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Attorneys for Plaintiff ARCELI YAMIDO,
individually and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN FRANCISCO

ARCELI YAMIDO, individually and on behalf of all others similarly situated, Plaintiffs, v. COURTYARD MANAGEMENT CORPORATION dba THE CLANCY, AUTOGRAPH COLLECTION; MARRIOTT INTERNATIONAL; MARRIOTT HOTEL SERVICES, INC.; and DOES 1-50, inclusive, Defendants.	CASE NO.: CGC-22-603015 Hon. Ethan P. Schulman Dept. 304 **DECLARATION OF JAMES HAWKINS IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA ACTION SETTLEMENT** Date: October 27, 2025 Time: 11:00 a.m. Dept.: 304

DECLARATION OF JAMES HAWKINS

I, James Hawkins, declare as follows:

1. I am an individual over the age of 18. I am a partner at the law firm of James Hawkins, APLC. I am one of the attorneys of record for Plaintiff Arceli Yamido (hereinafter referred to as "Plaintiff" or "Class Representative"), who commenced this class and PAGA action on behalf of the Class Members and Aggrieved Employees. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement, which Plaintiff filed concurrently herewith, along with the supporting Memorandum of Points and Authorities. I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently.

2. Attached hereto as **Exhibit A** is a true and correct copy of the executed Settlement Agreement which the Parties ask the Court to approve. Attached as **Exhibit 1** to the Settlement Agreement is a true and correct copy of the Notice of Class Action Settlement.

Brief Overview of the Litigation and Mediation Efforts

3. On August 19, 2022, Plaintiff initiated the Action by filing a putative class action complaint against Courtyard Management Corporation dba The Clancy Autograph Collection, Marriott International, Inc. (erroneously sued as Marriott International), and Marriott Hotel Services, Inc. (the "Federal Action" defined above). The complaint alleged the following claims: (1) failure to pay wages; (2) waiting time penalties; (3) failure to provide accurate wage statements; (4) failure to reimburse business expenses; and (5) violation of Business & Professions Code § 17200, et seq. On November 9, 2022, Defendants removed the Action to the United States District Court for the Northern District of California. On August 8, 2023, the parties stipulated to dismiss Marriott International, Inc. from the Action, without prejudice.

4. On November 17, 2022, Plaintiff filed a separate representative action against Defendants and Marriott International in San Francisco County Superior Court under the Private Attorneys General Act ("Action" defined above). The Action asserts a sole claim under PAGA and alleges the same predicate wage-hour violations as the Action. On April 7, 2023, the superior

court stayed the Action in its entirety pending resolution of, among other things, the Federal Action.

5. On January 25, 2024, the Parties participated in private mediation conducted by the Hon. Amy D. Hogue, an experienced mediator and judge. The settlement discussions were conducted at arm's length. The Parties reached an impasse at mediation, but over the next proceeding months were able to agree on a resolution of the Action and the Federal Action. The Settlement is the result of an informed and detailed analysis of the risks facing all Parties in litigating this case, including but not limited to, careful consideration of the legal and factual obstacles to Plaintiff's prospects of obtaining class certification and on the merits, and Defendants' defenses, as well as Defendants' potential exposure and the additional costs of litigating the Action and the Federal Action.

6. To effectuate the terms of the Settlement, the Parties have requested to stay the Federal Action and to proceed with approval stages of the settlement before this Court. Prior to the preliminary approval hearing, the Parties will submit a stipulation granting Plaintiff leave to file a First Amended Complaint to, *inter alia*, add the class claims pending in the Federal Action.

INVESTIGATION

7. Plaintiff's Counsel conducted a thorough investigation into the factual and legal issues implicated by Plaintiff's claims and were able to objectively assess the settlement's reasonableness. For example, prior to filing the action, Plaintiff contacted Plaintiff's Counsel to discuss the factual bases for pursuing their actions against Defendants for Labor Code violations. Plaintiff was intimately familiar with Defendants' labor policies and practices, and over the course of multiple interviews, knowledgeably summarized those policies and practices to Plaintiff's Counsel. During those conversations, Plaintiff's Counsel explained how the policies and practices were instituted and provided valuable insight into how they gave rise to the alleged Labor Code violations. Based on these interviews with Plaintiff, Plaintiff's Counsel determined that there were legally sufficient grounds for pursuing the Actions against Defendants. And in preparation for drafting the complaints, Plaintiff's Counsel conducted their own independent preliminary

investigations into the factual bases for Plaintiff's claims, which entailed, *inter alia*, a careful examination of Plaintiff's personnel file and associated records.

8. Plaintiff's Counsel received a considerable amount of documents and data, including employee demographic data, sampling of employee time and pay records for approximately 168 class members, sample waivers, Defendants' policies and procedures manuals which covered a broad range of topics including, *inter alia*, employee clock-in policies and procedures, attendance policies, meal periods/rest periods, overtime & premium pay, etc. The document and data exchanges allowed Plaintiff's Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, and ultimately enabled Plaintiff's Counsel to make an independent assessment of the reasonableness of the settlement's terms.

9. In summary, Plaintiff's Counsel performed a thorough investigation into the claims at issue, which included: (1) determining Plaintiff's suitability as private attorney general and class representative through interviews, background investigations, and analyses of Plaintiff's employment files and related records; (2) evaluating all of Plaintiff's potential representative claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) propounding formal written discovery, (5) analyzing employees' time and wage records; (6) reviewing Defendants' employment policies and practices; (7) researching settlements in similar cases; (8) evaluating Plaintiff's claims and estimating Defendants' liability for purposes of settlement; (9) drafting the mediation brief; and (10) participating in the mediation.

10. By engaging in such a thorough investigation and evaluation of Plaintiff's claims, Plaintiff's Counsel can opine that the Settlement, for the consideration and on the terms set forth in the Settlement Agreement, is fair, reasonable, an adequate, and is in the best interests of Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, and various defenses asserted by Defendants.

11. Defendants denies any wrongdoing and denies liability with respect to the matters alleged in the Complaint and believe that they have valid defenses to all of Plaintiff's claims.

Defendants further contends that they complied with all wage and hour laws applicable to the employment of Plaintiff and other Class Members. To date, no class has been certified and no court has made any findings that Defendants engaged in any wrongdoing or in any wrongful conduct, or otherwise acted improperly or in violation of any law, rule or regulation with respect to any of the issues presented in this action. Defendants contends it implemented written policies and maintained practices that complied with the requirements of the California Labor Code and applicable California Wage Orders. Defendants contends all minimum wages, overtime wages, and double time wages were paid in compliance with California law and applicable California Wage Orders. In addition, an individualized investigation into the circumstances surrounding failure to pay wages is warranted because such claims can only be decided on a case-by-case basis, common issues do not predominate and class certification is neither superior nor proper. Defendants contends that Plaintiff and Class Members were not subject to any bonuses or other remuneration requiring recalculation of the regular rate for overtime. Lastly, Defendants asserts it maintained a policy of no off the clock work, and the facts and circumstances regarding off the clock were not supported in this case.

