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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

ALFREDO B. ZAPETA, individually and
on behalf of other persons similarly
situated and similarly aggrieved
employees,

Plaintiffs,

v.

ALL DAY SERVICE INC, an active
California Corporation; ADVANCED
DYNAMIC SOLUTIONS, INC., an
active California Corporation; HR
SERVICE GROUP, LLC, an active
Maryland Limited Liability Company; and
DOES 1 through 10, ADSI,

Defendants.

Case No.: 22STCV07872

CLASS AND REPRESENTATIVE
ACTION

*[Assigned to Hon. Elihu M. Berle
in Dept. SS-6]*

**DECLARATION OF HAIK
HACOPIAN IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

[FILED CONCURRENTLY WITH
NOTICE OF MOTION AND MOTION;
DECLARATION OF ZORIK
MOORADIAN; DECLARATION OF
ALFREDO B. ZAPETA; AND
[PROPOSED] ORDER]

Date: June 21, 2024

Time: 10:00 a.m.

Dept.: SS-6

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Vacations Worldwide/8:18-cv-00685-JVS-JPR (appointed as class counsel); Balaguer v. Eminent, Inc/19STCV16803 (appointed as class counsel); Gonzalez v. FMS Management/30-2019-01065563-CU-OE-CXC (appointed as class counsel); Ramos v. Liberty Container Corp./20STCV06560 (appointed as class counsel); Mendoza v. Savage Services Corporation/18STCV04798 (appointed as class counsel); Moreno v. DCX-Chol Enterprises/19STCV19105; Villacana v. Crothall Laundry Services/19STCV16330.

4. I am familiar with California wage and hour law including the laws governing the alleged violations and the Orders of the Industrial Welfare Commission, and the Private Attorneys General Act.

5. I know of no conflicts as to why I, or Mr. Mooradian, could not serve as Class Counsel in this matter. I also know of no conflicts that would preclude Mr. Zapeta from serving as a Class Representative in this matter.

6. As a result of my prior experience, including as class counsel in other wage and hour class actions, I am fully aware of the responsibilities I owe as Class Counsel to the proposed class in this action. Based on my experience as Class Counsel, I believe, in light of the criteria identified in *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1801, that the proposed settlement is fair to the class, reasonable and more than adequate in view of (i) the strength of Plaintiff's claims and Defendants' defenses, (ii) the risk, expense, complexity and likely duration of further litigation, (iii) the risk and difficulty of obtaining class certification and maintaining class action status through trial, (iv) the total settlement amount of \$300,000 offered in settlement allowing for significant individual recoveries by employees, (v) the discovery conducted by the Parties in this case, (vi) my experience with similar settlements in wage and hour class actions that have received court approval, and (vii) the fact that the settlement was the result of arms' length negotiations between experienced counsel facilitated by Mr. Jeffrey Krivis, a respected neutral mediator.

7. Defendants are entities with common ownership that are engaged in the business of maintenance and janitorial services for hotel and resort properties in Southern California. This settlement is limited to non-exempt employees of Defendants who worked at

four locations in Los Angeles County: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica. Employees primarily serviced the common areas of these locations through both day and overnight shifts. Employees' time was primarily tracked through handwritten time sheets.

8. Plaintiff Jimenez worked at all four of the covered locations from March 2021 through August 13, 2021. The class count, per the roster produced by Defendants, reflects 380 employees including Plaintiff, who worked at the four locations covered by the settlement during the Class Period. Class Members worked 15,319 workweeks during the Class Period at the covered locations. There are 319 former employees. The average shift length is around six hours, and average rate of pay is \$14.00/hour. There are at least 275 employees covered by PAGA.

9. The Parties have conducted investigation of the operative facts and applicable law during the pendency of the case through informal discovery. Prior to mediation, Plaintiff obtained a 15% sample of time and payroll data, which included handwritten daily timesheets and wage statements. Plaintiff also had a class list with hire and termination dates as well as relevant wage and hour policies.

10. On May 8, 2023, Plaintiff and Defendants participated in a full-day mediation before Mr. Jeffrey Krivis. The Parties were able to reach a resolution at the mediation and entered into a Memorandum of Understanding ("MOU"). The Parties ultimately entered into their Class Action and PAGA Settlement Agreement incorporating the MOU's terms and which was based on the LASC model agreement for class and PAGA settlements, a true and correct copy of which is attached hereto as **Exhibit "A"**. Attached thereto as **Exhibit "B"** is a redline version of the Settlement Agreement which tracks, as best as possible, the Parties' changes to the model agreement.

11. If the Court approves this settlement, Defendants will pay the gross sum of \$300,000 ("Gross Settlement Amount" or "GSA") which will be used to fund this Settlement and make payments to Class Members, who will be paid on an all-in non-reversionary opt-out basis. The Gross Settlement Amount excludes the employer share of taxes on the wage

1 component of the Settlement which will be separately funded by Defendants.

2 12. The Net Settlement Amount to be distributed to Settlement Class Members
3 calculates to \$143,500 after deductions from the Settlement Amount for: (1) \$105,000 (35%
4 of the Settlement Amount) for attorneys' fees, (2) \$20,000 for litigation costs, (3) \$7,500 for
5 the Service Award to Plaintiff, (4) \$9,000 in settlement administration costs, (5) a \$11,250
6 payment to the LWDA as its 75% share of the \$15,000 allocated to settlement of Plaintiff's
7 PAGA claims, and (6) a \$3,750 distribution to Aggrieved Employees for their 25% share of
8 the PAGA allocation. The approximate estimated simple average class settlement payment,
9 assuming maximum awards and participation by 380 individuals, calculates to \$377.63.
10 (\$143,500 ÷ 380).

11 13. I am unaware of any other cases or claims that would be impacted by this
12 Settlement. I am unaware of any other pending wage and hour lawsuits against Defendants or
13 lawsuits implicating wage and hour claims of the proposed settlement class here. Defendants
14 have not filed any Notice of Related Cases or informed my office of any overlapping or related
15 lawsuits, pending or otherwise. A search for other PAGA notices filed against Defendant All
16 Day Service Inc on the LWDA's online database shows another notice filed by Magaly
17 Gonzalez on April 23, 2020 (LWDA-CM-784274-20). I reviewed the settlement in that matter
18 and the case was resolved on behalf of "employees who worked at the 'Beverly Hills Hotel'
19 from April 16, 2018 to June 12, 2021" and as such, there would be no overlap. As to Defendant
20 Advanced Dynamic Solutions, Inc., there is a notice filed by Fernando Lopez on November
21 12, 2019 but there is no case number nor any indication that the claim ripened into a lawsuit
22 or settlement. I have come across another matter, *Baharona v. The Belvedere Hotel*
23 *Partnership, et al.* (20STCV17148) which includes employees of Defendants but that case
24 was settled as to "non-exempt, hourly-paid employees who worked at the 'Peninsula Beverly
25 Hills Hotel' from April 29, 2019 through April 4, 2021" which is not a location covered by
26 the settlement here. Attached hereto as **Exhibit "C"** is a true and correct copy of the PAGA
27 Notice communicated on behalf of Plaintiff to Defendants and the LWDA on March 4, 2022.

28 14. Plaintiff's requested incentive payment of \$7,500 is intended to recognize

1 Plaintiff's contributions on behalf of the Class and is fair in relation to the total settlement, his
2 efforts, and standing alone.

3 15. The Parties have agreed to an attorneys' fees award of \$105,000, which is
4 thirty-five percent (35%) of the Settlement Amount of \$300,000, and payment of documented
5 litigation costs and expenses up to \$20,000. My office will submit detailed support for the
6 request for a fee award along with Plaintiff's motion for final approval of the settlement. For
7 now, I submit that the requested fee is fair compensation for undertaking a complex, risky,
8 expensive, and potentially time-consuming litigation involving this case on a purely
9 contingent fee basis. Here, counsel has incurred substantial attorneys' fees independently
10 conducting pre-filing investigations, analyzing the claims, litigating the case, conducting legal
11 research and analysis, reviewing significant documentary and electronic records produced by
12 Defendants, performing data analysis of employee timekeeping data and payroll records,
13 preparing for and attending a full-day mediation, negotiating the settlement, preparing and
14 amending the long-form Class Action and PAGA Settlement Agreement, Class Notice, and
15 preparing this Motion for Preliminary Approval, and otherwise aggressively pursuing the
16 interests of the putative class.

17 16. I submit that the request for attorneys' fees is reasonable when viewed as an
18 overall percentage of the settlement as well as with reference to counsel's loadstar. In light of
19 the risks and significant work undertaken by counsel, the results obtained for the class, and
20 the efficiency with which the Parties collaborated to conduct the litigation, the fee and cost
21 request is fair and reasonable.

22 17. Employee time was tracked through daily time sheets for specific work
23 locations. There was a line entry for each employee on the daily sheet, that logged time in and
24 out and lunch in and out, and a column for employee signatures. The time sheets included an
25 accuracy certification in English and Spanish. Plaintiff contends that because the physical time
26 sheets were maintained by managers, with whom employees did not interface with each
27 workday, they were not always contemporaneous and that employees would be presented with
28 time sheets for multiple days at once to complete. Also, that managers would present

1 employees with completed timesheets to sign that did not necessarily correspond to actual
2 work time. Defendants contended that employees had full leeway in tracking their time on the
3 time sheets, that all entries needed to be consistent with time worked, and that employees were
4 paid in accordance with the time sheets. Also, that its written timekeeping policy disallowed
5 work “off the clock” and that employees should immediately report timecard errors to their
6 supervisor. A compliant overtime policy was also articulated.

7 18. Any potential claim for unpaid wages will be extremely individualized and
8 difficult to prove. The extent to which an employee worked off the clock and was not
9 compensated will likely depend on a specific shift, position, location, management, and other
10 circumstances that will not translate to certification. Any assessment will rely on morass of
11 individual inquiries that will require a determination as to whether Defendants caused any
12 instance of work off-the-clock or whether such was due to employee choice.

