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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN FRANCISCO

SHASTA COLLINS, on behalf of herself and
on behalf of all persons similarly situated,

Plaintiffs,

vs.

HILTON MANAGEMENT, LLC, a Delaware
limited liability company; and DOES 1 through
50, Inclusive;

Defendants.

Case No. CGC-21-590959

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 30, 2024

Time: 9:00 a.m.

Judge: Hon. Anne-Christine Massullo

Dept.: 302

1 This matter having come before the Honorable Judge Anne-Christine Massullo of the Superior
2 Court of the State of California, in and for the County of San Francisco, at 9:00 a.m. on August 30,
3 2024 with Jean-Claude Lapuyade, Esq., of the JCL Law Firm, APC and Shani O. Zakay, Esq. of the
4 Zakay Law Group, APLC as counsel for Plaintiff SHASTA COLLINS (“Plaintiff”), and Jackson
5 Lewis P.C., appearing for Defendants HILTON MANAGEMENT, LLC and HILTON
6 MANAGEMENT, LLC (“Defendants”). The Court, having carefully considered the briefs,
7 argument of counsel and all the matters presented to the Court, and good cause appearing, hereby
8 GRANTS Plaintiff’s Motion for Preliminary Approval of Class and PAGA Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the proposed settlement terms as outlined in the
11 Parties’ Memorandum of Understanding, a true and correct copy of which is attached hereto as **Exhibit**
12 **“2”**, and further expanded in the Parties’ partially executed long-form Settlement Agreement, a true
13 and correct copy of which is attached hereto as **Exhibit “1”** (the
14 “Settlement”). This is based on the Court’s determination that the Settlement is within the range of
15 possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil
16 Procedure and California Rules of Court, rule 3.769.

17 2. This Order incorporates by reference the definitions used in the Settlement, and all terms
18 defined therein shall have the same meaning in this Order as set forth in the Settlement.

19 3. Subject to the terms of the Settlement, the Gross Settlement Amount that Defendants
20 shall pay is Two Million Dollars and Zero Cents (\$2,000,000.00). It appears to the Court on a
21 preliminary basis that the settlement amount and proposed terms are fair, adequate, and reasonable as
22 to all Class Members when balanced against the probable outcome of further litigation relating to
23 certification, liability, and damages issues. It further appears that investigation and research have been
24 conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It
25 further appears to the Court that settlement at this time will avoid substantial additional costs by all
26 Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the
27

1 litigation. It further appears that the Settlement has been reached as the result of intensive, serious, and
2 non-collusive arms-length negotiations.

3 4. The Court preliminarily finds that the Settlement appears to be within the range of
4 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court
5 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
6 finds that the monetary settlement awards made available to the Class Members are fair, adequate, and
7 reasonable when balanced against the probable outcome of further litigation relating to certification,
8 liability, and damages issues.

9 5. Plaintiff seeks Attorneys' Fees and Expenses in the amount of up-to one-third of the
10 Gross Settlement Amount for attorneys' fees, currently estimated at Six Hundred Sixty-Six Thousand,
11 Six-Hundred Sixty-Six Dollars and Sixty-Six Cents (\$666,666.66), plus a reimbursement of reasonably
12 incurred expenses in an amount of up to Sixty Thousand Dollars (\$60,000.00), and proposed
13 Enhancement Payment to the Class Representative, Shasta Collins, in an amount of not more than Ten
14 Thousand Dollars and Zero Cents (\$10,000.00). While these awards appear to be within the range of
15 reasonableness, the Court will not approve the Attorneys Fees and Expenses, or the Enhancement
16 Payment until the Final Approval Hearing.

17 6. The Court recognizes that under the Settlement, the class would be certified for
18 settlement purposes only. Such certification will not be deemed admissible in this, or any other
19 proceeding should this Settlement not become final. For settlement purposes only, the Court
20 conditionally certifies the following Class:

21 All non-exempt employees who are or previously were employed by Defendants and performed
22 work at the Hilton San Francisco Union Square Hotel during the period from February 22, 2017,
23 to November 19, 2023 (the "Class Period").

24 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
25 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is
26 ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b)

1 common questions of law and fact predominate, and there is a well-defined community of interest
2 amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the
3 Class Representative are typical of the claims of the Class Members; (d) the Class Representative will
4 fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other
5 available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified
6 to act as counsel for the Class Representative in her individual capacity and as the representative of the
7 Class Members.

8 8. The Court provisionally appoints Plaintiff Shasta Collins as the representative of the
9 Class.

10 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of JCL Law Firm, APC
11 and Shani Zakay, of Zakay Law Group, APLC as Class Counsel for the Class Members.

12 10. The Court hereby approves, as to form and content, the Proposed Class Notice (“Class
13 Notice”) attached to Exhibit 1 as **Exhibit “A”**. The Court finds that the notice appears to fully and
14 accurately inform the Class Members and Aggrieved Employees of all material elements of the
15 proposed Settlement, including the right of any Class Member to be excluded from the Class by
16 submitting a written request for exclusion, and of each Class Member’s right and opportunity to object
17 to the settlement. The Court further finds that the distribution of the notices substantially in the manner
18 and form set forth in the Agreement and this Order meets the requirements of due process, is the most
19 reasonable notice under the circumstances, and shall constitute due and sufficient notice to all persons
20 entitled thereto. The Court orders the mailing of the notices by first class mail, pursuant to the terms
21 set forth in the Agreement.

22 11. The Court hereby appoints Apex Class Action LLC, as Settlement Administrator. Within
23 ten (10) days after the Preliminary Approval Date, Defendants shall provide the Settlement
24 Administrator with the Class Data, including information regarding Class Members that Defendants
25 will in good faith compile from its records, including each Class Member’s full name, last-known
26 mailing address, Social Security number, telephone number, and number of Class Period Workweeks

1 and PAGA Pay Periods. No later than fourteen (14) days after receipt of the Class Data, the Settlement
2 Administrator shall mail copies of the Notice Packet to all Class Members via first class U.S. Mail.

3 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
4 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
5 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
6 settlement of the Released Class Claims that are set forth in the Notice. All requests for exclusion must
7 be postmarked or received by the Response Deadline which is forty-five (45) calendar days after the
8 Settlement Administrator mails the Notice Packets to Class Members or, in the case of re-mailed
9 Notice, not more than fifteen (15) days from the original Response Deadline. Any such person who
10 chooses to opt out of and be excluded from the Settlement will not be entitled to an Individual
11 Settlement Payment under the Settlement and will not be bound by the Settlement, or have any right to
12 object, appeal or comment thereon. Class Members who have not requested exclusion shall be bound
13 by all determinations of the Court, the Agreement, and Judgment.