12. Since the filing of the complaint, the Parties have exchanged extensive informal and formal discovery and engaged in numerous discussions regarding the factual and legal issues surrounding this case. Throughout the litigation, Defendants produced thousands of pages of information and thousands of lines of data, including policies, handbooks, payroll and time records for approximately 168 class members. Defendants also provided Plaintiff's personnel file, records regarding documents identifying the non-exempt positions and information regarding the number of employees holding these positions during the relevant time period. Defendants also provided substantial information concerning the total number of potential class members, the payroll data at issue, and the applicable hourly rates, workweeks and pay periods, and other summary data related to the alleged class. The Parties have conducted themselves in informed, good faith arms-length negotiations after conducting discovery and exchanging extensive evidence and information about the claims and defenses of this lawsuit through informal discovery, and engaging in pre-mediation discussions, telephone conferences, and correspondence

all aimed at settling their dispute.

13. In preparation for the mediation, Plaintiff reviewed the entire discovery produced. The information had to be extrapolated and processed to figure out the amount of compensation Plaintiff contends are due to the Class. The evidence and information gathered and reviewed by counsel provided a factual framework for a comprehensible and reliable damage model pertaining to all Settlement Class Members. The mediation included discussions and examination of the proposed Class and the Parties' respective positions on the legal and factual issues raised in the Complaint.

14. As a result of the mediation, the Parties agreed to settle this matter for a Settlement Amount of $235,000.00. The settlement class is defined "All individuals who are or who have been employed by Defendants in California employed at the San Francisco Courtyard Downtown, The Clancy, or both for any period of time during the Class Period from August 10, 2018 through the Preliminary Approval Order ("Class Period")".

15. Plaintiff's counsel balanced the terms of the proposed Settlement against the risk of litigation and probable outcome at the class certification stage, and if any Class were certified, at trial. Based on their own respective independent investigations and evaluations, and after taking into account the sharply disputed factual and legal issues involved in this matter, the risks attending further prosecution of the case, and the monetary benefits received under the Settlement despite the questionable nature of the claims, Plaintiff's counsel is of the opinion that Settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable and adequate and is in the best interests of Plaintiff and the Class. Counsel for the Parties investigated the applicable law as applied to the facts discovered regarding the claims of Plaintiff, Defendants' defenses thereto and the damages claimed by Plaintiff on behalf of the Settlement Class.

16. I believe that the consideration and terms set forth in the Settlement Agreement are fair, reasonable, and adequate and are in the best interests of the Settlement Class in light of all known facts and circumstances, including the various defenses asserted by Defendants, and numerous potential appellate issues. In addition, the prospect of a potential adverse summary judgment ruling, as well as the uncertainty of class certification, the difficulties of complex

litigation, the lengthy process of establishing specific damages and various possible delays and appeals, were also carefully considered in agreeing to the proposed Settlement.

SETTLEMENT TERMS

17. The $235,000.00 Settlement Amount includes, without limitation, (1) automatic payments from the Net Settlement Amount to all Class Members who do not opt out; (2) attorneys' fees in the amount of up to $77,500.00 and reimbursement of litigation costs and expenses in the amount of up to $20,000.00 to Class Counsel ("Attorneys' Fees and Costs" or "Class Counsel Award"); (3) Enhancement Award to Plaintiff in the amount of up to $7,500.00 each ("Service Payment"); (4) fees and expenses of administration of the Settlement to the Settlement Administrator in an amount not to exceed $10,000.00 ("Settlement Administration Costs"); (5) the twenty-five percent (25%) share of the PAGA Penalties to be a part of the Net Settlement Sum that will be distributed to Class Members in the PAGA Group in the amount of $5,875.00; and (6) the seventy-five percent (75%) share of PAGA Penalties ("LWDA Payment") in the amount of $17,625.00 to the California Labor and Workforce Development Agency ("LWDA").This is a non-reversion settlement. After deductions, the Net Settlement Amount ("NSA") is estimated to be approximately $96,500.00.

ANALYSIS OF RISKS AND FAIRNESS OF SETTLEMENT

18. Fairness of the Settlement is demonstrated by the uncertainty and risks to Plaintiff involved both in not prevailing on one or more of the causes of action or theories alleged in the operative Complaint and in non-certification, and if successful, Defendants disputes of the ability of Plaintiffs to certify a class in this case. Defendants also argued it maintained lawful written policies that were provided to the class members. Yet, despite the defenses proffered by Defendants, the proposed Settlement commits Defendants to pay each Class Member a portion of the NSA. The amount to be paid to the Class is fair, adequate and reasonable given the significant risk to Plaintiff and the Class in continuing with the litigation and not prevailing on their claims at class certification or at trial or not being paid anything even if trial was successful.

19. The Parties investigated relevant law as applied to the facts of the case, potential defenses, and damages claimed by Plaintiffs on behalf of himself and the Class. Discovery

largely focused on Plaintiff's allegations that Class Members were not paid all wages owed, including overtime and minimum wages, were not provided meal periods, were not provided rest periods, received improper wage statements, were not reimbursed all necessary expenses, and were not paid all owed and due wages during employment and upon separation of employment. Information and data exchanges included significant sampling of Class Members' dates of employment, hourly rates time records, and payroll records, and collective bargaining agreements. The parties conducted their own evaluations of the potential recoveries based on the claims alleged in the Action and the defenses at play.

20. Defendants generally denies all claims alleged in the action and further denies class or representative treatment is appropriate for any purpose other than this settlement. Defendants positioned that if litigation continued, MSJ would be granted in Defendants' favor, and/or class certification would not be granted, or if it were, that it would be reversed, and would not result in any liability on the merits in any event. Defendants contended Plaintiff is not an adequate class representative, Plaintiff's claims are not typical of the Class, and individual issues predominate over common ones. Defendants argued similarly for the PAGA claims. However, Defendants concluded further litigation would be protracted and expensive. Thus, Defendants determined it is desirable to settle the Action in the manner and upon the terms and conditions of the settlement agreement.