13 19. Generously assuming an average loss of 15 mins per shift, at the average hourly
14 rate of \$14.00 across the 76,595 total shifts, results in \$268,082.50 in potentially unpaid
15 wages. Ultimately, in light of factual variations making certification highly unlikely, as well
16 as issues of proof bearing on merits, Plaintiff does not value an unpaid wage claim in excess
17 of 30% of the assessed exposure, or \$80,424.75.

18 20. Defendants have produced written break policies, dated January 1, 2020, that
19 reflect the provision of “an uninterrupted unpaid meal period of at least 30 minutes if” an
20 employee works “more than five (5) hours in a workday” to “be provided no later than the
21 end of [the] fifth hour of work.” Also, second meal periods are also discussed, as well as the
22 employee’s obligation to accurately record meal breaks. Meal breaks could also be waived for
23 shifts six (6) hours or less in duration and forms were available.

24 21. Although the written policy does not discuss the availability of meal premium
25 payments, Defendants have produced reports that reflect the payment of meal premiums for
26 missed meal breaks, going back to 2018.

27 22. As with time recordation, Plaintiff contends that meals were not always
28 recorded contemporaneously on the timesheets. Defendants represented that employees had

1 routine duties and were afforded great leeway in taking their meal breaks, especially night
2 shift employees like Plaintiff Zapeta.

3 23. Review of the sample time data reflects the vast majority of shifts having a
4 recorded thirty-minute meal break commencing at or before the fifth hour of work. Although
5 the time sheets do not have columns for second meal breaks, shifts of 10 or more hours appear
6 to be extreme outliers.

7 24. It will be very difficult for Plaintiff to prevail on a meal break claim in the face
8 of largely compliant objective findings. Plaintiff would have to craft some certification theory
9 that would enable him to establish that what appear to be compliant recorded meal breaks
10 were in fact manipulated to show compliance. Significant individualized inquiries would
11 entail in efforts to discern whether specific entries trigger a meal period violation or not. As
12 such, at a potential exposure value based on certification of a claim around half of the 76,795
13 shifts, the amount would come to \$537,565. In light of the challenges in crafting a certifiable
14 theory and prevailing on the merits in the face of compliant policies, Plaintiff does not value
15 a meal break claim at more than \$100,000.

16 25. As to rest breaks, compliant written policies were maintained that allowed for
17 uninterrupted 10-minute paid breaks for every four of work (or major fraction thereof).
18 Defendants pointed out that employees were made aware of rest break requirements and any
19 instances of missed rest breaks were a result of employee volition. Moreover, that certification
20 of such a claim is highly improbable due to the absence of written records (as rest breaks are
21 not required to be recorded) and a morass of factual inquiry necessary to assess the reasons
22 why any individual employee missed a rest break on specific instances. In light of the
23 challenges inherent in the claim due to compliant policies, both on certification and merits,
24 Plaintiff values a rest break claim at less than the meal break claim and not more than \$75,000
25 for the class.

26 26. The expense reimbursement claim is based on the use of personal cell phones
27 by employees for communication with management and travel by employees during a
28 workday to other locations serviced by Defendants. Plaintiff contends that employees would

1 be told by management to go to other locations during the workday to cover for other
2 employees. Employees would commute to that location in their personal vehicles and not be
3 reimbursed for mileage. That employees would usually travel in a group such that only one
4 employee's vehicle would be used, thus not all employees were incurring a travel expense.
5 Although there is no official reimbursement policy articulated anywhere, Plaintiff recalls
6 receiving lump sum \$50 reimbursement payments sporadically, that were not necessarily 1:1
7 with the extent of expenses incurred. At 20 miles of travel per employee per workweek, at an
8 average mileage rate of \$0.60 per mile, results in exposure of \$183,828. There are potential
9 issues with proving the amount of mileage incurred by employees and potential factual
10 variations, including the claim being skewed toward certain groups of employees and
11 managers more than others, that would pose challenges for certification and liability. Based
12 on the foregoing, Plaintiff does not value an expense reimbursement claim at more than
13 \$50,000.

14 27. Plaintiff received his final wages two weeks after his termination on August
15 27, 2021. In light of employment circumstances where checks were unable to be immediately
16 issued at the hotels where employees worked, some difficulty and delay in delivery of final
17 paychecks is expected.

18 28. A claim for waiting time penalties could also be derivative of the claims for
19 unpaid wages and meal and rest premiums but the weaknesses described there would directly
20 impact the viability of this claim. At 250 former employees, the maximum waiting time
21 penalties would potentially calculate to \$1,071,840. (319 former employees x \$14.00 x 8 hours
22 x 30 days). There are class certification variables as to when and how final pay was made
23 available by Defendants and when payments were picked up/delivered to employees. In light
24 of the foregoing, Plaintiff does not believe the value of a waiting time claim exceeds 20% of
25 the assessed maximum, or \$214,368.

26 29. The regular wage statements were facially compliant with the requirements of
27 Labor Code Section 226. As with waiting time penalties, this claim would be derivative of
28 unpaid wage, meal, and rest break violations. Although maximum exposure calculates to

1 \$764,750 for the 275 employees during the wage statement penalty period for 7,785 pay
2 periods from March 3, 2021 to March 2, 2023, value may be assessed to 20% of the maximum
3 exposure, or \$152,950, due to this claim's reliance on the underlying claims and subject to
4 weaknesses described therein.

5 30. There are 7,785 PAGA Pay Periods. Assuming Plaintiff is to identify a
6 predicate violation for every pay period across the unpaid wage, meal break, and rest break
7 claims and stacking a \$100 penalty for each and every pay period, would result in \$2,335,500
8 in maximum penalties. If Plaintiff is unable to stack penalties for the predicate violation, more
9 realistic maximum exposure comes to \$778,500. Applying an 80% reduction to this amount
10 results in a potential exposure of \$155,700. The intention of PAGA penalties is not to serve a
11 punitive or compensatory purpose but to sufficiently act as a deterrent to future Labor Code
12 violations. Moreover, a court may readily conclude that a lower penalty assessment, or a
13 nominal one, will suffice as these defendants are smaller employers. Plaintiff does not believe
14 that any six figure PAGA penalty recovery is very realistic in this case. In light of the
15 foregoing, and also because of potential defenses to the substantive claims that would bear on
16 PAGA liability, the Parties' \$15,000 allocation for release of the PAGA claims reflects a very
17 fair compromise and is extremely reasonable.

18 31. The settlement is fair and adequate when compared to the total potential
19 exposure and the risks inherent in Plaintiff's claims. I consider the settlement to be
20 significantly more than a "fraction" of potential recovery, particularly considering the various
21 potential complications, dangers and pitfalls that proceeding would entail. This proposed
22 settlement provides a fair and reasonable monetary recovery for the Settlement Class in the
23 face of disputed claims and significant hurdles. The \$300,000 Gross Settlement Amount
24 captures 44.5% of the \$672,742.75 assessed case value on viable class claims, which is
25 extremely favorable given the significant risk factors described above.

Claim	Exposure	Discount Applied	Value
Unpaid Wages	\$268,082.50	70%	\$80,424.75
Meal Period	\$537,565	81.4%	\$100,000

Rest Period	\$537,565	86.1%	\$75,000
Unreimbursed Business Expenses	\$183,828	72.8%	\$50,000
Waiting Time	\$1,071,840	80%	\$214,368
Wage Statement	\$764,750	80%	\$152,950
	\$3,363,630.50		\$672,742.75

32. The parties had engaged in significant review and assessment of the asserted claims. Defendants could have moved for summary adjudication on all or some of the claims. Moreover, preparation for class certification and trial remained for the Parties as well as the prospect of appeals in the wake of a disputed class certification ruling for Plaintiff and/or summary judgment ruling. As a result, the parties would incur considerably more attorneys' fees and costs through trial. This settlement avoids those risks and the accompanying expense.

33. To the extent any claims were certified, Defendants would certainly seek to decertify them. Absent settlement, there was a risk that there would never be a certified class.

34. I submit that the proposed settlement is within the range of possible approval for communication of a notice in conformity and consideration thereof by the Settlement Class. The Court will have the opportunity to again assess the reasonableness of the settlement after the Class has had the opportunity to opt-out or object.

35. The alternative method of resolution of the claims asserted here would be multiple individual lawsuits, challenging the same alleged wage and hour policies and practices of Defendants, and each seeking a small amount of damages. Such duplicative litigation would be extremely inefficient and costly for the courts and wasteful for judicial forums that would otherwise devote resources to other matters.

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36. Attached hereto as **Exhibit “D”** is a true and correct copy of the administration quote for \$7,950 provided by the proposed settlement administrator, Phoenix Settlement Administrators, which is less than the \$9,000 maximum contemplated by the settlement.

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

Executed this 30th day of April 2024, in Calabasas, California.

/s/Haik Hacopian
Haik Hacopian, Declarant

EXHIBIT “A” – Settlement Agreement

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff ALFREDO B. ZAPETA (“Plaintiff”), individually and on behalf of the other “Class Members” as defined herein, on the one hand, and Defendants ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC (“Defendants”), on the other hand. The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendants captioned *Alfredo B. Zapeta v. All Day Service, Inc., et al.*, LASC Case No.: 22STCV07872 initiated on March 3, 2022, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means “all current and former non-exempt, hourly paid employees of Defendants who were staffed at the following hotels during the PAGA Period: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.”
- 1.5. “Class” or “Settlement Class” means “all current and former non-exempt, hourly paid employees of Defendants who were staffed at the following hotels during the Class Period: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.”
- 1.6. “Class Counsel” means Zorik Mooradian and Haik Hacopian of MOORADIAN LAW, APC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from March 3, 2018 to May 8, 2023.
- 1.13. “Class Representative” means ALFREDO B. ZAPETA, the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendants” means ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC, the named Defendants in the Action.
- 1.17. “Defense Counsel” means Karen Luh and Stephanie Y. Yun of Jackson Lewis P.C.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment entered by the Court based upon the Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means \$300,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below, and not

including the employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

- 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.
- 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.
- 1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. "PAGA Pay Period" means any pay period that an Aggrieved Employee worked for Defendants within the State of California as a non-exempt, hourly paid employee during the PAGA Period staffed at Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels.
- 1.31. "PAGA Period" means the period from March 3, 2021 to May 8, 2023.
- 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. "PAGA Notice" means Plaintiff's March 4, 2022 letter (and any amendments or supplements thereto) to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties (\$15,000.00) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$3,750.00) and 75% to LWDA (\$11,250.00) in settlement of PAGA claims.
- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means ALFREDO B. ZAPETA, the named Plaintiff in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement to be mutually agreed upon by the Parties prior to Plaintiff's presentation of the same to Court.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.41. "Released Parties" means: Defendants, and each of its former and present directors, officers, principals, trustees, shareholders, owners, managers, managing agents, attorneys, insurers, predecessors, successors, assigns, DBAs, parents, subsidiaries, and affiliates.
- 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. "Response Deadline" means sixty (60) days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional seven (7) calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. "Workweek" means any week that a Class Member worked for Defendants within the State of California as a non-exempt, hourly paid employee during the Class Period staffed at Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels.

