift. Ms. Rosales, the Supervisor PAGA Group and All Employee PAGA Group regularly worked above five, six and ten hour shifts and were not provided meal breaks every five hours due to them being interrupted, short, late or not taken at all nor were they compensated premium wages for working through their meal breaks.

California Labor Code sections 226.7 and Wage Order 5, Section 12 states every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages. (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided.

Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group did not receive their entitled uninterrupted rest periods due to these breaks being interrupted, short, late or not taken at all during their employment at Defendants while regularly working above 6 and 7.5 hour shifts.

Wage Order 5, Section -7- Records

Section 7 sets out the requirements for the maintenance of employee records by an employer. Subsection (A) requires employers to “keep accurate information with respect to each employee” regarding identification information, including their “[f]ull name, home address, occupation and social security number,” “[time records showing when the employee begins and ends each work period,” “[m]eal periods,” and [t]otal hours worked in the payroll period and applicable rates of pay.”

Subsection (B) requires an employer to provide accurate, itemized statements showing deductions and the dates of the pay period. Subsection (C) requires such records to be kept for three (3) years and made available on request.

As discussed above, Defendants failed to record “meal periods” as Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group were not provided with proper meal periods. Furthermore, Defendants failed to incorporate the extra hour’s worth of work when Ms. Rosales, the Supervisor PAGA Group and All Employee PAGA Group worked through their entitled meal breaks and rest breaks without being paid premium wages. The extra hours worth of work at the applicable rate of pay and work were not disclosed on the itemized wage statements in violation of Wage Order 5, Section -7- Record.

Violation of California Labor Code Section 558

Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty in addition to recover unpaid wages. (See Lab. Code §558)

Violation of California Labor Code Section 510

Work in excess of eight hours in one workday and/or 40 hours in one workweek, and the first eight hours on the seventh day of work in any workweek must be compensated at no less than one and one-half times the employee’s regular rate of compensation. (See Lab. Code §510) “Double time” required after twelve hours in any workday, after eight hours on the seventh day of work. Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group were not paid any overtime wages for hours worked in excess of 8 hours per day or forty hours per week for the off-the clock work after clocking out and the off-the-clock work during meal periods.

Violation of California Labor Code Section 1194

Any employee receiving less than the legal minimum wage or overtime compensation applicable to the employee is entitled to recover, in a civil action, the unpaid balance of the full amount of the minimum wage or overtime compensation including interest, reasonable attorney’s fees, and costs of suit. (See Lab. Code §1194) Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group were not paid the correct overtime rates for hours worked in excess of 8 hours per day or forty hours per week because they worked hours entitling them to overtime payments and were not compensated at the correct overtime rates as Defendants failed to include

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the correct overtime rates when compensating them due to failing to incorporate bonus payments into the overtime calculation. Moreover, Ms. Rosales the Supervisor PAGA Group and All Employee PAGA Group were not paid any minimum wages for all hours worked for the off-the-clock work after clocking out and the off-the-clock work during meal periods. Additionally, the Supervisor PAGA Group and All Employee PAGA Group were not properly compensated for all owed gratuities, split-shift premiums, and/or reporting time pay.

Violation of California Labor Code 2802

Under California Labor Code § 2802, an employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer. In violation of Lab. Code § 2802 Defendants required Ms. Rosales and the Supervisor PAGA Group and All Employee PAGA Group to purchase items for work at Defendants including, but not limited to, using their personal cell phone devices to communicate with Defendants staff without any reimbursement in violation of California Labor Code section 2802. Moreover, Defendants required Ms. Rosales and the Supervisor PAGA to purchase uniforms including shoes for purposes of work without any reimbursement in violation of California Labor Code section 2802

As a consequence of the Defendants violations of California Labor Code Sections 226(a) 1-2, 4-5, 8, 9, 226(a), 226.3, 226.7, 510, 512, 558, 1194, 2802 and Wage Order 5, Sections 3, 4, 7, 11 and 12. Ms. Rosales are due penalties for each violation as an individual and on behalf of all aggrieved employees at Defendants.

Conclusion

Pursuant to the above stated facts, it is Ms. Rosales' theory that Defendants are in violation of Labor Code Labor Code Sections 226(a) 1-2, 4-5, 8, 9, 226(a), 226.3, 226.7, 510, 512, 558, 1194, 2802, and Wage Order 5, Sections 3, 4, 7, 11 and 12.

Sincerely,
Jackson Law, APC

/s/ Armond M. Jackson

Armond M. Jackson

Rosales Kraut Settlement Agreement with Exhibits-Signed By FR

Final Audit Report

2024-07-18

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