21. Although Plaintiff's Counsel believe the claims are strong, Plaintiff's Counsel also recognize that if the litigation had continued, they may well have encountered significant legal and factual hurdles that could have prevented the Class and PAGA Members from obtaining any recovery. To be sure, a number of cases have found wage and hours actions to be especially amenable to class resolution. However, some courts have gone the other way, finding that some of the very claims at issue here-especially meal period and rest period and off the clock work violations-were not suitable for class adjudication or PAGA management, because they raised too many individualized issues. *See Duran v. US. Bank National Association*, 59 Cal. 4th 1 , 31 (2014) (reversing a verdict from a class trial); *Ali v. US.A. Cab Ltd.*, 1 76 Cal. App. 4th 1333, 1341 (2009) (affirming denial of certification because employees' declarations attesting to having taken meal

and rest periods demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores, L.P.* , 2013 U.S. Dist. LEXIS 137792, at *30- 41 (C.D. Cal. Sept. 20, 2013) (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *.Jimenez v. Allstate Ins. Co.*, 2012 U.S. Dist. LEXIS 65328 (C.D. Cal. Apr. 18, 2012) (denying motion to certify meal and rest period classes based on employer's practice of understaffing and overworking employees); *Gonzalez v. Officemax NA*., 2012 U.S. Dist. LEXIS 163853 (C.D. Cal. Nov. 5, 2012) (same); *Brown v. Fed. Express Corp*., 249 F.R.D.580, 587-88 (C.D. Cal. 2008) (denying certification of driver meal and rest period claims based on the predominance of individual issues); *Kenny v. Supercuts, Inc.*, 252 F.R.D. 64 I, 645 (N.D. Cal. 2008) (denying certification on meal periods claim); *Blackwell v. Skywest Airlines, Inc.* , 245 F.R.D. 453, 467- 68 (S.D. Cal. 2007) (declining to certify class action because individual issues predominated when different employee stations provided different practices with respect to meal periods).

22. Some courts have denied certification even when an employer's policies are unlawful on their face. For instance, in *Ordonez v. Radio Shack, Inc.*, 20 1 3 U.S. Dist. LEXIS 7868, *35-4 1 (C.D. Cal. Jan. 17, 201 3), the court denied certification even though the plaintiff submitted evidence of a facially unlawful policy regarding rest breaks. The *Ordonez* court concluded that the predominance and superiority elements were not met based on the employer's presentation of anecdotal evidence of lawful compliance notwithstanding the unlawful policy. Id. at *38-40. And it should be underscored that that claims which are amendable to certification can be disposed of by motion for summary judgment. *See Loudv. Eden Med. Ctr*., 2013 U.S. Dist. LEXIS 122873, **36-53 (N.D. Cal. Aug. 28, 2013) (granting summary judgment on wage statement claim because plaintiff could not show injury due to defects and that incorrect wage information is not willful).

23. As the above examples illustrate, the prospect of certifying a wage and hour action is always uncertain, and the risk of being denied class certification militates in favor of settlement. A denial of class certification effectively forecloses continued litigation, as neither the individual nor his or her attorney will have any incentive to proceed with an individual case when such small

claims are at stake. *See In re Baycol Cases I & II*, 5 1 Cal. 4th 75 1 , 758 (2011) (explaining that a dismissal of class claims is effectively the "death knell" of the case, despite survival of individual claims). In other words, for cases where individual damages are relatively small, denial of class certification results in a near-complete loss for Plaintiffs as well as no recovery for the employees, who are shut out of the action. Thus, if the putative Class is not been certified, the value of Plaintiff's case would be reduced to a fraction of the value of this Settlement; indeed, Defendants would likely have offered no money to settle the class-wide claims if certification had is denied or MSJ is been granted in Defendants' favor.

24. The PAGA penalties were also uncertain. A number of courts have found that the "subsequent" penalty under PAGA applies only after a <u>court</u> or the <u>Labor Commissioner</u> determines that the employer has violated the Labor Code. *See Vieyara-Flores v. Sika Corp.*, No. EDCV19606JVSKKX, 2019 WL 2436998, at *5 (C.D. Cal. June 10, 2019) ("employers are not subject to heightened penalties . . . until a court or commissioner notifies the employer that it is in violation of the Labor Code . . . [Plaintiff] has not offered evidence that the Labor Commission or a court has notified them of PAGA violations [thus] PAGA's heightened penalty of $200 for subsequent violations will not be calculated to determine the amount in controversy"); *Steenhuyse v. UBS Fin. Servs., Inc.*, 317 F. Supp. 3d 1062, 1067 (N.D. Cal. 2018) (same); *Chen v. Morgan Stanley Smith Barney, LLC*, No. 8:14-CV-01077 ODW (FFMx), 2014 WL 4961182 (C.D. Cal., October 2, 2014) ("Under the Labor Code, if an employer does not have notice that they are committing a violation, they are not subject to the heightened penalties."); *Trang v. Turbine Engine Components Technologies Corp.*, No. CV 12–07658 DDP (RZx), 2012 WL 6618854 (C.D. Cal. Dec. 19, 2012) ("courts have held that employers are not subject to heightened penalties for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code"), citing *Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157 (2008).

25. It should be noted that PAGA gives the Court wide latitude to reduce the amount of civil penalties "based on the facts and circumstances of a particular case" when "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code ¶ 2699(h). In reducing PAGA penalties, courts have considered issues including whether the employees suffered actual injury from the violations, whether the Defendants was aware of the violations, and the employer's willingness to

fix the violation. *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 528 (2018) (awarding PAGA penalties of only 0.2% of the maximum); *see also Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1037 (N.D. Cal. 2016); *Fleming v. Covidien Inc.*, No. ED CV 10-01487 RGK (OPX), 2011 WL 7563047, at *4 (C.D. Cal. Aug. 12, 2011). With the 2024 PAGA Amendments, penalties could be reduced if certain circumstances under Labor Coe 2699 (f).

26. For example, during the penalty phase of trial in *Carrington*, the plaintiff requested PAGA penalties in the amount of approximately $70 million. The trial court instead awarded only $150,000—**<u>or 0.21% of the maximum</u>**—and stated that this reduction was warranted because imposing the maximum penalty would be "unjust, arbitrary, and oppressive" based on Starbucks's "good faith attempts" to comply with meal period obligations and because the court found the violations were minimal. *Carrington*, 30 Cal. App. 5th at 517. The Court of Appeal affirmed the lower court's reduced award of a $150,000 penalty under PAGA. *Id.* at 529.