2. RECITALS.

- 2.1. On March 3, 2022, Plaintiff commenced this Action by filing a complaint alleging causes of action against Defendants for (1) Failure to Provide Meal Periods; (2) Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages; (4) Failure to Timely Pay Wages at Termination/Separation; (5) Failure to Provide Compliant Itemized Wage Statements; (6) Failure to Reimburse Business Expenses; and (7) Violation of Unfair Business Practices Act – Bus. & Prof. Code §§17200, *et seq.* On August 18, 2022, Plaintiff filed a First Amended Complaint alleging a cause of action against Defendants for Penalties Pursuant to California’s Private Attorney General Act (Cal. Lab. Code §§ 2698 *et seq.*). Defendants deny the allegations in the operative complaint in the Action, deny any failure to comply with the laws identified in in the operative complaint and deny any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.3. On May 8, 2023, the Parties participated in an all-day mediation presided over by Jeffrey Krivis, Esq. which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of Class Members’ time and payroll records, Plaintiff’s time and payroll records, information related to class size and composition, as well as Defendants’ written wage and hour policies and practices. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5. The Court has not granted class certification.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants. promise to pay \$300,000.00 and no more as the Gross Settlement Amount pursuant to Paragraph 4.3 below, and to separately pay their respective share of employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay any portion of the Gross Settlement Amount (or any payroll taxes) prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

- 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$7,500.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$105,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$9,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$9,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Notwithstanding the treatment of the payments to each Participating Class Member, none of the payments called for by this Agreement, including the Wage Portions of the Individual Class Payments, are to be treated as earnings, wages, pay or compensation for the purpose of any applicable benefit or retirement plan, nor do any payments under this Agreement extend or alter Class Members' or Aggrieved Employees' period of employment for any purpose.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$15,000.00 to be paid from the Gross Settlement Amount, with 75% (\$11,250.00) allocated to the LWDA PAGA Payment and 25% (\$3,750.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$3,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. 100% of the PAGA Penalties are allocated as penalties and not as wages. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendants estimate there are 379 Class Members who collectively worked a total of 15,319 Workweeks, and 275 Aggrieved Employees who worked a total 2,980

PAGA Pay Periods as of May 8, 2023 (i.e., as of the date the Parties participated in mediation).

- 4.2. Class Data. Not later than 15 business days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator by May 8, 2024, or within 14 days after the Effective Date, whichever comes later. Defendants' payment of the Gross Settlement Amount and Defendants' share of payroll taxes is contingent upon receipt of the Administrator's payment instructions. Defendants' payment obligations with respect to the Gross Settlement Amount and Defendants' share of payroll taxes shall be met upon initiating the electronic transfer of funds in the amounts provided for in this Settlement Agreement pursuant to the Settlement Administrator's instructions. In the event of an unsuccessful electronic transfer of funds, the Parties agree to cooperate in good faith to resolve the issues.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class

Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 5 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1. Plaintiff's Release. In addition to the Released Class Claims and Released PAGA Claims described below, Plaintiff, individually and on behalf of his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, occurrences, demands, rights, liabilities and causes of action of every nature and description whatsoever, whether known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Settlement Agreement in connection with his or her employment or the termination thereof. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to those rights that as a matter of law cannot be waived, including, but not limited to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to,

the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2. Released Class Claims by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims that were or could have been alleged based on the facts set forth in the operative complaint in the Action that arose during the Class Period including without limitation with respect to the following claims: (a) failure to provide meal periods; (b) failure to provide paid rest periods; (c) failure to pay wages; (d) failure to timely pay wages at termination/separation; (e) failure to provide compliant itemized statements; (f) failure to reimburse business expenses; (g) Violation of unfair business practices act – Bus. Prof. Code 17200, et seq.; (h) penalties pursuant to Private Attorneys General Act (PAGA); (j) violation of or claims under the following sections of the California Labor Code, sections 200, 201, 202, 203, 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 2800, 2802; and (j) violation of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties, interest or attorneys' fees associated with all of such causes of action under California law ("Released Class Claims"). Except for Plaintiff's Release by Plaintiff and as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

5.3. Released PAGA Claims by Aggrieved Employees: All Aggrieved Employees, regardless of whether they are Participating Class Members or Non-Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act that were alleged, or reasonably could have been alleged, based on the claims asserted in the operative complaint in the Action, the PAGA Notice (and any amendments or supplements thereto) and ascertained in the course of the Action, arising during or with respect to the PAGA Period. ("Released PAGA Claims").

The foregoing release shall be binding on Plaintiff, the Aggrieved Employees, and the State of California, and shall entitle Defendants to bar by res judicata any claim under the PAGA brought by any person, including the Aggrieved Employees, on behalf of the State of California, as to any claims predicated on the Released PAGA Claims. The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

- 6.1. No Potential Conflicts with Administrator. Defendants and Defense Counsel are not aware of any potential conflicts of interest with the Administrator. Defendants and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 6.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, Defendants, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), the operative complaint in the Action (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses, including without limitation, calculating the Individual Class Payments to be issued to Participating Class Members, Individual PAGA Payment to be issued to Aggrieved Employees, sending notices and translating same to Spanish, preparing all checks and mailings, establishing a qualified settlement fund and holding the various payments from Defendants comprising the Gross Settlement Amount and employer payroll taxes. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Tax Reporting. The Administrator will be responsible for calculating the applicable taxes and withholdings, including Defendants' employer payroll taxes owed on the Individual Class Payments, and for paying all taxes and withholdings to the applicable taxing or governmental authorities with the necessary reports, and submitting copies to Defense Counsel. The Administrator shall issue to Participating Class Members IRS Forms W-2 for the Wage Portions of the Individual Class Payments, IRS Forms 1099 for the Non-Wage Portions, and IRS Forms 1099 to Aggrieved Employees for Individual PAGA Payments, as described in this Agreement.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Notice to Class Members.
- 7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.
- 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, substantially in the

form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Period Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 7 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5. If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 7 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. Requests for Exclusion (Opt-Outs).

- 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 7 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the

Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- 7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 7 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.
- 7.7. Objections to Settlement.
 - 7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
 - 7.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the

Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 7 days for Class Members whose Class Notice was re-mailed).

- 7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
 - 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
 - 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); and (b) the names of Class Members who have submitted invalid Requests for Exclusion.
 - 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
 - 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
 - 7.8.5. Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed

declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

- 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE** Based on its records, Defendants estimate there are a total of 15,319 Workweeks as of May 8, 2023 (i.e., as of the date the Parties participated in mediation). Should the total number of Workweeks worked by Participating Class Members during the Class Period increases by more than 10% of this figure (i.e., by more than 1,532 Workweeks), Defendants shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks worked by Participating Class Members above 10% (i.e., if there is a 12% increase in the number of Workweeks worked by Participating Class Members, Defendants shall increase the Gross Settlement Amount by 2%).
9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than fourteen (14) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the operative complaint in the Action have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15. 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.
- 12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
Zorik Mooradian, Esq.
Haik Hacopian, Esq.
MOORADIAN LAW, APC
24007 Ventura Blvd., Suite 210
Calabasas, CA 91302
zorik@mooradianlaw.com
haik@mooradianlaw.com

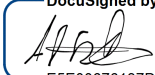
To Defendants:
Karen Luh, Esq.
Stephanie Y. Yun, Esq.
JACKSON LEWIS P.C.
725 S Figueroa, Suite 2500
Los Angeles, CA 90017
karen.luh@jacksonlewis.com
stephanie.yun@jacksonlewis.com

12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: 2/27/2024

PLAINTIFF ALFREDO B. ZAPETA

DocuSigned by:

E5E00676137D4D5

Alfredo B. Zapeta,
Individually and as Class Representative

DATED: _____

DEFENDANT ALL DAY SERVICE, INC.

By: Kate Park

DATED: _____

DEFENDANT
ADVANCED DYNAMIC SOLUTIONS, INC.

By: Kate Park

DATED: _____

DEFENDANT HR SERVICE GROUP, LLC

By: Scott Smrkovski, President

APPROVED AS TO FORM:

DATED: 02/22/2024

MOORADIAN LAW, APC



Zorik Mooradian
Haik Hacopian
Counsel for Plaintiff

DATED: _____

JACKSON LEWIS P.C.

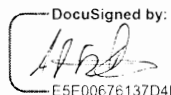
Karen Luh
Stephanie Y. Yun
Counsel for Defendants

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DATED: 2/27/2024

PLAINTIFF ALFREDO B. ZAPETA

DocuSigned by:

F5E00676137D4D5

Alfredo B. Zapeta,
Individually and as Class Representative

DATED: 3/15/24

DEFENDANT ALL DAY SERVICE, INC.



By: Kate Park

DATED: 3/15/24

DEFENDANT
ADVANCED DYNAMIC SOLUTIONS, INC.