14 13. Any Class Member who has not opted out may appear at the final approval hearing and
15 may object or express the Class Member's views regarding the Settlement and may present evidence
16 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
17 by the Court as provided in the Notice. Class Members will have forty-five (45) calendar days from the
18 date the Settlement Administrator mails the Class Notice to postmark their written objections to the
19 Settlement Administrator.

20 14. A final approval hearing shall be held before this Court on _____ at
21 _____ AM/PM in Department 610 of the San Francisco County Superior Court to determine all
22 necessary matters concerning the Settlement, including: whether the proposed settlement of the Action
23 on the terms and conditions provided for in the MOU and Agreement are fair, adequate and reasonable
24 and should be finally approved by the Court; whether an Order Granting Final Approval should be
25 entered herein; whether the plan of allocation contained in the MOU and Agreement should be
26 approved as fair, adequate and reasonable to the Class; and to finally approve the Attorneys' Fees and
27

1 Expenses, Enhancement Payment, and the Settlement Administration Expenses. All papers in support
2 of the motion for final approval and the motion for Attorneys' Fees and Expenses and Enhancement
3 Payment shall be filed with the Court and served on all counsel within twenty-eight (28) days following
4 the expiration of the Response Deadline.

5 15. In the event the Settlement does not become effective in accordance with the terms of the
6 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
7 effective for any reason, this Settlement Agreement shall be rendered null and void and shall be vacated,
8 and the Parties shall revert to their respective positions as of before entering into the Agreement. In
9 such an event, the Court's orders regarding the Settlement, including this Preliminary Approval Order,
10 shall not be used or referred to in litigation for any purpose. Nothing in this paragraph is intended to
11 alter the terms of the Settlement Agreement with respect to the effect of the Settlement Agreement if it
12 is not approved.

13 16. The Court reserves the right to adjourn or continue the date of the final approval hearing
14 and all dates provided for in the Agreement without further notice to Class Members and retains
15 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.
16
17
18

19 Dated: _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

SETTLEMENT AGREEMENT OF CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS

This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims is entered into by and between Plaintiff SHASTA COLLINS (hereinafter “Plaintiff”), individually, on behalf of herself and on behalf of all persons similarly situated, and Defendants HILTON MANAGEMENT, LLC (“Hilton Management”) and HILTON HOTEL EMPLOYER LLC (“Hilton Hotel Employer”) (hereinafter “Defendants”) (together the “Parties”):

I. DEFINITIONS

- A. “Action” shall mean the putative class action lawsuit designated *Shasta Collins v. Hilton Management, LLC, et al.*, San Francisco County Superior Court, Case No. CGC-21-590959, filed April 12, 2022.
- B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of Class and PAGA Action and Release of Claims.
- C. “Aggrieved Employees” means all non-exempt employees who are or previously were employed by Defendant and performed work at the Hilton San Francisco Union Square Hotel in California during the PAGA Period.
- D. “Attorneys’ Expenses” means the award of expenses that the Court authorizes to be paid to Class Counsel for the expenses they have incurred, as documented in Class Counsel’s billing statement not to exceed Sixty Thousand Dollars and Zero Cents (\$60,000.00).
- E. “Attorneys’ Fees” means the award of fees that the Court authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff and the Settlement Class in the Action, currently not to exceed one-third of the Gross Settlement Amount currently estimated to be \$666,666.66 out of \$2,000,000.00. Attorneys’ fees will be divided between Class Counsel as follows (50% to JCL Law Firm, APC, and 50% to Zakay Law Group, APLC).
- F. “Claims Administration Expenses” shall mean the amount paid to the Settlement Administrator from the Gross Settlement Amount for administering the Settlement pursuant to this Agreement currently estimated not to exceed the estimate of the Claims Administrator to administrate the settlement.

- G. “Class” or the “Class Members” means all non-exempt employees who are or previously were employed by Defendants and performed work at the Hilton San Francisco Union Square Hotel during the Class Period.
- H. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and Shani Zakay of Zakay Law Group, APLC.
- I. “Class Data” means information regarding Class Members that Defendants will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class Member’s full name; last known address; Social Security Number; start dates and end dates of employment.
- J. “Class Period” means the period between February 22, 2017 and November 19, 2023.
- K. “Class Representative” shall mean Shasta Collins.
- L. “Court” means the Superior Court for the State of California, County of San Francisco, currently presiding over the Action.
- M. “Defendants” shall mean Hilton Management LLC and Hilton Hotel Employer LLC.
- N. “Effective Date” means the date of final approval if no objections are filed to the settlement. If objections are filed and overruled, and no appeal is taken of the final approval order, then the effective date of final approval will be the date the Court enters the order and judgment granting final approval of the settlement. If an appeal is taken from the Court’s overruling of objections to the settlement, then the effective date of final approval will be five (5) calendar days after the appeal is withdrawn or after an appellate decision affirming the final approval decision becomes final.
- O. “Funding Date” shall mean the date by which Defendants have paid the entire Gross Settlement Amount to the Claims Administrator in accord with the terms of this Agreement and shall occur no later than sixty (60) calendar days after the Effective Date. Notwithstanding the above, Defendants shall transfer the Gross Settlement Amount into a Qualified Settlement Fund (hereinafter “QSF”) or escrow fund within 5 business days of this Agreement being executed by Defendants, where the funds shall remain until they are transferred to the Claims Administrator on the Funding Date in accordance with this Agreement.
- P. “Gross Settlement Amount” means Two Million Dollars and Zero Cents (\$2,000,000.00) that Defendants must pay into the Qualified Settlement Fund (hereinafter “QSF”) or escrow fund in

connection with this Settlement, inclusive of the sum of Individual Settlement Payments, Claims Administration Expenses, Attorneys' Fees and Attorneys' Expenses, Service Award, and the PAGA Payment and *exclusive* of the employer's share of payroll tax, if any, triggered by any payment under this Settlement.

- Q. "Individual Settlement Payments" means the amount payable from the Net Settlement Amount to each Settlement Class Member and excludes any amounts distributed to Aggrieved Employees pursuant to PAGA.
- R. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Attorneys' Fees and Attorneys' Expenses, Service Award, PAGA Payment, and Claims Administration Expenses.
- S. "Notice Packet" means the Class Notice to be provided to the Class Members in both English and Spanish languages by the Settlement Administrator in the form set forth as **Exhibits A and B** to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator).
- T. "Operative Complaint" shall mean the Complaint on file in the Action filed on August 30, 2022.
- U. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, Labor Code § 2698 *et seq.*
- V. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period that each Aggrieved Employee worked for Defendants divided by the sum total of the Pay Periods that all Aggrieved Employees worked for Defendants during the PAGA Period.
- W. "PAGA Payment" shall mean One Hundred Thousand Dollars and Zero Cents (\$100,000.00) to be allocated from the Gross Settlement Amount, with 25% of the payment going to the Aggrieved Employees and 75% of the payment going to the Labor and Workforce Development Agency ("LWDA Payment"). The amount of the PAGA Payment is subject to Court approval pursuant to California Labor Code section 2699(l). Any reallocation of the Gross Settlement Amount to increase the PAGA Payment will not constitute grounds by either party to void this Agreement, so long as the Gross Settlement Amount remains the same.
- X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved Employee Payment, as defined herein, means the number of pay periods of employment during the PAGA Period that each Aggrieved Employee worked for Defendants in California.
- Y. "PAGA Period" means the period between December 7, 2019 and November 19, 2023.