27. Likewise, in *Covidien*, the Court reduced the potential penalties by over 82%, awarding $500,000 instead of maximum penalties of $2.8 million. *Covidien*, 2011 WL 7563047 at *4; *see also Thurman v. Bayshore Transit Mgmt.*, 203 Cal. App. 4th 1112, 1135-36 (2012) (affirming 30% reduction under specified PAGA claim where the employer produced evidence that it took its obligations seriously); *Elder v. Schwan Food Co.*, No. B223911, 2011 WL 1797254, at *5-*7 (Cal. Ct. App. May 12, 2011) (reversing trial court decision denying any civil penalties where violations had been proven, remanding for the trial court to exercise discretion to reduce, but not wholly deny, civil penalties); *Li v. A Perfect Day Franchise, Inc.*, No. 5:10-CV-01189-LHK, 2012 WL 2236752, at *17 (N.D. Cal. June 15, 2012) (denying PAGA penalties for violation of California Labor Code section 226 as redundant with recovery on a class basis pursuant to California Labor Code section 226, directly); *Aguirre v. Genesis Logistics*, No. SACV 12-00687 JVS (ANx), 2013 WL 10936035 at *2-*3 (C.D. Cal. Dec. 30, 2013) (reducing penalty for past PAGA violations from $1.8 million to $500,000, after rejecting numerous other PAGA claims).

28. Finally, early resolutions save time and money that would otherwise go to litigation. Parties' resources, as well as the Court's, will be further taxed by continued litigation. And if this action had settled following additional litigation, the settlement amount would likely have taken into account the additional costs incurred, and there may have been less available for Class Members. Cost savings is one

reason why California policy strongly favors early settlement. *See Nemy v. Regents of University of California*, 3 Cal. 4th 273, 277 (1992) (explaining the high value placed on settlements and observing that "[s]ettlement is perhaps most efficient the earlier the settlement comes in the litigation continuum."). This concern also supports settlement.

29. Further, beyond the risk of an adverse ruling on the merits, Class Counsel considered the fact that continued litigation would likely take years and would be extremely expensive given the breadth and complexity of the claims. In this case, post-trial and appellate proceedings are likely to occur, which will surely drag the case far into the future even with a positive trial result. When facing a distant and unsure resolution of the allegations in this action, the swift, sure and substantial Settlement is all the more reasonable. Avoiding such costly litigation in favor of more immediate benefits to the Class was a consideration favoring settlement. Given these realities, it is highly likely that the future expense of this litigation, and its likely duration if the settlement is not approved, would be significant and weigh heavily in favor of approval of this settlement.

DAMAGE ANALYSIS

30. The Settlement Amount is well within the acceptable range of reasonableness for the claims of the Settlement Class. My office created multiple liability models using various combinations of assumptions for penalties and damages related to the different claims at issue. The models represent the range of total liabilities possible prior to any judicial reduction, and do not include attorney fees. After analysis and review of Defendants' time and pay record production and other payroll data, Class counsel estimates the overall maximum value of Plaintiff's strongest claims for the underpayment of minimum and overtime wages as a result of off-the-clock work and missed meal periods, to be approximately **$3,894,554** in damages. But this figure is assuming that Plaintiff prevails at the class certification stage, survive any appeals and win on all claims and be awarded damages and penalties for each pay period and workweek for all class members and aggrieved employees and certain assumptions and extrapolations are confirmed with further discovery. Therefore a more realistic recovery at trial, would be to apply a risk reduction of 50-60% resulting in approximately $1,555,429 - 1,944,286 of recovery for damages. Plaintiff's PAGA penalty assessment could yield a maximum valuation of **$3,717,800** assuming

the court applies the maximum $200 per pay period a violation occurred. Indeed, Defendants' policies could potentially support Defendants' good faith and lack of willfulness arguments, where for example LC 203, LC 226 and LC 2698, et. seq. claims could be reduced to zero, which accounts for approximately 55% of the overall recovery figures disused herein.

Overtime and Unpaid Wages for Off the Clock Work

31. Based on the average rate of pay at $27.52 and expert analysis of the time records for unpaid time and unpaid overtime was valued at approximately $1,626,986. This amount was calculated by reviewing the actual time punch data sample and comparing that data with the pay data to calculate off the clock and overtime worked that was not paid at the legally required overtime rate of pay, and extrapolating that amount to the rest of the data. This claim is highly contested by Defendants and its counsel, and maintain Defendants' pay practices are Labor Code compliant.

Meal and Rest Breaks

32. Plaintiff's theory is that due to high pressure work demands, Plaintiff and the putative class members were deprived of their meal and rest breaks. Expert analysis of the available time data found that there were approximately 60% unique meal break violations. Based on actual time punch data analyses of the data sample, Plaintiff's expert then extrapolated that amount to the rest of the class, and the meal period exposure was calculated at $2,261,568. Theoretical rest break exposure was estimated at $351,129, by assuming 10% violation rates for each rest break eligible shift of 3.5 hours or longer.

Waiting Time and Wage Statement Penalties

33. Plaintiff's consultant estimated approximately $752,947.20 in waiting time penalties. This amount was calculated by multiplying the number of terminated employees by the average hourly rate of pay, by the maximum 30 day penalty. Defendants also potentially owes to class members approximately $520,200.00 in wage statement penalties.

PAGA Penalties

34. Defendants also potentially owes to class members $1,858,900 in PAGA penalties when factoring a reasonable possible penalty of $100 per pay period, which in this instance is

$100 X 18,589 pay periods. Plaintiff, however, recognize that this total does not take into account any potential discount by the Court and do not take into account *Donahue*, *Domingo*, and Defendants' evidence of its punch system. As discussed above, a Court may award lesser amounts than the maximum civil penalty based on the facts and circumstances of the matter. Defendants asserts that there are no underlying Labor Code violations and no basis for the award of any penalties under PAGA. For example, Defendants contends that when punch guarding and premiums are taken into account, Defendants has fully complied with California's meal and rest break requirements. Defendants also contends that, even if penalties were awarded for any purported Labor Code violation, penalties under PAGA cannot be stacked: at most, just one PAGA penalty can be awarded to an aggrieved employee in any one pay period. *See* Labor Code section 2699(f)(2) (authorizing awardable PAGA penalties to be measure by "each aggrieved employee per pay period"); *Smith v. Lux Retail North America, Inc.*, No. C 13-01579 WHA, 2013 WL 2932243, at *3-4 (N.D. Cal. June 13, 2013) (emphasis in original) (rejecting a pleading that sought the "stacking of penalties"; "[f]or the single mistake of failing to include commissions in the overtime base, plaintiff has asserted *five* (count them, five) separate labor code violations that could lead to statutory penalties;" "is it plausible that we would really pile one penalty on another for a single substantive wrong?"; noting that "no actual holding in any judicial decision has ever blessed such stacking").