By: Kate Park

DATED: _____

DEFENDANT HR SERVICE GROUP, LLC

By: Scott Smrkovski, President

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DATED: 2/27/2024

PLAINTIFF ALFREDO B. ZAPETA

DocuSigned by:



E5E00676137D4D5

Alfredo B. Zapeta,
Individually and as Class Representative

DATED: _____

DEFENDANT ALL DAY SERVICE, INC.

By: Kate Park

DATED: _____

DEFENDANT
ADVANCED DYNAMIC SOLUTIONS, INC.

By: Kate Park

DATED: 3/25/24

DEFENDANT HR SERVICE GROUP, LLC



By: Scott Smrkovski, President

APPROVED AS TO FORM:

DATED: 02/22/2024

MOORADIAN LAW, APC



Zorik Mooradian
Haik Hacopian
Counsel for Plaintiff

DATED: 03/25/2024

JACKSON LEWIS P.C.



Karen Luh
Stephanie Y. Yun
Counsel for Defendants

EXHIBIT A

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

Alfredo B. Zapeta v. All Day Service, Inc., et al.
Los Angeles Superior Court Case No.: 22STCV07872

***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 an employee class action lawsuit (“Action”) against ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC (“Defendants”) for alleged wage and hour violations. The Action was filed by ALFREDO B. ZAPETA (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt, hourly paid employees of Defendants who were staffed at the Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels during the Class Period of March 3, 2018 to May 8, 2023 (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all current and former non-exempt, hourly paid employees of Defendants who were staffed at these hotels during the PAGA Period of March 3, 2021 to May 8, 2023 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. 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 didn’t work during the PAGA Period.)

The above estimates are based on Defendants’ records showing that **you worked [REDACTED] workweeks during the Class Period and you worked [REDACTED] pay periods during the PAGA Period while staffed at the Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels**. If you believe that you worked more workweeks/pay periods for Defendants staffed at these hotels during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already 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 not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period as described above, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants that are covered by this Settlement.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion notifying the Administrator of your request to be excluded. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants. You cannot opt-out of the PAGA portion of the proposed Settlement. If you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment regardless of whether you opt-out of the Class Settlement.

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 wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement. The Opt-out Deadline is <u> </u>.	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue 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 [REDACTED].	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 Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing.	The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. 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), in person, or by telephone. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by [REDACTED].	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked during the Class Period and how many Pay Periods you worked during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide compliant meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: MOORADIAN LAW, APC (“Class Counsel”). Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws. Defendants are represented by attorneys in the Action: JACKSON LEWIS P.C. (“Defense Counsel”).

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

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly

ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff 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.

Plaintiff 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 Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

- (1) Defendants Will Pay \$300,000.00 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 Service Payment, Class Counsel's attorney's 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, Defendants will fund the Gross Settlement by May 8, 2024, or within 14 days after the Judgment entered by the Court become final, whichever comes later. The Judgment will be final on the date the Court enters Judgment, 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, Plaintiff 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 \$105,000.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b) Up to \$7,500.00 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. The Class Representative Service Payment will be the only monies Plaintiff will receive other than each Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - c) Up to \$9,000 to the Administrator for services administering the Settlement.
 - d) Up to \$15,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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. Plaintiff 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 interest and penalties (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes owed on the Wage Portion. 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 Plaintiff 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, if applicable) 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 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 will be deposited with the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money. (sco.ca.gov).
- (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 representative setting forth a 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) who are Aggrieved Employees remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA claims 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. Plaintiff 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 Settlement 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 and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the “Released Class Claims” released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or its related entities based on the Class claims alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the release of the following “Released Class Claims”:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims that were or could have been alleged based on the facts set forth in the operative complaint in the Action that arose during the Class Period including without limitation with respect to the following claims: (a) failure to provide meal periods; (b) failure to provide paid rest periods; (c) failure to pay wages; (d) failure to timely pay wages at termination/separation; (e) failure to provide compliant itemized statements; (f) failure to reimburse business expenses; (g) Violation of unfair business practices act – Bus. Prof. Code 17200, et seq.; (h) penalties pursuant to Private Attorneys General Act (PAGA); (j) violation of or claims under the following sections of the California Labor Code, sections 200, 201, 202, 203, 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 2800, 2802; and (j) violation of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties, interest or attorneys’ fees associated with all of such causes of action under California law (“Released Class Claims”). Except for Released PAGA Claims being released by Aggrieved Employees, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation

of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

The "Released Parties" means: Defendants, and each of its former and present directors, officers, principals, trustees, shareholders, owners, managers, managing agents, attorneys, insurers, predecessors, successors, assigns, DBAs, parents, subsidiaries, and affiliates.

- (10) Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendants have fully funded the Gross Settlement, all Aggrieved Employees will be barred from asserting any of the "Released PAGA Claims" against Defendants, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, 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 PAGA claim against Defendants or its related entities based on the PAGA claims alleged in the Action and resolved by this Settlement. The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

The Aggrieved Employees' will be bound by the release of the following "Released PAGA Claims":

All Aggrieved Employees, regardless of whether they are Participating Class Members or Non-Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act that were alleged, or reasonably could have been alleged, based on the claims asserted in the operative complaint in the Action, the PAGA Notice (and any amendments or supplements thereto) and ascertained in the course of the Action, arising during or with respect to the PAGA Period. ("Released PAGA Claims"). The foregoing release shall be binding on Plaintiff, the Aggrieved Employees, and the State of California, and shall entitle Defendants to bar by res judicata any claim under the PAGA brought by any person, including the Aggrieved Employees, on behalf of the State of California, as to any claims predicated on the Released PAGA Claims. . The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- (1) Individual Class Payments. The “Net Settlement Amount” is calculated by deducting from the Gross Settlement Amount the amounts approved by the Court for the Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- (2) Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing the 25% share of the PAGA Penalties (\$3,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
- (3) Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants’ records are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail. Section 9 of this Notice has the Administrator’s contact information. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants’ calculation of Workweeks and/or Pay Periods 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 and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and 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 Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment, if any.
- (2) Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt out of the Class Settlement (i.e., every Non-Participating Class Member who is an Aggrieved Employee).

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?

Submit a written and signed letter with your name, present address, telephone number, the last four digits of your social security number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Alfredo B. Zapeta v. All Day Service, Inc., et al.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and the last four digits of your social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded 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 Plaintiff and Defendants are asking the Court to approve. At least **16 court days** before the _____ **Final Approval Hearing**, Class Counsel and/or Plaintiff 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 Service Payment stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. 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. You can also view them on the **Administrator's Website: _____ (url)_____** or the Court's website: <https://www.lacourt.org/casesummary/ui/>

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 Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff 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 *Alfredo B. Zapeta v. All Day Service, Inc., et al.* 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 [redacted] at [redacted] in Department 6 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. 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, Plaintiff, 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 via LACourtConnect (<https://www.lacourt.org/lacc/>). 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 Administrator's [website \(url\)](#) 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 Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [to \(specify entity\)'s website at \(url\)](#). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 22STCV07872. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Settlement Administrator:

[Name of Company](#)

[Email Address](#)

[Mailing Address](#)

[Telephone](#)

[Fax Number](#)

Attorneys for the Plaintiff Alfredo B. Zapeta and Settlement Class Members:

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zorik@mooradianlaw.com

Haik Hacopian, Esq.

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MOORADIAN LAW, APC

24007 Ventura Blvd., Suite 210

Calabasas, CA 91302

Telephone: (818) 487-1998

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 should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

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.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS WITH INQUIRIES.

The statements in this document are not findings by a court of law. These statements are not an expression of opinion or approval by a judge. This notice is based only on statements by the Parties to this Lawsuit. You received this notice to help you decide what steps, if any, to take about this Lawsuit.

4856-3605-4437, v. 1

**EXHIBIT “B” – Settlement Agreement
(Redline)**

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff _____ (“Plaintiff”) ALFREDO B. ZAPETA (“Plaintiff”), individually and defendant XYZ (“XYZ”), on behalf of the other “Class Members” as defined herein, on the one hand, and Defendants ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC (“Defendants”), on the other hand. The Agreement refers to Plaintiff and ~~XYZ~~Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against XYZDefendants captioned Alfredo B. Zapeta v. All Day Service, Inc., et al., LASC Case No.: 22STCV07872 initiated on March 3, 2022, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means ~~[e.g., a person employed by XYZ in California]~~ “all current and classified as a _____ former non-exempt, hourly paid employees of Defendants who worked for XYZ during the Class Period: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.”
- 1.5. ~~““Class” or “Settlement Class” means [define class e.g., all persons employed by XYZ in California]~~ “all current and classified as _____ former non-exempt, hourly paid employees of Defendants who worked for XYZ were staffed at the following hotels during the Class Period: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.”
- 1.6. “Class Counsel” means _____ Zorik Mooradian and Haik Hacopian of MOORADIAN LAW, APC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

- 1.8. “Class Data” means Class Member identifying information in XYZ’s Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English ~~[with a and~~ Spanish ~~translation, if applicable]~~ in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from _____ ~~to~~ _____ March 3, 2018 to May 8, 2023.
- 1.13. “Class Representative” means ALFREDO B. ZAPETA, the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as ~~a~~ Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.

~~1.1.~~ “XYZ” means named Defendant _____.

1.16. “Defendants” means ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC, the named Defendants in the Action.

~~1.16.~~1.17. “Defense Counsel” means Karen Luh and Stephanie Y. Yun of Jackson Lewis P.C.

~~1.17.~~1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or

(c) if a timely appeal from the Judgment is filed ~~or other judicial review is commenced~~, the day after the appellate court affirms the Judgment and issues a remittitur.

~~1.18.1.19.~~ “Final Approval” means the Court’s order granting final approval of the Settlement.

~~1.19.1.20.~~ “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

~~1.20.1.21.~~ “Final Judgment” means the Judgment ~~Entered~~entered by the Court based upon Granting the Final Approval of the Settlement.

~~1.21.1.22.~~ “Gross Settlement Amount” means \$~~_____~~\$300,000.00 which is the total amount ~~XYZ agrees~~Defendants agree to pay under the Settlement except as provided in Paragraph 98 below, and not including the employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

~~1.22.1.23.~~ “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

~~1.23.1.24.~~ “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of WorkweeksPay Periods worked during the PAGA Period.