- Z. “Parties” means Plaintiff and Defendants, collectively, and “Party” shall mean either Plaintiff or Defendants, individually.
- AA. “Payment Ratio” means the respective Workweeks for each Class Member divided by the sum total Workweeks for all Class Members.
- BB. “Plaintiff” shall mean Shasta Collins.
- CC. “QSF” means the Qualified Settlement Fund established, designated, and maintained by the Settlement Administrator to fund the Gross Settlement Amount.
- DD. “Released Class Claims” shall mean the release from the Plaintiff and Class Members of all class claims alleged in the operative complaint, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period. The release also excludes the claims specifically alleged in the operative complaint in *Chirar, et al., v. Hilton Worldwide LLC*, United States District Court for the Northern District of California Case No. 14-cv-1523-JSW, namely claims for failure to remit services pursuant to Labor Code Section 351 to employees providing food and beverage service at hotel events between January 6, 2010 through the present.
- EE. “Released PAGA Claims” shall mean the release from the Aggrieved Employees of all PAGA claims alleged in the operative complaint and Plaintiff’s PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation and PAGA claims outside the PAGA Period.
- FF. “Released Parties” shall include Defendant and each of their past, present, and future respective subsidiaries, dba’s, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them.

- GG. “Response Deadline” means the date forty-five (45) calendar days after the Settlement Administrator mails Notice Packets to Class Members and the last date on which Class Members may submit requests for exclusion or objections to the Settlement.
- HH. “Service Award” mean an award in the amount of \$10,000 or in an amount that the Court authorizes to be paid to the Class Representative, in addition to her Individual Settlement Payment and her individual Aggrieved Employee Payment, in recognition of her efforts and risks in assisting with the prosecution of the Action.
- II. “Settlement” means the disposition of the Action pursuant to this Agreement.
- JJ. “Settlement Administrator” means Apex Class Action LLC, 20371 Irvine Ave., Newport Beach, CA 92660; Tel: 1-800-355-0700. The Settlement Administrator establishes, designates and maintains, as a QSF under Internal Revenue Code section 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount is deposited for the purpose of resolving the claims of Settlement Class Members. The Settlement Administrator shall maintain the funds until distribution in an account(s) segregated from the assets of Defendants and any person related to Defendants. ***All accrued interest shall be paid and distributed to the Settlement Class Members as part of their respective Individual Settlement Payment.***
- KK. “Settlement Class Members” or “Settlement Class” means all Class Members who have not submitted a timely and valid request for exclusion as provided in this Agreement.
- LL. “Workweeks,” or “Workweek” as used herein shall, mean the number of weeks of employment during the Class Period that each Class Member was employed by Defendants in California.

II. RECITALS

- A. On December 7, 2020, Plaintiff filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants.
- B. On February 22, 2021, Plaintiff filed a class action complaint (“Class Complaint”), alleging claims for:
1. Unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq*;
 2. Failure to pay minimum wages in violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1;
 3. Failure to pay overtime wages in violation of Cal. Lab. Code §§ 510 *et seq*;
 4. Failure to provide required meal periods in violation of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order;

5. Failure to provide required rest periods in violation of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order;
 6. Failure to reimburse employees for required expenses in violation of Cal. Lab. Code § 2802;
 7. Failure to provide accurate itemized statements in violation of Cal. Lab. Code § 226;
 8. Failure to provide wages when due in violation of Cal. Lab. Code §§ 201, 202 and 203;
- C. On April 12, 2021, Plaintiff filed a complaint in the San Francisco Superior Court, alleging one single claim under the Private Attorneys General Act (Labor Code Sections 2698 *et seq.*) (“PAGA Complaint”)
- D. On April 12, 2021, Defendants filed its Notice of Removal, removing the class action to the United States District Court for the Northern District of California.
- E. The Parties subsequently agreed to mediate the case, stipulate to dismiss the class action in federal court and amend the PAGA Complaint to add the Class Complaint causes of action.
- F. On April 28, 2022, Plaintiff filed the First Amended complaint, adding her Class Complaint claims to the PAGA Complaint.
- G. On or about November 1, 2022, Defendant Hilton Management answered the First Amended Complaint.
- H. On or about November 2, 2023, Plaintiff filed the Amendment in the Action, adding Hilton Hotel Employer LLC as a Defendant.
- I. The Class Representative believes she has claims based on alleged violations of the California Labor Code, and the Industrial Welfare Commission Wage Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action, and this action is manageable as a PAGA representative action.
- J. Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

- K. The Class Representative is represented by Class Counsel. Class Counsel investigated the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendants pursuant to informal requests for information to prepare for mediation. Defendants produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed with the assistance of an expert. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendants is fair, reasonable, and adequate, and is in the best interest of the Settlement Class considering all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding class certification, and numerous potential appellate issues. Although they deny any liability, Defendants are agreeing to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.
- L. On July 27, 2022, the Parties participated in mediation presided over by Jeffrey A. Ross, Esq., a respected and experienced mediator of wage and hour class and PAGA actions. The mediation did not conclude with a settlement. On September 19, 2023, the Parties participated in their second mediation presided over by Jeffrey A. Ross, Esq. This mediation concluded with a settlement, which was subsequently memorialized in the form of a Memorandum of Understanding.
- M. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Action of Plaintiff or the Class Members have merit or that Defendants bear any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendants' defenses in the Action have merit.
- N. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, taking into account all relevant factors. The Parties recognize the uncertainty, risk, expense and delay attendant to continuing the Action through trial and any

appeal. Accordingly, the Parties desire to settle, compromise and discharge all disputes and claims arising from or relating to the Action fully, finally, and forever.

- O. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendants.