35. In light of the above, Plaintiff recognizes that there were significant risks in proceeding in litigation of this matter. Plaintiff faced risks of not prevailing on the merits, prevailing on certain claims for certain periods, reduced penalty amounts awarded by the trial Court, and reversal on appeal.

36. Looking at the Settlement Amount $235,000.00 compared to the alleged damages, the Settlement Amount is approximately 15% of the alleged damages suffered in this matter and represents a reasonable recovery. It is possible the over $**3,894,554** in alleged possible damages and penalties could be awarded, but taking into account the overall policies and practices of Defendants, the need for individual inquiry as to many of the claims, especially the off the clock claims, it is highly likely the damages could not be proven for all workweeks for each employee,

and damages and penalties could be dramatically lower. Therefore, this maximum recovery could easily be much lower if at trial PAGA penalties were reduced or damages for certain pay periods or workweeks could not be proven for certain individuals.

37. The key risks involved here are as follows: Defendants presented a vigorous defense on the merits of each claim. Labor Code §2699(e)(2) gives the trial court discretion to reduce penalties under some circumstances. For example, in *Fleming v. Covidien, Inc.*, 2011 U.S. DIST. LEXIS 154590, 9 (CD. Cal. 2011), the court imposed an 82% reduction. In *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 517 (2018) the reduction took total penalties from $70 million to $150,000. That is a 99.98% reduction. In this case, the total penalty liability is exponentially higher than the underlying wage liability. Plaintiffs perceived a significant risk that this Court would impose a dramatic reduction in penalties if they were awarded and because a denial of certification could eliminate any recovery for the Class, and because reversal of a class certification ruling is difficult to obtain on appeal, the risk associated with certification reduces the value of the claim.

38. The proposed Settlement Amount is within the "ballpark of reasonableness" and should be approved. Counsel for Plaintiff believes that this is a fair and reasonable Settlement in light of the complexities of the case, the state of the law and uncertainties of class certification and litigation, the policies and practices Defendants has had in place or implemented during the purported liability period, and the benefit to be recovered for the Class. Given the risks inherent in litigation, this settlement is fair, adequate, and reasonable and is in the best interests of the Settlement Class, and should be preliminarily approved.

39. Based on the estimated Net Settlement Amount ("NSF") of $96,500.00 provides on average each member of the Settlement Class with approximately **$257.33**. Defendants represent that, from the beginning of August 19, 2018 through and including December 6, 2024 there were approximately 30,573 Workweeks. The highest amount a Settlement Class Member will receive is approximately $1,036.48 based upon $3.16 per workweek/pay period multiplied by approximately 328 maximum workweeks/pay periods an individual could work during the Class Period. The lowest payment is estimated to be approximately **$3.16** for someone who worked

only one workweek/pay period. To the extent any amount for Attorneys' Fees, Costs, Claims Administration Costs or incentive awards are not granted in full, the difference in those amounts will be added to the NSF . This is a guaranteed amount of money paid to Settlement Class Members now, rather than the continued risk of further litigation and receiving no money sometime in the far future and after trial and appeals.

40. The PAGA members who worked during the PAGA period will be paid a PAGA Payment based upon a pro rata share of the number of pay periods each PAGA member worked compared to the total pay periods worked by all PAGA group members during the PAGA period. As a result, there are approximately 329 PAGA employees who will each receive approximately **$17.85 per PAGA member.**

CLASS REPRESENTATIVE'S ENHANCEMENT AWARD

41. The Class Representative has provided extensive supporting documents and assisted Class Counsel in developing information necessary to litigate and settle this case. Plaintiff also conducted record review and consultation with counsel in preparation for discovery and eventual mediation, and to assist in evaluating and proving the claims. The settlement provides for a Enhancement Payment to be paid to the Class Representative in the amount of $7,500.00. The purpose is to compensate the Class Representative an additional enhanced payment, taking into consideration the risks, time, effort and expenses incurred in coming forward to provide invaluable information and negotiate and litigate this matter on behalf of all Settlement Class Members who otherwise, would probably not file their own individual claims to recover what may be relatively low damages. Further, the Payment of $7,500.00 as a Service Enhancement to the Class Representatives is a very fair and justified as part of the Settlement based on the risks Plaintiff has taken and benefits conferred upon the Settlement Class.

CONDITIONAL CERTIFICATION

42. Class certification, as requested by the Parties for the purposes of the settlement only, should be granted because Plaintiff allege that the proposed Settlement Class Members' claims all stem from the same alleged conduct. In addition to compensatory damages, Plaintiff and the Settlement Class seek attorneys' fees, costs, and interest. Under these specific circumstances, the commonality requirement for class certification is satisfied. The typicality requirement for

certification is also met as it is alleged that the Class Representatives and the proposed Settlement Class were subjected to similar violations based upon similar conduct, policies and practices.

43. The adequacy requirement for certification is also met. The Class Representative and Class Counsel have prosecuted this action vigorously on behalf of the Settlement Class. The Class Representative will receive a reasonable award for the time and effort spent assisting Class counsel with factual issues surrounding the case. Other than this specific payment to the Class Representative, all of the Settlement Class Members will receive a proportionate share of the NSF, as detailed above provided they do not exclude themselves. Further, all PAGA Members during the PAGA Period will receive their pro rata share of PAGA Penalties. As a result, there is no conflict of interest between the Class Representative and the Settlement Class Members. Further, the NSA will be fairly distributed among Participating Class Members, and no "settlement allocation" questions will be raised.

44. Common questions of law and fact predominate over individual questions and class-wide treatment of this dispute is superior to individual litigation. Plaintiffs allege that the proposed Settlement Class in this case is sufficiently cohesive, since all Settlement Class Members share a common nucleus of facts and potential legal remedies, and since all of the Settlement Class Members and the Class Representatives seek compensation for unpaid wages and other civil and statutory penalties from Defendants for the allegations described in the Complaints. Common questions about compensation or lack thereof for work performed by Settlement Class Members and the Settlement Class Members' potential legal remedies are identical. The alternative method of resolution is individual claims for relatively small amounts of damages, but individual cases would be uneconomical for potential plaintiffs because the cost of litigation dwarfs potential recovery. Therefore, a class action is the preferred method of resolution.