~~1.24.1.25.~~ “Judgment” means the judgment entered by the Court based upon the Final Approval.

~~1.25.1.26.~~ “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

~~1.26.1.27.~~ “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

~~1.27.1.28.~~ “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.28.1.29.~~ “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

~~1.29.~~1.30. “PAGA Pay Period” means any ~~Pay Period during which~~pay period that an Aggrieved Employee worked for ~~XYZ for at least one day~~Defendants within the State of California as a non-exempt, hourly paid employee during the PAGA Period staffed at Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels.

~~1.30.~~1.31. “PAGA Period” means the period from March 3, 2021 to May 8, 2023.

~~1.31.~~1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

~~1.32.~~1.33. “PAGA Notice” means Plaintiff’s March 4, 2022 letter (and any amendment thereto) to ~~XYZ~~Defendants and the LWDA ~~[and Plaintiff’s letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subd.(a).

~~1.33.~~1.34. “PAGA Penalties” means the total amount of PAGA civil penalties (\$15,000.00) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$11,250.00) and ~~the~~ 75% to ~~LWDA~~ LWDA (\$3,750.00) in settlement of PAGA claims.

~~1.34.~~1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

~~1.35.~~1.36. “Plaintiff” means ALFREDO B. ZAPETA, the named ~~plaintiff~~Plaintiff in the Action.

~~1.36.~~1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

~~1.37.~~1.38. ~~“Preliminary Approval Order”~~ means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement to be mutually agreed upon by the Parties prior to Plaintiffs’ presentation of the same to Court.

~~1.38.~~1.39. “Released Class Claims” means the claims being released as described in Paragraph ~~6~~5.2 below.

~~1.39.~~1.40. “Released PAGA Claims” means the claims being released as described in Paragraph ~~6-25~~3 below.

~~1.40.~~1.41. “Released Parties” means: ~~XYZ~~Defendants, and each of its former and present directors, officers, principals, trustees, shareholders, owners, ~~[members],~~managers, managing agents, attorneys, insurers, predecessors, successors, assigns ~~[-, DBAs, parents, subsidiaries]-,~~ and affiliates.

~~1.41.1.42.~~ “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

~~1.42.1.43.~~ “Response Deadline” means ~~[e.g., 60]~~~~forty-fivesixty~~ (4560) days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional ~~14-seven~~ (7) calendar days beyond the Response Deadline has expired.

~~1.43.1.44.~~ “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

~~1.44.1.45.~~ “Workweek” means any week ~~during which~~~~that~~ a Class Member worked for ~~XYZ for at least one day, Defendants within the State of California as a non-exempt, hourly paid employee during the Class Period- staffed at Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels.~~

2. RECITALS.

2.1. On ~~_____~~, March 3, 2022, Plaintiff commenced this Action by filing a ~~Complaint alleging causes of action against XYZ for _____.~~ ~~[The Complaint is the operative complaint in the Action (the “Operative Complaint.”)]~~ ~~On _____, Plaintiff filed a [e.g., First Amended Complaint] complaint alleging causes of action against XYZ for _____.~~ The ~~[e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative Complaint.”)~~ ~~XYZ denies~~Defendants for (1) Failure to Provide Meal Periods; (2) Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages; (4) Failure to Timely Pay Wages at Termination/Separation; (5) Failure to Provide Compliant Itemized Wage Statements; (6) Failure to Reimburse Business Expenses; and (7) Violation of Unfair Business Practices Act – Bus. & Prof. Code §§17200, et seq. On August 18, 2022, Plaintiff filed a First Amended Complaint alleging a cause of action against Defendants for Penalties Pursuant to California’s Private Attorney General Act (Cal. Lab. Code §§ 2698 et. seq.). Defendants deny the allegations in the ~~Operative Complaint, denies~~operative complaint in the Action, deny any failure to comply with the laws identified in in the ~~Operative Complaintoperative complaint~~ and ~~denies~~deny any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to ~~XYZ~~Defendants and the LWDA by sending the PAGA Notice.

2.3. On ~~_____ (type in additional dates),~~ May 8, 2023, the ~~parties~~Parties participated in an all-day mediation presided over by ~~_____~~ Jeffrey Krivis, Esq. which led to this Agreement to settle the Action ~~(describe alternative means of negotiation).~~ Describe alternative means of negotiation.

- 2.4. Prior to ☐mediation☐-negotiating the Settlement, Plaintiff obtained, through ☐formal☐informal discovery, document, testimony, a sampling of Class Members' time and payroll records, Plaintiff's time and payroll records, information obtained related to class size and composition, as well as Defendants' written wage and hour policies and practices. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.5. The Court ☐-has☐has not granted class certification. Insert details as needed.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 98 below, XYZ promises Defendants promise to pay \$—————\$300,000.00 and no more as the Gross Settlement Amount [pursuant to Paragraph 4.3 below, and to separately pay any-and all Defendants' share of employer payroll taxes owed on the Wage Portions of the Individual Class Payments.] XYZ has. Defendants have no obligation to pay any portion of the Gross Settlement Amount (or any payroll taxes) prior to the deadlinedeadlines stated in Paragraph 6.1 4.3 of this Agreement. v The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to XYZDefendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$—————7,500.00 (in addition to amany Individual Class Payment [and any Individual PAGA payment]Payment the Class Representative is entitled to receive as a Participating Class Member). XYZDefendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service PaymentsPayment no later than [16 court] days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than ~~___%~~35%, which is currently estimated to be ~~\$_____~~\$105,000.00 and a Class Counsel Litigation Expenses Payment of not more than ~~\$_____~~XYZ\$20,000. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than ~~16~~1 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ~~XYZ~~Defendants harmless, and indemnifies ~~XYZ~~Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$9,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$9,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1. Tax Allocation of Individual Class Payments. ~~%_____~~20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. ~~The %_____~~80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for ~~[e.g., interest and penalties]~~ (the "Non-Wage Portion"). ~~vi~~ The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Notwithstanding the treatment of the payments to each Participating Class Member, none of the payments called for by this Agreement, including the Wage Portions of the Individual Class Payments, are to be treated as earnings, wages, pay or compensation for the purpose of any applicable benefit or retirement plan, nor do any payments under this Agreement extend or alter Class Members' or Aggrieved Employees' period of employment for any purpose.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$~~_____~~\$15,000.00 to be paid from the Gross Settlement Amount, with 75% (~~\$_____~~)(~~\$11,250.00~~) allocated to the ~~LWD~~LWDA PAGA Payment and 25% (~~\$_____~~)(~~\$3,750.00~~) allocated to the ~~Individuals~~Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$~~_____~~(\$3,750.00) by the total number of PAGA ~~Period~~ Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA ~~Period~~ Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. 100% of the PAGA Penalties are allocated as penalties and not as wages. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records ~~to date, XYZ estimates, Defendants estimate~~ there are ~~_____~~379 Class Members who collectively worked a total of ~~_____~~15,319 Workweeks, and ~~_____~~of 275 Aggrieved Employees who worked a total ~~of _____~~of 2,980 PAGA Pay Periods~~— as of May 8, 2023 (i.e., as of the date the Parties participated in mediation).~~

4.2. Class Data. Not later than ~~[e.g., 15]~~business days after the Court grants Preliminary Approval of the Settlement, ~~XYZ~~Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ~~XYZ has~~Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which ~~XYZ~~Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3. Funding of Gross Settlement Amount. ~~XYZ~~Defendants shall fully fund the Gross Settlement Amount, and ~~also~~ fund the amounts necessary to fully pay ~~XYZ's~~Defendants' share of payroll taxes by transmitting the funds to the Administrator ~~no later than [by May 8, 2024, or within 14]~~ days after the Effective Date, whichever comes later. Defendants' payment of the Gross Settlement Amount and Defendants' share of payroll taxes is contingent upon receipt of the Administrator's payment instructions. Defendants' payment obligations with respect to the Gross Settlement Amount and Defendants' share of payroll taxes shall be met upon initiating the electronic transfer of funds in the amounts provided for in this Settlement Agreement pursuant to the Settlement Administrator's instructions. In the event of an unsuccessful electronic transfer of funds, the Parties agree to cooperate in good faith to resolve the issues.
- 4.4. Payments from the Gross Settlement Amount. Within ~~[14]~~ days after ~~XYZ funds~~Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are ~~returned~~returned undelivered without USPS forwarding address. Within ~~[75]~~ days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California ~~Controller's~~Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no ~~"unpaid residue"~~ subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).] ~~for to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient")~~. ~~The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.(b).~~

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate XYZDefendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when XYZDefendants fully ~~funds~~fund the entire Gross Settlement Amount and ~~funds~~fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. In addition to the Released Class Claims and Released PAGA Claims described below, Plaintiff, individually and on behalf of his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences [that occurred during the Class Period], including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, [or ascertained during the Action and released under 6.2, below], occurrences, demands, rights, liabilities and causes of action of every nature and description whatsoever, whether known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Settlement Agreement in connection with his or her employment or the termination thereof. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to those rights that as a matter of law cannot be waived, including, but not limited to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, ~~or based on occurrences outside the Class Period.~~ Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2. Released Class Claims by Participating Class Members ~~Who Are Not Aggrieved Employees~~: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from ~~(i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 6~~any and all claims that were or could have been alleged based on the facts set forth in the operative complaint in the Action that arose during the Class Period including without limitation with respect to the following claims: (a) failure to provide meal periods; (b) failure to provide paid rest periods; (c) failure to pay wages; (d) failure to timely pay wages at termination/separation; (e) failure to provide compliant itemized statements; (f) failure to reimburse business expenses; (g) Violation of unfair business practices act – Bus. Prof. Code 17200, et seq.; (h) penalties pursuant to Private Attorneys General Act (PAGA); (i) violation of or claims under the following sections of the California Labor Code, sections 200, 201, 202, 203, 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 2800, 2802; and (j) violation of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties, interest or attorneys' fees associated with all of such causes of action under California law ("Released Class Claims"). Except for Plaintiff's Release by Plaintiff and as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The foregoing release shall be limited to claims arising during Participating Class Members' staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