1. Settlement Consideration. In full and complete settlement of the Action, and in exchange for the releases set forth below, Defendants will pay the sum of the Individual Settlement Payments, the Service Award, the Attorneys' Fee and Attorneys' Expenses, PAGA Payment, and the Claims Administration Expenses, as specified in this Agreement, equal to the Gross Settlement Amount of Two Million Dollars and Zero Cents (\$2,000,000.00). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of employer payroll taxes and as provided in Section III.A.2 below, Defendants shall not be required to pay more than the Gross Settlement Amount.
2. Class Size. Defendants represent that the Settlement Class was comprised of 2,304 individuals who collectively worked approximately 200,000 workweeks ("Projected Workweeks") during the Class Period. One week prior to Plaintiff's deadline to file their motion for Preliminary Approval, Defendants will provide Class Counsel with a declaration under penalty of perjury confirming the number of applicable Class Members and workweeks they worked during the Class Period. If the Projected Workweeks increases by more than 5% of the estimated stated herein, the Gross Settlement Amount shall increase proportionally for the number of workweeks over 105% of the Projected Workweeks (200,000). For example, if the total Workweeks in the Class Period are 115% of 200,000, the Gross Settlement Amount shall increase by 10%. At its option, Defendants may shorten the Class Period, provided 200,000 Workweeks remain in the Class Period.
3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount into either a QSF or an escrow fund, later to be transferred to a QSF for purposes of settlement, through

the Settlement Administrator by the Funding Date. Any interest accrued will be added to the NSA and distributed to the Settlement Class Members except that if final approval is reversed on appeal, then Defendants is entitled to prompt return of the principal and all interest accrued.

4. Defendants' Share of Payroll Taxes. Defendants' share of employer side payroll taxes is in addition to the Gross Settlement Amount and shall be paid together with the Gross Settlement Amount on the Funding Date.
- B. Release by Settlement Class Members. As of the Funding Date, in exchange for the consideration set forth in this Agreement, Plaintiff and the Settlement Class Members release the Released Parties from the Released Class Claims.
- C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the consideration set forth in this Agreement, the Plaintiff, the LWDA and the State of California release the Released Parties from the Released PAGA Claims. As a result of this release, the Aggrieved Employees shall be precluded from bringing claims against Defendants for the Released PAGA Claims.
- D. Conditions Precedent: This Settlement will become final and effective only upon the occurrence of all of the following events:
1. The Court enters an order granting preliminary approval of the Settlement;
 2. The Court enters an order granting final approval of the Settlement and a Final Judgment;
 3. If an objector appears at the final approval hearing, the time for appeal of the Final Judgment and Order Granting Final Approval of Class Action Settlement expires; or, if an appeal is timely filed, there is a final resolution of any appeal from the Judgment and Order Granting Final Approval of Class Action Settlement; and
 4. Defendants fully fund the Gross Settlement Amount.
- E. Nullification of Settlement Agreement. If this Settlement Agreement is not preliminarily or finally approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Claims, or if Defendants fail to fully fund the Gross Settlement Amount:

1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;
 2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and
 3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.
 4. Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification if the Agreement is nullified due to Defendants' failure to fully fund the Gross Settlement Amount. If the Agreement is nullified for any other reason, both Parties shall equally bear the responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification.
- F. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.
- G. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Class Members and/or Aggrieved Employees understand and agree that they will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment described and will be solely responsible for any

penalties or other obligations resulting from their personal tax reporting of Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employees Payment.

- H. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
- I. Preliminary Approval Motion. Within thirty (30) calendar days of execution of this Agreement, or as soon thereafter as practicable, Plaintiff shall file with the Court a Motion for Order Granting Preliminary Approval and supporting papers, which shall include this Settlement Agreement. Plaintiff will provide Defendants with a draft of the Motion at least 3 business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.
- J. Settlement Administrator. The Settlement Administrator shall be responsible for: establishing and administering the QSF; calculating, processing and mailing payments to the Class Representative, Class Counsel, LWDA and Class Members; printing and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion, the Penalties Portion and

the Interest Portion of the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the of number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received. The Settlement Administrator will also establish and maintain and use an internet webpage 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.

K. Notice Procedure.

1. Class Data. No later than ten (10) calendar days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the Class Members.
2. Notice Packets.
 - a) There shall be both an English and Spanish language Notice Packet. The Notice Packet shall contain the Notice of Class Action Settlement in a form substantially similar to the form attached as **Exhibit A**. The Notice of Class Action Settlement shall inform Class Members and Aggrieved Employees that they need not do anything in order to receive an Individual Settlement Payment and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment and to keep the Settlement Administrator apprised of their current mailing address, to which the Individual Settlement Payments and/or Aggrieved Employees' individual shares of

the Aggrieved Employee Payment will be mailed following the Funding Date. The Notice of Class Action Settlement shall set forth the release to be given by all members of the Class who do not request to be excluded from the Settlement Class and/or Aggrieved Employee in exchange for an Individual Settlement Payment and/or Aggrieved Employees' individual share of the Aggrieved Employee Payment, the number of Workweeks worked by each Class Member during the Class Period and PAGA Period, if any, and the estimated amount of their Individual Settlement Payment if they do not request to be excluded from the Settlement and each Aggrieved Employee's individual share of the Aggrieved Employee Payment, if any. The Settlement Administrator shall use the Class Data to determine Class Members' Workweeks and PAGA Pay Periods. The Notice will also advise the Aggrieved Employees that they will release the Released PAGA Claims and will receive their share of the Aggrieved Employee Payment regardless of whether they request to be excluded from the Settlement.

b) The Notice Packet's mailing envelope shall include the following language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED NOTICE."

3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than fourteen(14) calendar days after receipt of the Class Data, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail and electronic mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.
4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to any forwarding

address provided. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In addition, if any Notice Packets, which are addressed to Class Members who are currently employed by Defendants, are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall notify Defendants. Defendants will request that the currently employed Class Member provide a corrected address and transmit to the Administrator any corrected address provided by the Class Member. Class Members who received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

5. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendants' records regarding the start and end dates of employment to provide documentation and/or an explanation to show contrary dates. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties.
6. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.
7. Exclusions. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a signed copy of the Request for Exclusion form to the Settlement Administrator by the Response Deadline. A Request for Exclusion form will be mailed together with the Notice

Packet to all Class Members. The Request for Exclusion will not be valid if it is not timely submitted, if it is not signed by the Class Member, or if it does not contain the name and address and last four digits of the Social Security number of the Class Member. The date of the postmark on the mailing envelope or fax stamp on the Request for Exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Class Member who submits a timely Request for Exclusion shall be excluded from the Settlement Class will not be entitled to an Individual Settlement Payment and will not be otherwise bound by the terms of the Settlement or have any right to object, appeal or comment thereon. However, any Class Member that submits a timely Request for Exclusion that is also an Aggrieved Employee will still receive his/her pro rata share of the Aggrieved Employee Payment, as specified below, and in consideration, will be bound by the Release by the Aggrieved Employees as set forth herein. Settlement Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any final judgment entered in this Action if the Settlement is approved by the Court. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a final list of the Class Members who have timely submitted timely Requests for Exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Class to submit Requests for Exclusion from the Settlement.