45. The class notice plan here calls for the Settlement APEX Class Action LLC, to mail a Notice of Proposed Class Action Settlement and Opt-Out Form to all known and reasonably ascertainable Settlement Class Members based on Defendants' records. Further, the Settlement Administrator will conduct a skip-trace and use all reasonable efforts to locate Settlement Class Members and will re-mail all returned envelopes with forwarding addresses. The notice is

consistent with the class certification notices approved by numerous state and federal courts, and is the best notice practicable under circumstances of this case. The proposed Settlement Class Members are ascertainable because all of the Settlement Class Members have worked for Defendants during the Class Period and can be identified through Defendants' records.

46. The Notice also fulfills the neutrality requirement. It summarizes the proceedings to date and the terms and conditions of the Settlement in an informative and coherent manner, and is accurate, objective, and understandable to Settlement Class Members, as is required under prevailing precedent. The Notice clearly states the Settlement does not constitute an admission of liability by Defendants and recognizes the Court has not ruled on the merits. It also states the final settlement approval decision has yet to be made. The Notice also clearly instructs the Settlement Class Members on how to object or exclude themselves from the Settlement. Therefore, Settlement Class Members will have the option to participate or exclude themselves simply by mailing the Opt Out Form. The Settlement Class consists of non-exempt employees who speak English. Thus, the Notice of Class Action and Exclusion Form are drafted in a manner that is likely to be readily understood by the Settlement Class. Accordingly, the Notice complies with the standards of fairness, completeness and neutrality required of a Notice of Class Action Settlement. The Notice therefore is neutral, objective and understandable.

CLASS COUNSEL EXPERIENCE

47. I have a great deal of experience in wage and hour class action litigation. I have obtained certification of several classes, I have been approved as class counsel in many other wage/hour class actions, and I am currently litigating numerous others. Although not an all inclusive list, over the years I have prosecuted the following class action matters as lead and/or co-lead counsel, all of which implicated similar law and facts to those associated with this action:

- ***Mojica v. Compass Group, Inc., et. al.*** USDC Central District, Case No. 8:13-cv-01754.
- ***Dao v. 3M Company, et al.*** USDC, CENTRAL DISTRICT, Case No. CV-08-04554.
- ***Ortiz v. Kmart***, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.

- ***Morgan v. Aramark Campus, LLC,*** USDC, CENTRAL DISTRICT, Case No. SACV08-00412.
- ***West v Iron Mountain Information Management, Inc, et. al.;*** Los Angeles County Superior Court, Case No. BC393709.
- ***Gonzalez v. Superior Industries International, Inc.*****, et al.,** Los Angeles County Superior Court, Case No. BC 357912.
- ***Acosta v. Fleetwood Travel Trailers of California, Inc.,*** **et al.,** Riverside County Superior Court, Case No. RIC 440630.
- ***Walker v. Sharkeez*****, et al.,** Orange County Superior Court, Case No. 05CC00293.
- ***Padron v. Universal Protection Service, et al*****,** Orange County Superior Court, Case No. 05CC00013.
- ***Martinez v. Securitas Security Services USA, et al.*****,** Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460.
- ***Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*****,** Riverside Superior Court, Case No. RIC 420909.
- ***Ruiz, et al. v. Unisourse Worldwide, Inc., et al.,*** USDC, CENTRAL DISTRICT, Case No. CV09-05848.
- ***Herrador v. Culligan International Company, et al.,*** USDC, CENTRAL DISTRICT, Case No. SACV 08-680.
- ***Defries v. Domain Restaurants, et al.*****,** Orange County Superior Court, Case No. 05CC00128.
- ***Denton v. BLB Enterprises, Inc., et al.*****,** Orange County Superior Court, Case No. 07CC01292.
- ***Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.,*** Los Angeles Superior Court, Case No. BC411477.
- ***McMurray v. Dave and Busters, Inc., et al.*****,** Orange County Superior Court, Case No. 06CC00099.

- ***Osuna v. DFG Restaurants, Inc., et al.***, Los Angeles Superior Court, Case No. BC 330145.
- ***Burns v. Gymboree Operations, Inc.,*** **et al.,** San Francisco Superior Court, Case No. CGC-07-461612.
- ***Willems v. Diedrich Coffee, Inc., et al.,*** Orange County Superior Court, Case No. 07CC00015.
- ***Davila, et al. v. Beckman Coulter, Inc., et al.,*** Orange County Superior Court, Case No. 07CC01347.
- ***Perez v. Naked Juice Company of Glendora, Inc.,*** Los Angeles Superior Court, Case No. BC387088.
- ***Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour Cases***, Los Angeles Superior Court, Case No. JCCP 4545.
- ***Placencia v. Amcor Packaging Distribution, Inc.,*** Orange County Superior Court, Case No. 30-2013-00694012-CU-OE-CXC.
- ***Trani v. Lisi Aerospace, et al.***, Los Angeles Superior Court, Case No. BC495527.
- ***Galvan v. Goodwin Co.***, Orange County Superior Court, Case No. 30-2013-00637062-CU-OE-CXC.
- ***Reyes v. Bristol Fiberlite,*** Orange County Superior Court, Case No. 30-2013-00653425-CU-OE-CXC.
- ***Gutierrez v. HMT Tank,*** **USDC Central Dist.,** Case No. CV14-1967-CAS(MAN)
- ***Williams v. Il Fornaio America Corp.,*** Sacramento County, Case No. 34-2011-0009616.
- ***Aguilar v. 7-Eleven, Inc.***, Orange County, Case No. 30-2009-002687141-CU-OE-CXC.
- ***Madrigal v. Huntington Beach Market Broiler, Inc.***, Orange County, Case No. 30-2012-00611260.
- ***Vang v. Jazz Semiconductor, Inc.***, Orange County, Case no. 30-2011-00460278.
- ***Vigueras v. Red Robin International, Inc,*** USDC Central Dist. Case No. *SACV 17-*

1422 JVS (DFMx);

- ***Smith v. Space Exploration Technologies Corp.,*** Los Angeles Superior Court, Case No. *BC55429;*
- ***Cano v. Financial Statement Services, Inc.,*** Orange County Superior Court, Case No. 30-2013-00653349-CU-OE-CXC;
- ***Mendez v. Liberty Glass Fabricators, Inc.,*** Riverside County Superior Court Case No. RIC1800119;
- ***Attia v. Neiman Marcus Group, Inc*.,** United States District Court for the Central District of California Case No. 8:16-cv-001504-DOC-FFM;
- ***O'Brien, et al. v. Cerida Investment Corp.,*** Santa Clara Superior Court Case No. 21CV384527;
- ***Gonzalez v. Quality Aluminum Forge, LLC,*** Orange County Superior Court Case No. 30-2015-00817941;
- ***Shay v. Apple, Inc.,*** United States District Court for the Southern District of California Case No. 3:20-cv-1629-JO-BLM;
- ***Milligan v. CWI, Inc.,*** San Bernardino Superior Court Case No. CIVDS 2013999;
- ***Aguilar v. LDI Mechanical, Inc.,*** Riverside County Case No. RIC1610019;
- ***Abron v. University Healthcare Alliance*,** Alameda County Superior Court Case No. RG20066438;
- ***Benson v. F21 Opco, LLC,*** San Diego Superior Court Case No. 37-2021,00024619-CU-OE-CTL;
- ***Allen v. Creative Stone Mfg., Inc.*,** San Bernardino County Superior Court Case No. CIVSB2201498;
- ***Santamaria v. Bright Horizons Children's Center,*** San Bernardino County Superior Court Case No. CIVSB2210140;
- ***Yniguez v. Airgas USA, LLC,*** Los Angeles County Superior Court Case No. 20STCV18190;