5.3. Released PAGA Claims by Non-Aggrieved Employees: All Aggrieved Employees, regardless of whether they are Participating Class Members ~~Who Are Aggrieved Employees: All or Non-Participating Class Members who are Aggrieved Employees are deemed to release~~, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims ~~for PAGA penalties, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act~~ that were alleged, or reasonably could have been alleged, based on the ~~PAGA Period~~

~~facts stated~~ claims asserted in the ~~Operative Complaint~~, ~~and~~ operative complaint in the Action, the PAGA Notice ~~[(and any amendments or supplements thereto)]~~ and ascertained in the course of the Action~~], arising during or with respect to the PAGA Period. (“Released PAGA Claims”).~~ The foregoing release shall be binding on Plaintiff, the Aggrieved Employees, and the State of California, and shall ~~entitle Defendants to bar by res judicata any claim under the PAGA brought by any person, including, e.g., “(a) any and all claims involving any alleged failure the Aggrieved Employees, on behalf of the State of California, as to pay minimum wage; etc.”]~~ any claims predicated on the Released PAGA Claims. The foregoing release shall be limited to claims arising during Participating Class Members’ staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1. ~~XYZ’s Declaration in Support~~ No Potential Conflicts with Administrator. Defendants and Defense Counsel are not aware of Preliminary Approval. Within _____ days of the full execution of this Agreement, XYZ will prepare and deliver to Class Counsel a signed Declaration from XYZ and Defense Counsel disclosing all facts relevant to any actual or any potential conflicts of interest with the Administrator. Defendants and Cy Pres Recipient. In their Declarations, Defense Counsel and XYZ shall aver ~~represent~~ that they are not aware of any other pending matter or action asserting claims that will be extinguished or ~~adversely~~ affected by the Settlement.
- 6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~and/or the proposed Cy Pres~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, Defendant, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~and/or~~ the Administrator ~~and/or the proposed Cy Pres~~; ~~(v; (vi))~~ (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint ~~the operative complaint in the Action~~ (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); ~~(vi) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court;~~ (l)(2)); and

(vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition ~~to~~^{of} appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses, including without limitation, calculating the Individual Class Payments to be issued to Participating Class Members, Individual PAGA Payment to be issued to Aggrieved Employees, sending notices and translating same to Spanish, preparing all checks and mailings, establishing a qualified settlement fund and holding the various payments from Defendants comprising the Gross Settlement Amount and employer payroll taxes. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- ~~6.1. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.~~
- 7.2. -Tax Reporting. The Administrator will be responsible for calculating the applicable taxes and withholdings, including Defendants' employer payroll taxes owed on the Individual Class Payments, and for paying all taxes and withholdings to the applicable taxing or governmental authorities with the necessary reports, and submitting copies to Defense Counsel. The Administrator shall issue to Participating Class Members IRS Forms W-2 for the Wage Portions of the Individual Class Payments, IRS Forms 1099 for the Non-

Wage Portions, and IRS Forms 1099 to Aggrieved Employees for Individual PAGA Payments, as described in this Agreement.

7.2.7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.3.7.4. Notice to Class Members.

7.3.1.7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, ~~PAGA—Members~~Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.3.2.7.4.2. Using best efforts to perform as soon as possible, and in no event later than {14} days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice {with Spanish translation, ~~if applicable~~} substantially in the form attached to this Agreement as Exhibit ~~_____~~A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Period Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.3.3.7.4.3. Not later than {3} business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.3.4.7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional ~~{147}~~ days beyond the ~~{60}~~4560 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.3.5.7.4.5. If the Administrator, ~~XYZ~~Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class

Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~{14}~~ days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.4.7.5. Requests for Exclusion (Opt-Outs).

~~7.4.1.~~7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than ~~{60}~~45~~60~~ days after the Administrator mails the Class Notice (plus an additional ~~{14}~~7 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

~~7.4.2.~~7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

~~7.4.3.~~7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs ~~65~~65.2 and ~~65~~65.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~7.4.4.~~7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph ~~6.45~~6.45.3 of this Agreement and are eligible for an Individual PAGA Payment.

~~7.5.~~7.6. Challenges to Calculation of Workweeks. Each Class Member shall have ~~{60}~~45~~60~~ days after the Administrator mails the Class Notice (plus an additional ~~{14}~~7 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The

Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.6.7.7. Objections to Settlement.

7.6.1.7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.6.2.7.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than ~~{60}~~⁴⁵60 days after the Administrator's mailing of the Class Notice (plus an additional ~~{14}~~⁷ days for Class Members whose Class Notice was re-mailed).

7.6.3.7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.7.7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.7.1.7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.7.2.7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than ^{5}5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and

Defense Counsel containing (a) the names ~~and other identifying information~~ of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); ~~and~~ (b) the names ~~and other identifying information~~ of Class Members who have submitted invalid Requests for Exclusion; ~~(c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).~~

~~7.7.3.~~7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include ~~provide~~ the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

~~7.7.4.~~7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

~~7.7.5.~~7.8.5. Administrator’s Declaration. Not later than ~~{14}~~ days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

~~7.7.6.~~7.8.6. Final Report by Settlement Administrator. Within ~~{10}~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least ~~{15}~~ days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the ~~Administrator’s~~Administrator’s declaration in Court.

~~7. CLASS SIZE ESTIMATES [and ESCALATOR CLAUSE] Based on its records, XYZ estimates that, as of the date of this Settlement Agreement, (1) there are _____ Class~~

~~Members and _____ Total Workweeks during the Class period and (2) there were _____ Aggrieved Employees who worked _____ Pay Periods during the PAGA period.~~

8. XYZ'S CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE Based on its records, Defendants estimate there are a total of 15,319 Workweeks as of May 8, 2023 (i.e., as of the date the Parties participated in mediation). Should the total number of Workweeks worked by Participating Class Members during the Class Period increase by more than 10% of this figure (i.e., by more than 1,532 Workweeks), Defendants shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks worked by Participating Class Members above 10% (i.e., if there is a 12% increase in the number of Workweeks worked by Participating Class Members, Defendants shall increase the Gross Settlement Amount by 2%).

8.9. DEFENDANTS' RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ~~% _____~~ 5% of the total of all Class Members, ~~XYZ Defendants~~ may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if ~~XYZ withdraws~~ Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, ~~XYZ Defendants~~ will remain responsible for paying all Settlement Administration Expenses incurred to that point. ~~XYZ Defendants~~ must notify Class Counsel and the Court of its election to withdraw not later than ~~{seven}~~fourteen (14) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9.10. MOTION FOR FINAL APPROVAL. Not later than ~~{16}~~ court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than ~~{seven}~~ (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1.10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than ~~that {than} five~~ (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2.10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment

shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3.10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4.10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment ~~reflected~~ set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9.5.10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10.11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit ~~and~~ a proposed amended judgment.

11.12. ADDITIONAL PROVISIONS.

11.1.12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by ~~XYZ~~ Defendants that any of the allegations in the ~~Operative Complaint~~ operative complaint in the Action have merit or that ~~XYZ has~~ Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that ~~XYZ's~~ Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this

Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, ~~XYZ reserves~~Defendants reserve the right to contest certification of any class for any reasons, and ~~XYZ reserves~~Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest ~~XYZ's~~Defendants' defenses. The Settlement, this Agreement and ~~Parties'~~Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2.12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, ~~XYZ~~Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, ~~XYZ~~Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, ~~any~~ with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3.12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.4.12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.5.12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant~~^~~ and represent that they are authorized by Plaintiff and ~~XYZ~~Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.6.12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.7.12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.8.12.8. No Tax Advice. Neither Plaintiff, Class Counsel, [XYZDefendants](#) nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9.12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.10.12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11.12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.12.12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.13.12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

11.14.12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by [XYZDefendants](#) in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from [XYZDefendants](#) unless, prior to the

Court's discharge of the Administrator's obligation, [XYZDefendants](#) makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

~~11.15.~~12.15. 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.

~~11.16.~~12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~11.17.~~12.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

[Zorik Mooradian, Esq.](#)
[Haik Hacopian, Esq.](#)
[MOORADIAN LAW, APC](#)
[24007 Ventura Blvd., Suite 210](#)
[Calabasas, CA 91302](#)
zorik@mooradianlaw.com
haik@mooradianlaw.com

To [XYZDefendants](#):

[Karen Luh, Esq.](#)
[Stephanie Y. Yun, Esq.](#)
[JACKSON LEWIS P.C.](#)
[725 S Figueroa, Suite 2500](#)
[Los Angeles, CA 90017](#)
karen.luh@jacksonlewis.com
stephanie.yun@jacksonlewis.com

~~11.18.~~12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~11.19.~~12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: PLAINTIFF ALFREDO B. ZAPETA

Alfredo B. Zapeta,
Individually and as Class Representative

DATED: DEFENDANT ALL DAY SERVICE, INC.

By: Kate Park

DATED: DEFENDANT
ADVANCED DYNAMIC SOLUTIONS, INC.

By: Kate Park

DATED: DEFENDANT HR SERVICE GROUP, LLC

By: Scott Smrkovski, President

APPROVED AS TO FORM:

DATED: MOORADIAN LAW, APC

Zorik Mooradian
Haik Hacopian
Counsel for Plaintiff

DATED: JACKSON LEWIS P.C.