8. Objections. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to object to the Settlement may submit to the Settlement Administrator a written statement of objection (“Notice of Objection”) by the Response Deadline. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection, if in writing, must be signed by the Settlement Class Member and state: (1) the case name and number; (2) the name of the Settlement Class Member; (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class Member’s Social Security number; (5) the basis for the objection; and (6) if the Settlement Class Member intends to appear at the Final Approval/Settlement Fairness Hearing. Class Members who fail to

make objections in writing in the manner specified above may still make their objections orally at the Final Approval/Settlement Fairness Hearing with the Court's permission. Settlement Class Members will have a right to appear at the Final Approval/Settlement Fairness Hearing to have their objections heard by the Court regardless of whether they submitted a written objection. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment. Class Members who submit a written request for exclusion may not object to the Settlement. Class Members may not object to the PAGA Payment.

9. Right of Recission. Defendant will have the option of voiding the Agreement if more than 10% of Class Members opt out of the Settlement.

L. Funding and Allocation of the Gross Settlement Amount. Defendants are required to pay the Gross Settlement Amount plus any employer's share of payroll taxes as mandated by law by the Funding Date. Defendants shall transfer the Gross Settlement Amount into a Qualified Settlement Fund (hereinafter "QSF") or escrow fund within 5 business days of this Agreement being executed by Defendants, where the funds shall remain until they are transferred to the Claims Administrator on the Funding Date in accordance with this Agreement

1. Calculation of Individual Settlement Payments. Individual Settlement Payments shall be paid from the Net Settlement Amount and shall be paid pursuant to the formula set forth herein. Using the Class Data, the Settlement Administrator shall add up the total number of Workweeks for all Class Members. The respective Workweeks for each Class Member will be divided by the total Workweeks for all Class Members, resulting in the Payment Ratio for each Class Member. Each Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Class Member's estimated Individual Settlement Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective Payment Ratios.

2. Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employee will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the “PAGA Payment Ratio” for each Aggrieved Employee. Each Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the Aggrieved Employee’s Portion of the PAGA Payment, \$25,000 (25% of \$100,000), to calculate each Aggrieved Employee’s estimated share of the PAGA Payment.
3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as 25% wages (“Wage Portion”) and 75% penalties and pre-judgment interest (“Penalty and Interest Portion”). The Wage Portion of the Individual Settlement Payments shall be reported on IRS Form W-2 and the Penalty and Interest Portion of the Individual Settlement Payments shall be reported on IRS Form 1099 issued by the Settlement Agreement.
4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved Employee Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.
5. No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the PAGA Payment made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties’ intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.
6. All monies received by Settlement Class Members under the Settlement which are attributable to wages shall constitute income to such Settlement Class Members solely in the year in which such monies actually are received by the Settlement Class Members. It is the intent of the Parties that Individual Settlement Payments and individual shares of the PAGA Payment

provided for in this Settlement Agreement are the sole payments to be made by Defendants to Settlement Class Members and/or Aggrieved Employees in connection with this Settlement Agreement, with the exception of Plaintiffs, and that the Settlement Class Members and/or Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and/or their shares of the Aggrieved Employee Payment.

7. Mailing. Individual Settlement Payments and PAGA Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or Aggrieved Employees' last known mailing address no later than fourteen (14) calendar days after the Funding Date.
8. Expiration. Any checks issued to Settlement Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member and/or Aggrieved Employee does not cash his or her settlement check within 90 days, the Settlement Administrator will send a letter to such persons, advising that the check will expire after the 180th day, and invite that Settlement Class Member and/or Aggrieved Employee to request reissuance in the event the check was destroyed, lost or misplaced. In the event an Individual Settlement Payment and/or Aggrieved Employee's individual share of the PAGA Payment check has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks, plus any interest accrued thereon, shall be paid to either the Community Law Project, a Cy Pres, in accordance with California Code of Civil Procedure Section 384, or the State Controller, as agreed by the Parties as part of the long-form settlement agreement and/or as required by the specific judge handling the pending matter.
9. Service Award. In addition to the Individual Settlement Payment as a Settlement Class Member and her individual share of the Aggrieved Employee Payment, Plaintiff will apply to the Court for an award of not more than \$10,000.00 as the Service Award. Defendants will not oppose a Service Award of not more than \$10,000.00 for Plaintiff. The Settlement Administrator shall pay the Service Award, either in the amount stated herein if approved by the Court or some other amount as approved by the Court, to Plaintiff from the Gross Settlement Amount no later than fourteen (14) calendar days after the Funding Date. Any portion of the requested Service Award that is not awarded to the Class Representative

shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiff for her Service Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Service Award and shall hold harmless the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Service Awards. Approval of this Settlement shall not be conditioned on Court approval of the requested amount of the Service Award. If the Court reduces or does not approve the requested Service Award, Plaintiff shall not have the right to revoke the Settlement, and it will remain binding.

10. Attorneys' Fees and Attorneys' Expenses. Defendants understand Class Counsel will file a motion for or Attorneys' Fees not to exceed one-third of the Gross Settlement Amount currently estimated to be \$666,666.66 **and** Attorneys' Expenses supported by declaration not to exceed Twenty Thousand Dollars (\$20,000.00). Any awarded Attorneys' Fees and Attorneys' Expenses shall be paid from the Gross Settlement Amount. Any portion of the requested Attorneys' Fees and/or Attorneys' Expenses that are not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Attorneys' Fees to Class Counsel from the Gross Settlement Amount no later than fourteen (14) calendar days after the Funding Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to this paragraph. In the event that the Court reduces or does not approve the requested Attorneys' Fees, Plaintiff and Class Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.
11. PAGA Payment. One Hundred Thousand Dollars (\$100,000) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Penalties"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment (\$75,000) to the California Labor and Workforce Development Agency no later than fourteen (14) calendar days after the

Effective Date (hereinafter “LWDA Payment”). Twenty-five percent (25%) of the PAGA Payment (\$25,000) will be distributed to the Aggrieved Employees as described in this Agreement. For purposes of distributing the PAGA Payment to the Aggrieved Employees, each Aggrieved Employees shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.

12. Claims Administration Expenses. Claims Administration Expenses shall not exceed the estimate of the Settlement Administrator to administrate the Settlement. The estimate of the Administration Costs is \$22,500.00. The Settlement Administrator shall be paid the Claims Administration Expenses no later than thirty (30) calendar days after the Effective Date.

M. Preliminary Approval Motion. Class Counsel shall draft and file a Motion for Preliminary Approval within seventy-five (75) calendar days of the execution of this Agreement by all Parties. In support of the Motion for Preliminary Approval, Defendant shall file a supporting declaration stating the number of Class Members subject to one or more Collective Bargaining Agreements. Further, the Defendant’s declaration shall set forth the financial conditions that resulted in the forfeiture of the Union Square property.

N. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with the Court a Motion for Order Granting Final Approval and Entering Judgment, within twenty-eight (28) calendar days following the expiration of the Response Deadline, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Service Award, the Attorneys’ Fees and Attorneys’ Expenses, the PAGA Payment, and the Claims Administration Expenses. Plaintiff will provide Defendants with a draft of the Motion at least 3 business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.

1. Declaration by Settlement Administrator. No later than seven (7) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiff’s motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to Class Members, the number of undeliverable Notice Packets, the number of timely requests for exclusion, the number of objections received, the amount of the average Individual Settlement Payment and highest Individual Settlement Payment, the

Claims Administration Expenses, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.

2. Final Approval Order and Judgment. Class Counsel shall present an Order Granting Final Approval of Class Action Settlement to the Court for its approval, and Judgment thereon, at the time Class Counsel files the Motion for Final Approval.
- N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide an opportunity for Counsel for Defendants to review the Motions for Preliminary and Final Approval, including the Order Granting Final Approval of Class Action Settlement, and Judgment before filing with the Court. The Parties and their counsel will cooperate with each other and use their best efforts to effectuate the Court's approval of the Motions for Preliminary and Final Approval of the Settlement, and entry of Judgment.
- O. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to implement the Settlement.
- P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval/Settlement Fairness Hearing to be conducted by the Court.
- Q. Court Filings. The Parties agree not to object to any Court filing consistent with this Agreement.
- R. Disputes. Any dispute between the Parties as to the remaining terms of the Settlement Agreement shall be presented to the mediator, Jeffrey A. Ross, Esq., for resolution.
- S. Limited Disclosure. Plaintiff and Class Counsel will not make any public disclosure of the Settlement or Memorandum of Understanding through the filing of a motion for preliminary approval by the court. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage Plaintiff to adhere to, the restriction against any public disclosure of the Settlement or the Memorandum of Understanding through the filing of a motion for a preliminary approval by the court. Following preliminary approval of the Settlement, Plaintiff and Class Counsel will not have any communications with the media other than to direct the media to the public records of the Action on file with the court. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage Plaintiff to adhere to, the restriction against any media comment on the Settlement and its terms. Class Counsel further agrees not to use the Settlement of this Action or any of its terms for any marketing purposes.

- T. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.
- U. Entire Agreement. This Agreement and any attached Exhibit constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibit.
- V. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and 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 required to effectuate the terms of this Agreement. The persons signing this Agreement on behalf of Defendants represents and warrants that he/she is authorized to sign this Agreement on behalf of Defendants. Plaintiff represent and warrant that they are authorized to sign this Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
- W. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.
- X. California Law Governs. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.
- Y. Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- Z. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.
- AA. Continuing Jurisdiction. The Parties agree that the San Francisco County Superior Court shall retain continuing jurisdiction over this Action under California Code of Civil Procedure Section 664.6 to ensure the continuing implementation of the provisions of this Settlement and that the time within which to bring this Action to trial under California Code of Civil Procedure Section 583.310

shall be extended from the date of the signing of this Agreement by all Parties until the entry of the Final Approval Order and judgment or if not entered, the date this Agreement shall no longer be of any force or effect.

- BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.
- CC. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently intend to pursue any claims against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendants, regardless of whether Class Counsel is currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Released Parties, including those facts or legal theories alleged in the operative complaint in this Action. The Parties further acknowledge, understand and agree that this representation is essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.
- DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

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EE. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the Released Claims have merit and give rise to liability on the part of Defendants. Defendants claim that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendants or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/his own attorney's fees and costs.

, FORM AND CONTENT, BY PLAINTIFFS:

DATED: Dec 21, 2023


Shasta Collins (Dec 21, 2023 11:55 PST)

Shasta Collins

IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: _____

Hilton Management LLC

Printed Name

Title

DATED: _____

Hilton Hotel Employer LLC

Printed Name

Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: December 21, 2023

JCL LAW FIRM, A.P.C.

By: _____

Jean-Claude Lapuyade, Esq.

Attorneys for Plaintiff and the Settlement Class Members

DATED: December 21, 2023

ZAKAY LAW GROUP, APLC

By: _____

Shani Zakay, Esq.

Attorneys for Plaintiff and the Settlement Class Members

DATED: _____

JACKSON LEWIS P.C.

By: _____

Isabella L. Shin, Esq.

Emily Tewes, Esq.

Shannon B. Nakabayashi, Esq.

Kevin Ha, Esq.

Attorneys for Defendants

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Shasta Collins v. Hilton Management, LLC, et al., San Francisco County Superior Court Case No. CGC-21-590959)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of San Francisco (the “Court”) has been reached between Plaintiff Shasta Collins (Plaintiff) and Defendants Hilton Management, LLC and Hilton Hotel Employer LLC (“Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class.

The Class is defined as:

All non-exempt employees who are or previously were employed by Defendants and performed work at the Hilton San Francisco Union Square Hotel during the Class Period.

The “Class Period” is the period of time running from February 22, 2017, to November 19, 2023.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On February 22, 2021, Plaintiff Shasta Collins filed a Complaint against Defendants in the Superior Court of the State of California, County of San Francisco, asserting causes of action for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.); (2) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages (Labor Code §§ 510 et seq.); (4) Failure to Provide Required Meal Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and the applicable wage order); (6) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802); (7) Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 et seq.); and (8) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203) (“Class Complaint”). On April 12, 2021, Defendants filed its Notice of Removal, removing the class action to the United States District Court for the Northern District of California. On April 12, 2021, Plaintiff filed a Complaint against Defendants in the Superior Court of the State of California, County of San Francisco, asserting a single cause of action under the Private Attorneys General Act (Labor Code Sections 2698 *et seq.*) (“PAGA Complaint”). Plaintiff and Defendants subsequently agreed to mediate the case, stipulate to dismiss the Class Action in federal court and amend the Complaint to add the Class Complaint causes of action. On April 28, 2022, Plaintiff Shasta Collins filed the First Amended Complaint, adding her Class Complaint claims to the PAGA Complaint. On XXXX, the Plaintiff filed the operative Second Amended Complaint, adding Defendant Hilton Hotel Employer LLC.

Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes any wages, damages and penalties claimed by the Class Representative are owed, and further contends that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times it complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On July 27, 2022, the Parties participated in an all-day mediation with Jeffrey A. Ross, Esq., a mediator of wage and hour class actions. The mediation did not conclude with a settlement. On September 19, 2023, the Plaintiff and Defendants participated in their second mediation presided over by Jeffrey A. Ross, Esq. This mediation concluded with a Settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representatives, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Two Million Dollars (\$2,000,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the LWDA Payment, PAGA Shares, and the Class Representative Service Payment to the Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$XXXXXX for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the Gross Settlement Amount (currently \$666,666.66) and a Class Counsel Litigation Expenses Payment of not more than \$20,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Payment. Class Representative Service Payment of up to Ten Thousand Dollars (\$10,000) to Plaintiff Shasta Collins, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook.
- PAGA Payment. A payment of \$100,0000.00 relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$75,000.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$25,000.00 will be distributed to PAGA Employees as part of the Net PAGA Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Class Members"). Participating Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendants' records, a member of the class worked at least one-day during any such workweek.
- Calculation of PAGA Penalties Payments to PAGA Employees. The Net PAGA Amount shall be distributed to PAGA Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective PAGA Employee during the PAGA Period. "PAGA Employees" all non-exempt employees who are or previously were employed by Defendants and performed work in California during the PAGA Period. The PAGA Period means the period between December 7, 2019 and November 19, 2023.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. Twenty-five percent (25%) of each Settlement Share is allocated to wages. Taxes are withheld from this amount, and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Seventy-five percent (75%) of each Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid to PAGA Employees, and each PAGA Employee will be issued an Internal Revenue Service Form 1099 for

such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the PAGA Settlement made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendants, Plaintiff and the Participating Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims alleged in the operative complaint, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period. The release also excludes the claims specifically alleged in the operative complaint in *Chirar, et al., v. Hilton Worldwide LLC*, United States District Court for the Northern District of California Case No. 14-cv-1523-JSW, namely claims for failure to remit services pursuant to Labor Code Section 351 to employees providing food and beverage service at hotel events between January 6, 2010 through the present. In addition, to the extent required by law, the cashing of the settlement check by the Settlement Class Member shall be deemed to be an opt-in for purposes of releasing Released Parties from any claims predicated under the FLSA that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the operative complaint.

The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and upon funding in full of the Gross Settlement Amount by Defendants, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation and PAGA claims outside the PAGA Period. This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have << >> Workweeks worked during the Class Period (February 22, 2017 through November 19, 2023).

Based on this information, your estimated Settlement Share is << >>.

Defendants' records reflect that you have << >> pay periods worked during the PAGA Period (December 7, 2019 through November 19, 2023).

Based on this information, your estimated PAGA Payment Share is << >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than [] [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: **Apex Class Action.**

The Court will hold a hearing on [] to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at [www.\[\].com](http://www.[].com)

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than []. The address for the Settlement Administrator is **Apex Class Action, 20371 Irvine Ave., Suite 110, Newport Beach, CA 92660.** The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Shasta Collins v. Hilton Management LLC, et al.*, currently pending in Superior Court of San Francisco, Case No. CGC-21-590959. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after [], or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is ***Shasta Collins v. Hilton Management LLC, et al., currently pending in Superior Court of San Francisco, Case No. CGC-21-590959.*** You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the

terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than [REDACTED]. The address for the Settlement Administrator is [REDACTED].

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 599-8292
Fax: (619) 599-2891
E-Mail: jlapuyade@jcl-lawfirm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Fax: (619) 599-8291
E-Mail: shani@zakaylaw.com

Counsel for Defendants:

Isabella L. Shin, Esq.
Emily Tewes, Esq.
Jackson Lewis P.C.
160 W. Santa Clara Street, Suite 160
San Jose, CA 95113
Tel: (408) 579-0404
Fax: (415) 454-0290
E-Mail: isabella.shin@jacksonlewis.com
emily.tewes@jacksonlewis.com

Counsel for Defendants:

Shannon V. Nakabayashi, Esq.
Kevin Ha, Esq.
Jackson Lewis P.C.
50 California Street, 9th Floor
San Francisco, CA 94111-4615
T : (415) 394-9400
F : (415) 394-9401
shannon.nakabayashi@jacksonlewis.com
kevin.ha@jacksonlewis.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at [REDACTED] 00:00 AM/PM on [REDACTED], at the San Francisco County Superior Court, [REDACTED] Department XXX, located at [REDACTED] XXXXXX, San Francisco, CA [REDACTED] XXXXX before Judge [REDACTED] XXXXX. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____ or write to *Shasta Collins v. Hilton Management LLC, et al., currently pending in Superior Court of San Francisco, Case No. CGC-21-590959*, Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121 or by visiting the website listed in this notice.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to either a Cy Pres, in accordance with California Civil Procedure Section 384, or the State Controller. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2

Collins v. Hilton Management, LLC

MEMORANDUM OF UNDERSTANDING (Class and PAGA)

1. Class Definition – All non-exempt employees who are or previously were employed by Hilton Management LLC and/or Hilton Hotel Employer LLC (collectively, “Defendant”) and performed work in California at the Hilton San Francisco Union Square Hotel during the Class Period (“Class Members”). The Class Period is defined as the period from February 22, 2017, to November 19, 2023
2. PAGA Group Definition – All non-exempt employees who are or previously were employed by Defendant and performed work at the Hilton San Francisco Union Square Hotel in California during the PAGA Period (“PAGA Group Members”). The PAGA Period is defined as the period from December 7, 2019 to November 19, 2023. .
3. Class Counsel – JCL Law Firm, APC and Zakay Law Group, APLC
4. Plaintiff – The Plaintiff is Shasta Collins.
5. Enforceability – The Parties intend this MOU to be admissible and binding under California Code of Civil Procedure Section 664.6.
6. Gross Settlement Amount – Defendant shall pay out the total sum of Two Million Dollars and Zero Cents (\$2,000,000.00) for payment of all claims, including payment of Claims Administration Expenses; Attorneys’ Fees; Attorneys’ Expenses; Service Award, and the PAGA Payment. The Gross Settlement Amount shall be all-in with no reversion to Defendant. The employer's share of payroll taxes shall not be paid from the Gross Settlement Amount and shall remain the sole responsibility of Defendant.
7. Funding – Defendants will deposit the funds in either a qualified settlement fund (“QSF”) or an escrow fund (later to be transferred to a QSF for purposes of settlement).