- ***Cervantez v. Genuine Parts Company,*** Los Angeles County Superior Court Case No. 22STCV00981;
- ***Robles v. Jetro Holdings, LLC,*** San Diego Superior Court Case No. 37-2021-00015414-CU-OE-CTL;
- ***Hernandez v. Euromarket Designs, Inc.,*** Santa Clara County Superior Court Case No. 20CV3770922;
- ***Ayala v. Veg-Land, et al.,*** Orange County Superior Court Case No. 30-2014-00738775-CU-OE-CXC;
- ***Puente v. Sully-Miller Contracting Co.,*** Orange County Superior Court Case No. 30-2015-00792088-CU-OE-CXC;
- ***Garcia v. Revolution Foods, Inc.,*** Los Angeles Superior Court Case No. BC579142;
- ***Attaway, et al. v. Alliance Residential, LLC,*** Santa Clara County Superior Court Case No. 20CV365134;
- ***Bowman v. Delta Dental of California,*** Alameda County Superior Court Case No. RG21108230;
- ***Hernandez v. Burrtec Waste & Recycling Services, LLC,*** United States District Court for the Central District of California Case No. 5:21-CV-001490-JWH-SP;
- ***Grant v. T-Mobile USA, Inc.,*** United States District Court for the Central District of California Case No. 2:21-CV-02268;
- ***Dawson v. Wonderful Pistachios and Almonds, LLC,*** Kern County Superior Court Case No. BCV-17-100848;
- ***Hamilton, et al. v. Michael Kors Stores (California), Inc.,*** Los Angeles County Superior Court Case NO. 19STCV37061;
- ***Ross v. Stater Bros.,*** San Bernardino Superior Court Case No. CIVDS1902518;
- ***Walker v. Barrett Business Services, Inc., et al.,*** Los Angeles County Superior Court Case No. 20STCV39172;

- ***Benitez, et al. v. Medtronic, Inc., et al.,*** Orange County Superior Court Case No. 30-2019-01069185-CU-OE-CXC;
- ***Montgomery v. Copart, Inc.,*** Sacramento County Superior Court Case No. 34-2020-00280733-CU-OE-GDS;
- ***Vizcarra-McNamee v. Nordstrom, Inc.,*** Orange County Superior Court Case No. 30-2020-01141916-CU-OE-CXC;
- ***Ayers v. Cherry Hill Programs, Inc.,*** Fresno County Superior Court Case No. 20CECG00821;
- ***Sleeper v. Boot Barn, Inc.,*** Sacramento County Superior Court Case No. 34-2019-00272000-CU-OE-GDS;
- ***Pulido-Dias v. Dirt Cheap, Inc.,*** San Bernardino County Superior Court Case No. CIVDS1719694;
- ***Villanueva v. Nordstrom, Inc.,*** San Bernardino County Superior Court Case No. CIVDS1918706;
- ***Bryson v. Madame Tussauds, et al.,*** Los Angeles County Superior Court Case No. 19STCV33514
- ***Hightower v. Levy Premium, et al.,*** Santa Clara County Superior Court Case No. 19CV359262;
- ***Marquez v. Maxim Crane Works, L.P.,*** **et al,** Los Angeles County Superior Court Case No. 19STCV39548;
- ***Rovira v. Silverado Senior Living Management, Inc.,*** Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC;
- ***Hallum, et al. v. FCA US, LLC,*** San Bernardino County Case No. CIVDS1936782;
- ***Martinez v. Placer Title Co., et al.,*** Kern County Case No. BCV-19-103486;
- ***Torres v. Van Law Food Products, Inc.,*** Orange County Case No. 37-2017-00946312-CU-OE-CXC;
- ***Holmes v. Pet Food Express, LLC,*** Alameda County Case No. 22CV014140;

- ***Ventura v. Conduent Commercial Solutions, LLC,*** Kern County Case No. BCV-22-102043;
- ***Ramirez v. CSI Electrical Contractors, Inc.,*** Fresno County Superior Court Case No. 18CECG04150;
- ***Magana v. Eibach Springs, Inc.***, Riverside County Superior Court Case No. RIC1708917;
- ***Knox v. Express Messenger Systems, Inc.,*** San Bernardino County Superior Court Case No. CIVDS1932323;
- ***Corona, et al. v. G&M Oil Company, Inc.,*** Los Angeles County Superior Court Case No. BC640876
- ***Aguilar v. Peach Home Services, Inc., et al.***, Riverside County Superior Court Case No. RIC1823057;
- ***Wilson v. M.C. LLC,*** Orange County Superior Court Case No. 30-2019-01103382-CU-OE-CXC.
- ***Nunez v. Nevell Group, Inc.,*** Orange County Superior Court Case No. 30-2015-00783269.
- ***Bendorf, et al. v. Sea World LLC,*** *et al.,* San Diego Superior Court Case No. 37-2021-00034922-CU-OE-CTL;
- ***DeMartini, et al. v. Safelite Fulfillment, Inc.,*** Marin County Case No. CIV20002076;
- ***Ayala, et al., v. Macy's West Stores, Inc.,*** Los Angeles County Case No. 20STCV34182;
- ***Wallen, et al. v. United Rentals (North America), Inc., et al.,*** Stanislaus County Case No. CV-22-000399;
- ***Granados v. Hyatt Corporation,*** United States District Court for the Southern District of California Case No. 3:23-cv-01001-H-VET;
- ***Vigil v. Hyatt Corporation,*** United States District Court for the Northern District of California Case No. 4:22-cv-00693;

- ***Garcia v. U.S. Best Ingredients, Inc.,*** Los Angeles Superior Court Case No. 21TRCV00813.