Karen Luh

Stephanie Y. Yun

Counsel for Defendants

EXHIBIT A

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

~~(Case name and number)~~

Alfredo B. Zapeta v. All Day Service, Inc., et al.
Los Angeles Superior Court Case No.: 22STCV15831

***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 an employee class action lawsuit (“Action”) against ~~_____ (abbreviate name; “XYZ” is used herein as a placeholder)~~ ALL DAY SERVICE, INC., ADVANCED DYNAMIC SOLUTIONS, INC., and HR SERVICE GROUP, LLC (“Defendants”) for alleged wage and hour violations. The Action was filed by ~~a[n] [former] XYZ employee _____~~ ALFREDO B. ZAPETA (“Plaintiff”) and seeks payment of (1) back wages ~~[and other relief]~~ for a class of [e.g., all current and former non-exempt, hourly] paid employees (“Class Members”) of Defendants who worked for XYZ were staffed at the Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels during the Class Period (~~_____ of March 3, 2018 to _____~~); May 8, 2023 (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all ~~[e.g., current and former non-exempt, hourly] paid employees of Defendants who worked for XYZ were staffed at these hotels~~ during the PAGA Period (~~_____ of March 3, 2021 to _____~~) May 8, 2023 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring XYZ Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring XYZ Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on XYZ’s 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 XYZ’s Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on XYZ’s Defendants’ records showing that **you worked _____ workweeks during the Class Period and you worked _____ workweeks _____ pay periods during the PAGA Period.** while staffed at the Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, or Viceroy Santa Monica hotels. If you believe that you worked more workweeks/pay periods for Defendants staffed at these hotels during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already 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 not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve

the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires XYZDefendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZDefendants.

If you worked for XYZDefendants during the Class Period and/or the PAGA Period as described above, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against XYZDefendants that are covered by this Settlement.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing of your request to be excluded. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against XYZ, and, if Defendants. You cannot opt-out of the PAGA portion of the proposed Settlement. If you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment. You cannot regardless of whether you opt-out of the PAGA portion of the proposed Class Settlement.

XYZDefendants 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 wage claims against <u>XYZDefendants</u> that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement. The Opt-out Deadline is <u> </u> <u> </u> .	If you don’t want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. <u>XYZDefendants</u> must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released <u>PAGA</u> Claims (defined below).

Participating Class ~~Member~~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 Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
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), in person, <u>or</u> by telephone ~~or by using the Court’s virtual appearance platform~~. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by _____.	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked <u>at least one day</u> during the Class Period and how many Pay Periods you worked <u>at least one day</u> during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA ~~Period~~ Pay Periods you worked according to <u>XYZ’s</u>~~Defendants’~~ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____, _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a ~~[n]~~ ~~[former]~~ XYZ employee of Defendants. The Action accuses XYZ~~Defendants~~ of violating California labor laws by failing to pay ~~[e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses]~~ and failing to provide ~~[e.g., compliant meal periods, rest breaks and accurate itemized wage statements]~~. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: MOORADIAN LAW, APC (“Class Counsel.”) ~~XYZ~~). Defendants strongly ~~denies~~deny violating any laws or failing to pay any wages and ~~contends~~contend ~~it-they~~ complied with all applicable laws. Defendants are represented by attorneys in the Action: LANDEGGER-VERANO & DAVIS, ALG JACKSON LEWIS P.C. (“Defense Counsel”).

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

So far, the Court has made no determination whether XYZ~~Defendants~~ or Plaintiff is correct on the merits. In the meantime, Plaintiff and XYZ~~Defendants~~ hired ☐ an experienced, neutral

mediator ~~□ a retired judge □ (describe alternative means of negotiation) a~~ in an effort to resolve the Action by negotiating an ~~to~~ to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and XYZ 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, XYZ does Defendants do not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) XYZ has 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 Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

- (1) XYZ Defendants Will Pay \$300,000.00 as the Gross Settlement Amount ~~(“Gross Settlement”)~~ XYZ has). 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 Service Payment, Class Counsel’s attorney’s 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, XYZ Defendants will fund the Gross Settlement ~~not more than~~ by May 8, 2024, or within 14 days after the Judgment entered by the Court become final, whichever comes later. The Judgment will be final on the date the Court enters Judgment, 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, Plaintiff 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 \$ ~~(~~ %105,000.00 (35% of the Gross Settlement ~~)~~ to Class Counsel for attorneys’ fees and up to \$ \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b) Up to \$ \$7,500.00 as a Class Representative Award Service Payment for filing the Action, working with Class Counsel and representing the Class. ~~A~~ The Class Representative Award Service Payment will be the only monies Plaintiff will receive other than each Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - c) Up to \$ \$9,000 to the Administrator for services administering the Settlement.

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 ~~XYZ~~ 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) who are Aggrieved Employees remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against ~~XYZ~~ Defendants based on the PAGA ~~Period facts~~ claims alleged in the Action.

~~(6)~~(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 Plaintiff and ~~XYZ~~ Defendants have agreed that, in either case, the Settlement will be void: ~~XYZ~~ Defendants will not pay any money and Class Members will not release any claims against ~~XYZ~~ Defendants.

~~(7)~~(8) Administrator. The Court has appointed a neutral company, Phoenix Settlement 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~~ 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.

~~(8)~~(9) Participating Class Members’ Release. After the Judgment is final and ~~XYZ~~ has Defendants have fully funded the Gross Settlement ~~[Option 1: (and separately paid all employer payroll taxes)]~~, Participating Class Members will be legally barred from asserting any of the ~~claims~~ “Released Class Claims” released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against ~~XYZ~~ Defendants or its related entities ~~for wages~~ based on the Class ~~Period facts and PAGA penalties based on PAGA Period facts, as~~ claims alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the release of the following ~~release:~~ “Released Class Claims”:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from ~~(i) any and~~ all claims that were ~~alleged, or reasonably~~ could have been alleged, ~~based on the Class Period facts stated~~ based on the facts set forth in the operative complaint in the Operative Complaint ~~[and ascertained in the course of the Action]~~ [that arose during the Class Period] including, ~~e.g., “(a) any and all~~ without limitation

with respect to the following claims involving any alleged: (a) failure to provide meal periods; (b) failure to provide paid rest periods; (c) failure to pay minimum wage; etc.; wages; (d) failure to timely pay wages at termination/separation; (e) failure to provide compliant itemized statements; (f) failure to reimburse business expenses; (g) Violation of unfair business practices act – Bus. Prof. Code 17200, et seq.; (h) penalties pursuant to Private Attorneys General Act (PAGA); (i) violation of or claims under the following sections of the California Labor Code, sections 200, 201, 202, 203, 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 2800, 2802; and (j) violation of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties, interest or attorneys’ fees associated with all of such causes of action under California law (“Released Class Claims”). Except as set forth in Section 6.3 of the Settlement Agreement for Released PAGA Claims being released by Aggrieved Employees, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period. The foregoing release shall be limited to claims arising during Participating Class Members’ staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

The “Released Parties” means: Defendants, and each of its former and present directors, officers, principals, trustees, shareholders, owners, managers, managing agents, attorneys, insurers, predecessors, successors, assigns, DBAs, parents, subsidiaries, and affiliates.

~~(9)~~(10) Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and ~~XYZ has paid~~ Defendants have fully funded the Gross Settlement ~~(and separately paid the employer-side payroll taxes),~~ all Aggrieved Employees will be barred from asserting any of the “Released PAGA claims/Claims” against ~~XYZ Defendants~~, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, 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 PAGA claim against ~~XYZ Defendants~~ or its related entities based on the PAGA ~~Period facts/claims~~ alleged in the Action and resolved by this Settlement. The foregoing release shall be limited to claims arising during Participating Class Members’ staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

The Aggrieved Employees’ ~~Releases for Participating and Non-~~ will be bound by the release of the following “Released PAGA Claims”:

All Aggrieved Employees, regardless of whether they are Participating Class Members are as follows:

~~All Participating and/or Non-Participating Class Members who are Aggrieved Employees are deemed to release~~, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties, from all claims ~~for PAGA penalties, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act~~ that were alleged, or reasonably could have been alleged, based on the ~~PAGA Period facts stated~~ claims asserted in the ~~Operative Complaint[,] [and] operative complaint in the Action~~, the PAGA Notice ~~[(and any amendments or supplements thereto)]~~ and ascertained in the course of the Action~~[(and any amendments or supplements thereto)]~~, arising during or with respect to the PAGA Period. (“Released PAGA Claims”). The foregoing release shall be binding on Plaintiff, the Aggrieved Employees, and the State of California, and shall entitle Defendants to bar by res judicata any claim under the PAGA brought by any person, including, e.g., (a) any and all claims involving any alleged failure the Aggrieved Employees, on behalf of the State of California, as to pay minimum wage; etc.] any claims predicated on the Released PAGA Claims. . The foregoing release shall be limited to claims arising during Participating Class Members’ staffing at the following locations: Sofitel Los Angeles at Beverly Hills, Pendry West Hollywood, InterContinental Los Angeles Downtown, Viceroy Santa Monica.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- (1) ~~Individual Class Payments.~~ Individual Class Payments. The “Net Settlement Amount” is calculated by deducting from the Gross Settlement Amount the amounts approved by the Court for the Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- (2) Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ _____ the 25% share of the PAGA Penalties (\$3,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA ~~Period~~ Pay Periods worked by each individual Aggrieved Employee.
- (3) Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ’s Defendants’ records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. 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 need to support your challenge by

sending copies of pay stubs or other records. The Administrator will accept XYZ's Defendants' calculation of Workweeks and/or Pay Periods based on XYZ's 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 and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and XYZ's 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 Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment, if any.
- (2) Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt out of the Class Settlement (i.e., every Non-Participating Class Member)- who is an Aggrieved Employee).

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?

Submit a written and signed letter with your name, present address, telephone number, the last four digits of your social security number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as Alfredo B. Zapeta v. All Day Service, Inc., et al., and include your identifying information (full name, address, telephone number, approximate dates of employment, and the last four digits of your social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded 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 Plaintiff and XYZ Defendants are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff 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 Service AwardPayment](#) stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service [AwardPayment](#). 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. You can also view them on the [Administrator's Website](#) [: \(url\)](#) or the Court's website [: \(url\)](#) <https://www.lacourt.org/casesummary/ui>.