8. Settlement Allocation –The allocation of payment of claims among the participating Class Members shall be paid based on the number of workweeks worked during the Class Period and PAGA Period without the need to submit a claim form. The individual settlement payments to the participating Class Members shall be allocated 25% as wages and reported on a W-2 and 75% as 1099 non-wage income for penalties and interest.
9. Service Award – Defendants shall not oppose a service award to Plaintiff in the amount of Ten Thousand Dollars and Zero Cents (\$10,000).
10. PAGA Payment – The PAGA payment of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) shall be made from the Maximum Settlement Amount, with 25% of the payment going to the PAGA Group Members based on the number of pay periods worked during the PAGA period and 75% of the payment going to the LWDA.
11. Plaintiff's Individual Settlement – In addition to the Gross Settlement Amount, Defendant shall pay an additional Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) in exchange for a full and complete release of all claims alleged based on the facts alleged, or reasonably could have been alleged, in the operative complaint in the action entitled *Collins v. Hilton Management, LLC*, San Francisco Superior Court, Case No. CGC-22-599494 (“*Collins* Individual Action”), and for a broad general release under Civil Code Section 1542 of all claims and potential claims arising out of Plaintiff's employment with Defendant. This release expressly excludes claim alleged in the *Collins* Class Action, as defined below.
12. Claims Administration Expenses - Claims Administrator shall be mutually agreed to by the Parties. Claims Administration Expenses shall not exceed the estimate of the Claims Administrator to administrate the settlement. The Claims Administration Expenses shall

include certified Spanish translation of the class notice.

13. Workweek Information – It is estimated that there are approximately 2,304 Class Members who worked approximately 200,000 workweeks during the Class Period. Should the number of workweeks increase by more than 5%, the Gross Settlement Amount will increase proportionally for the number of workweeks over 105% of 200,000. For example, if the total workweeks in the Class Period are 115% of 200,000, the Gross Settlement Amount shall increase by 10%. At its option, Defendant may shorten the Class Period, provided 200,000 workweeks remain in the Class Period. Defendant will provide a declaration under penalty of perjury confirming the number of applicable Class Members and workweeks they worked during the applicable Class Period one week prior to Plaintiffs' deadline to file their motion for preliminary approval of the settlement.
14. Right of Recission - Defendant will have the option of voiding the agreement if more than 10% of Class Members opt out of the settlement.
15. Attorneys' Fees – Defendant agrees not to oppose an Attorneys' Fees request up to 1/3 of the Settlement Amount.
16. Attorneys' Expenses – Defendant agrees not to oppose Attorneys' Expenses in an amount as documented in Class Counsel's billing statement.
17. Released Class Claims: Upon entry of final judgment and funding of the Gross Settlement Amount, Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, members, managing entities, joint employers, integrated

enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them (collectively, “Released Parties”) shall be entitled to a release by Plaintiff and the Class Members of all class claims alleged, or reasonably could have been alleged based on the facts alleged in the operative complaint in the *Collins v. Hilton Management, LLC*, San Francisco Superior Court Case No. CGC-21-590959 (“*Collins* Class and PAGA Action”), which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period. The release also excludes the claims specifically alleged in the operative complaint in *Chirar, et al, v. Hilton Worldwide LLC*, United States District Court for the Northern District of California Case No. 14-cv-1523-JSW, namely claims for failure to remit service charges pursuant to Labor Code Section 351 to employees providing food and beverage service at hotel events between from January 6, 2010, through the present).

18. Released PAGA Claims. Upon entry of final judgment and funding of the Gross Settlement Amount, the Released Parties shall be entitled to a release from the PAGA Class Members of all PAGA claims alleged in the operative complaint in the *Collins* Class and PAGA Action and Plaintiff’s PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.
19. Drafting Settlement Documents – Class Counsel shall draft settlement documents for distribution within forty-five (45) days of the execution of this Memorandum. Class

Counsel shall draft and file a motion for preliminary approval within seventy-five (75) days.

20. Declarations in Support of Approval – In support of the Motion for Preliminary Approval, Defendant shall file a supporting declaration stating the number of Class Members subject to one or more Collective Bargaining Agreements. Further, the Defendant's declaration shall set forth the financial conditions that resulted in the forfeiture of the Union Square property.
21. Opt Out / Objection Period – The Class Members shall have 45 days from the date the notice of settlement is first mailed in which to object to or exclude themselves from the settlement.
22. Payments - The Gross Settlement Amount will be transmitted to the Claims Administrator on behalf of Defendant, including payment for all claims, payment of Claims Administration Expenses, Attorneys' Fees, Attorneys' Expenses, Service Awards, and PAGA Payment sixty (60) days after the final approval order.
23. Uncashed Checks – All checks mailed to the Class Members that are not cashed within 180 days of payment shall be paid to either a Cy Pres, in accordance with CCP Section 384, or the State Controller, as agreed by the Parties as part of the long-form settlement agreement and/or as required by the specific judge handling the pending matter.
24. Limited Disclosure - Plaintiff and Class Counsel will not make any public disclosure of the Settlement or this Memorandum of Understanding through the filing of a motion for preliminary approval by the court. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage Plaintiff to adhere to, the restriction against any public disclosure of the Settlement or this Memorandum of Understanding through the

filing of a motion for a preliminary approval by the court. Following preliminary approval of the Settlement, Plaintiff and Class Counsel will not have any communications with the media other than to direct the media to the public records of the Action on file with the court. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage Plaintiff to adhere to, the restriction against any media comment on the Settlement and its terms. Class Counsel further agrees not to use the Settlement of this Action or any of its terms for any marketing purposes.

25. Disputes – Any dispute between the parties as to the remaining terms of the settlement agreement shall be presented to the mediator for resolution.
26. Execution in Counterparts - This Agreement may be executed in one or more counterparts by facsimile, electronic signature, 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. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
21. Court Filings - The parties agree not to object to any Court filings consistent with this Agreement.
22. Continuing Jurisdiction - The Parties agree that the San Francisco County Superior Court shall retain continuing jurisdiction over this case under CCP Section 664.6 to ensure the continuing implementation of the provisions of this settlement and that the time within which to bring this action to trial under CCP Section 583.310 shall be extended from the date of the signing of this agreement by all parties until the entry of the final approval order and judgment or if not entered the date this agreement shall no longer be of any force or effect.

Accepted and agreed to this 0909 day of 09-28, 2023.



Shasta Collins (Sep 28, 2023 14:42 PDT)

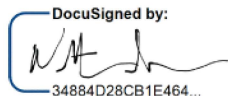
Shasta Collins
Plaintiff



Jean Claude Lapuyade, Esq.
JCL LAW FIRM, APC



Shani Zakay, Esq.
ZAKAY LAW GROUP, APLC

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Hilton Management LLC
Defendant

Shannon B. Nakabayashi, Esq.
JACKSON LEWIS, P.C.

Accepted and agreed to this 0909 day of 09-28, 2023.



Shasta Collins (Sep 28, 2023 14:42 PDT)

Shasta Collins
Plaintiff



Jean Claude Lapuyade, Esq.
JCL LAW FIRM, APC



Shani Zakay, Esq.
ZAKAY LAW GROUP, APLC



Shannon B. Nakabayashi, Esq.
JACKSON LEWIS, P.C.

11/20/2023

Hilton Management LLC
Defendant