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 Service AwardPayment](#) may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is** [\(url\)](#). 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 [Alfredo B. Zapeta v. All Day Service, Inc., et al.](#) and include your name, current address, telephone number, and approximate dates of employment for [XYZDefendants](#) 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 [\(url\)](#) at [\(url\)](#) in Department [776](#) of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. 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, Plaintiff, 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 via LACourtConnect (<https://www.lacourt.org/lacc/>). 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 Administrator's [website](#) [\(url\)](#) 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 [XYZDefendants](#) and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [\(url\)](#) [\(specify entity\)](#)'s website at [\(url\)](#). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior

Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 22STCV07872. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Name of Attorney:

Email Address:

Name of Firm:

Mailing Address:

Telephone:

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Email Address

Mailing Address

Telephone

Fax Number

Attorneys for the Plaintiff Julia Garcia and Settlement Class Members:

Zorik Mooradian, Esq.

zorik@mooradianlaw.com

Haik Hacopian, Esq.

haik@mooradianlaw.com

MOORADIAN LAW, APC

24007 Ventura Blvd., Suite 210

Calabasas, CA 91302

Telephone: (818) 487-1998

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 should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

☐ ~~you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds~~

☐ ~~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.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
OR DEFENDANTS WITH INQUIRIES.**

The statements in this document are not findings by a court of law. These statements are not an expression of opinion or approval by a judge. This notice is based only on statements by the Parties to this Lawsuit. You received this notice to help you decide what steps, if any, to take about this Lawsuit.

EXHIBIT “C” – PAGA NOTICE

MOORADIAN LAW, APC
24007 Ventura Boulevard, Suite 210
Calabasas, California 91302
Mooradianlaw.com
Telephone 1-818-487-1998
Facsimile 1-888-783-1030

HAIK HACOPIAN

E-mail: haik@mooradianlaw.com

MARCH 4, 2022

VIA USPS CERTIFIED MAIL

All Day Service Inc
1542 Edinger Ave., Suite E
Tustin, CA 92780
7019 0160 0000 9187 4823

All Day Service Inc
17805 Sky Park Circle, Ste. A
Irvine, CA 92614
7019 0160 0000 9187 4816

Advanced Dynamic Solutions, Inc.
3002 Dow Ave., Suite 108
Tustin, CA 92780
7019 0140 0000 33433 6450

HR Service Group, LLC
3905 National Drive
Burtonsville, MD 20866
7019 0160 0000 9187 4847

InCorp Services, Inc.
Agent for Service of Process for
HR Service Group, LLC
5716 Corsa Ave., Suite 110
Westlake Village, CA 91362-7354
7019 0700 0002 2582 8618

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
All Day Service Inc, Advanced Dynamic Solutions, Inc., &
HR Service Group, LLC

To Whom It May Concern:

This office represents Alfredo Zapeta with respect to Private Attorneys General Act (“PAGA”) claims that he intends to pursue against All Day Service Inc, Advanced Dynamic

Solutions, Inc., and HR Service Group, LLC (jointly referred to herein as “Employers”) based upon their illegal wage and hour practices in the State of California as to their non-exempt employees. This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Defendants are engaged in the business of employment staffing services. Mr. Zapeta worked as a non-exempt hourly employee of Employers at various hotels in Los Angeles County including the Four Seasons Beverly Hills and Viceroy Santa Monica. Employers employ numerous non-exempt, hourly paid employees such as Mr. Zapeta in California. Unfortunately, Employers have engaged in the following practices:

Failure to Pay Wages

Employers implemented the policy and practice of failing to pay employees for all hours worked. Employers engaged in the practice of requiring off-the-clock work by employees. Specifically, employees were required to engage in both pre-shift and post-shift work off-the-clock that amounted to around 30 minutes a day of unpaid time. Employees also did not receive off-duty meal breaks and worked through the periods they would legally be entitled to a meal break and which time Employers considered unpaid time. The foregoing practices resulted in underpayment of wages, including underpayment of overtime and double-time to the extent applicable.

Meal Breaks

Employers engage in the practice of not allowing mandated meal breaks and not compensating employees for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period. Employees were required to work straight through their shifts and worked through periods during which they would be legally entitled to off-duty thirty (30) minute meal breaks.

Rest Breaks

Employers engage in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Employees did not receive premium pay for these missed rest breaks. Employees were required to work straight through their shifts and worked through periods during which they would be legally entitled to off-duty ten (10) minute rest breaks.

Waiting Time

At the time of an employee's separation (whether it be by termination or resignation) Employers have failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable. In Mr. Zapeta's case and as to his undisputed wages, he was terminated on August 13, 2021 and received his final paycheck two weeks later on August 27, 2021.

Noncompliant Wage Statements

Employers have adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums.

Failure to Fully Reimburse Employee Expenses

Employers required that employees use their personal mobile phones for work-related purposes and use their personal vehicles for work-related travel. Employers were aware of such expenses incurred by employees but provided no reimbursement, or insufficient reimbursement, to employees for these expenses which they incurred.

Additional Penalties

Mr. Zapeta and all other similarly aggrieved California employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which Employers have violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: Employers violated, and continue to violate, Labor Code Section 201 by failing to pay the employees they have discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: Employers violated, and continue to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: Employers violated, and continue to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Section 204: Employers violated, and continue to violate, Labor Code Section 204 by failing to pay wages to employees for all hours worked as explained above and within seven (7) calendar days following the close of payroll periods.

Labor Code Section 226: Employers violated, and continue to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: Employers violated, and continue to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 510: Employers violated, and continue to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law.

Labor Code Section 512: Employers violated, and continue to violate, Labor Code Section 512 by not providing aggrieved employees with legally compliant meal periods.

Labor Code Section 1194: Employers violated, and continue to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Labor Code Section 2802: Employers violated and continue to violate, Labor Code Section 2802 by failing to indemnify employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge of their duties.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we may file an appropriate action, pursuant to Labor Code Section 2698 *et seq.* Mr.

Zapeta and all other similarly aggrieved California employees intend to seek all penalties for the violations described above. Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,

MOORADIAN LAW, APC

/s/ Haik Hacopian

HAIK HACOPIAN

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Tustin, CA 92780

OFFICIAL USE

Certified Mail Fee \$3.75
\$0.00
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Sent To

ADVANCED DYNAMIC SOLUTIONS, INC.
Street and Apt. No., or PO Box No.
3002 DOW AVE, SUITE 108
City, State, ZIP+4®
TUSTIN, CA 92780

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Irvine, CA 92614

OFFICIAL USE

Certified Mail Fee \$3.75
\$0.00
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Sent To

ALL DAY SERVICE INC
Street and Apt. No., or PO Box No.
17805 SKY PARK CIRCLE, STE. A
City, State, ZIP+4®
IRVINE, CA 92614

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Tustin, CA 92780

OFFICIAL USE

Certified Mail Fee \$3.75
\$0.00
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Sent To

ALL DAY SERVICE INC
Street and Apt. No., or PO Box No.
1542 EDINGER AVE., SUITE E
City, State, ZIP+4®
TUSTIN, CA 92780

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Burtonsville, MD 20866

OFFICIAL USE

Certified Mail Fee \$3.75
\$0.00
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Sent To

HR SERVICE GROUP, LLC
Street and Apt. No., or PO Box No.
3905 NATIONAL DRIVE
City, State, ZIP+4®
BURTONSVILLE, MD 20866

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Thousand Oaks, CA 91320

OFFICIAL USE

Certified Mail Fee \$3.75
\$0.00
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Sent To

INCORP. SERVICES, INC. AGENT FOR SERVICE OF PROCESS for
Street and Apt. No., or PO Box No.
5716 CORSA AVE., SUITE 110
City, State, ZIP+4®
WESTLAKE VILLAGE, CA 91362-7354

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions



Haik Hacopian <haik.hacopian@gmail.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "haik.hacopian@gmail.com" <haik.hacopian@gmail.com>

Fri, Mar 4, 2022 at 5:34 PM

3/4/2022

LWDA Case No. LWDA-CM-871693-22
Law Firm : Mooradian Law, APC
Plaintiff Name : Alfredo Zapeta
Employer: All Day Service Inc
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT “D” – Administration Quote



CASE ASSUMPTIONS

Class Members	388
Opt Out Rate	1%
Opt Outs Received	4
Total Class Claimants	384
Subtotal Admin Only	\$7,950.00

Not-to-Exceed Total \$7,950.00

For 388 Members

Pricing Good for Scope of Estimate Only

July 30, 2023

Case: ZAPETA v. ALL DAY HR Opt-Out Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Haik Hacopian, Esq.

Firm: Mooradian Law, APC

Contact Number: 818.487.1998 tel

Email: haik.hacopian@gmail.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on **388** Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	2	\$200.00
Programming Database & Setup	\$100.00	2	\$200.00
Toll Free Setup*	\$111.71	1	\$111.71
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$100.00	1	\$100.00
Total			\$643.71

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.50	388	\$194.00
Notice Packet & Opt-Out Form	\$1.00	388	\$388.00
Estimated Postage (up to 2 oz.)*	\$0.87	388	\$337.56
Static Website	\$200.00	1	\$200.00
Language Translation	\$750.00	1	\$750.00
Total			\$2,069.56

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$1.00	78	\$77.60
Remail Notice Packets	\$1.00	78	\$77.60
Estimated Postage	\$0.87	78	\$67.51
Programming Undeliverables	\$55.00	2	\$110.00
Total			\$442.71

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Non Opt-Out Processing	\$200.00	1	\$200.00
Case Associate	\$55.00	3	\$165.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	10	\$97.00
Case Manager	\$85.00	2	\$170.00
Total			\$902.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$100.00	2	\$200.00
Disbursement Review	\$125.00	2	\$250.00
Programming Manager	\$95.00	2	\$190.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Mail Class Checks *	\$1.00	384	\$384.12
Estimated Postage	\$0.64	384	\$245.84
Total			\$1,719.96

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	2	\$200.00
Remail Undeliverable Checks (Postage Included)	\$2.50	77	\$192.06
Case Associate	\$75.00	1	\$75.00
Reconcile Uncashed Checks	\$85.00	1	\$85.00
Conclusion Reports	\$100.00	2	\$200.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,000.00	1	\$1,000.00
Total			\$2,172.06

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$7,950.00



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.