48. Indeed, our firm has served as class counsel in a number of significant wage and hour settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest wage and hour class action settlement in California history at $130,000,000. During this case, plaintiffs appealed a decertification order. This case involved several appeals. The appellate record amassed an extensive appellate record comprising a 23-volume joint appendix, a three-volume reporters' transcript, five briefs, four letter briefs, two motions for judicial notice, a motion to augment the record, and several additional letters informing the appellate court of new legal authority issued after Dukes. The matter was argued to and submitted by the Court of Appeal on September 15, 2016, and on November 21, 2016, the decertification order was reversed, and the case was remanded for further proceedings. (*Lubin v. The Wackenhut Corporation* ("Lubin"), 5 Cal. App. 5th 960 (2016)). Wackenhut filed a petition for review of the Court of Appeal decision to the California Supreme Court. The Supreme Court denied Wackenhut's petition for review of Lubin. The Court of Appeal issued remittitur on April 10, 2017. Eventually through additional litigation, the parties were able to secure the $130 million settlement that was approved on October 21, 2019, by Judge Highberger in the Los Angeles Superior Court.

49. Additionally, in early 2020, our firm served as lead counsel in a class action jury trial in the Central District of California involving the class and PAGA representative claims of over 23,000 employees which successfully resolved in the midst of trial for $8,500,000.

50. Here, the Parties' agreement to pay Class Counsel Fees of 33% (i.e. $,77,500.00) of the Settlement Amount is reasonable. My firm and I have been the only counsel to represent Plaintiff and the Settlement Class in this matter, and we have borne the entire risk and cost of this litigation on a pure contingency fee basis. The legal issues raised drew significantly upon my experience and the extensive review and analysis of documents and information by me and others at my firm. In a complex action such as this, the proposed attorneys' fees are, at the very least, on the low side of the market rate for contingency fees.

51. At this juncture, with the addition of more hours due to the administration of the

Settlement by Class Counsel, administration of the Settlement, and preparation for final approval, counsel for plaintiff will provide a detailed analysis of its time in advance of the final approval hearing. Plaintiff's counsel a motion for final approval in accordance with the terms of the settlement agreement.

52. Despite the complexity of the case, Class Counsel has, through the investment of substantial effort and the resources of my law firm been able to secure an outstanding settlement on behalf of the Settlement Class. Plaintiff would have faced substantial legal and factual obstacles in demonstrating that class certification was appropriate. Plaintiff would also have been required to establish a significant amount of witness testimony, pattern and practice evidence, statistical evidence, sampling evidence, expert testimony, and other evidence in order to present their case both at the class certification stage and trial. Defendants vigorously contested liability, the amount of claimed damages, and the propriety of class certification, and would have continued to do so through trial. Accordingly, I believe the Settlement to be fair, reasonable, and adequate and in the best interests of the Settlement Class. The fairness and adequacy of the Settlement is confirmed by all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, the various defenses asserted by Defendants, and numerous potential appellate issues.

53. This Motion for Preliminary Approval of Class And PAGA Action Settlement along with the Settlement Agreement and Notice have been filed and served on the LWDA.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 13, 2025 at Irvine, California.

James R. Hawkins

EXHIBIT A

SHEPPARD, MULLIN, RICHTER & HAMPTON llp
A Limited Liability Partnership
Including Professional Corporations
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Attorneys for Defendants COURTYARD MANAGEMENT CORPORATION (*now known as* COURTYARD MANAGEMENT, LLC), MARRIOTT HOTEL SERVICES, INC. (*now known as* MARRIOTT HOTEL SERVICES, LLC), and MARRIOTT INTERNATIONAL, INC. *erroneously sued as* MARRIOTT INTERNATIONAL

SUPERIOR COURT FOR THE STATE OF

CALIFORNIA FOR THE COUNTY OF SAN FRANCISCO

ARCELI YAMIDO, on behalf of the general public as private attorney general, Plaintiff, v. COURTYARD MANAGEMENT CORPORATION dba THE CLANCY AUTOGRAPH COLLECTION; MARRIOTT INTERNATIONAL; MARRIOTT HOTEL SERVICES, INC., and DOES 1 through 50, inclusive, Defendants.	Case No. CGC-22-603015 **CLASS AND PAGA SETTLEMENT AGREEMENT**

SETTLEMENT AGREEMENT

This Settlement Agreement is made by and between Plaintiff Arceli Yamido and Defendants Courtyard Management, LLC (formerly known as Courtyard Management Corporation) ("Courtyard"), Marriott Hotel Services, LLC (formerly known as Marriott Hotel Services, Inc.) ("MHS"), and Marriott International, Inc. ("MII") (Courtyard, MHS, and MII are referred to herein as "Defendants") and is intended to resolve and settle the pending action entitled <u>Arceli Yamido v. Courtyard Management Corporation et al.</u>, San Francisco County Superior Court Case No., CGC-22-603015 ("Settlement").

1. <u>DEFINITIONS</u>

1.1 The term "<u>Action</u>" means the action entitled *Arceli Yamido v. Courtyard Management Corporation et al.*, Case No. CGC-22-60315 (San Francisco County Superior Court).

1.2 The term "<u>Agreement</u>" refers to this Settlement Agreement.

1.3 The terms "<u>Class</u>" or "<u>Class Members</u>" means all individuals who are or who have been employed by Defendants in California employed at the San Francisco Courtyard Downtown, The Clancy, or both for any period of time during the Class Period.

1.4 The term "<u>Class Counsel</u>" means James Hawkins APLC.

1.5 The term "<u>Class Period</u>" means the time from August 19, 2018 through the date on which the Court issues the Preliminary Approval Order.

1.6 The term "<u>Court</u>" as used herein means the United States District Court – Northern District of California.

1.7 The term "<u>Defendants</u>" mean Courtyard Management, LLC (formerly known as Courtyard Management Corporation) ("<u>Courtyard</u>"), Marriott Hotel Services, LLC (formerly known as Marriott Hotel Services, Inc.) ("<u>MHS</u>"), and Marriott International, Inc. ("<u>MII</u>").

1.8 The term "<u>Defendants' Counsel</u>" means Sheppard, Mullin, Richter & Hampton, LLP.

1.9 The "<u>Effective Date</u>" of the Settlement will be the last to occur of the following: (a) if no objections to the Settlement, then 31 days after service of notice of entry of the Final Approval Order; (b) if one or more timely objections has/have been filed and not withdrawn, then upon passage of the applicable date for an objector to seek appellate review of the Final Approval Order; or (c) if an appeal, review or writ is sought from the Final Approval Order, the day after the Final Approval Order is affirmed or the appeal, review or writ is dismissed or denied, and the order is no longer subject to further judicial review.

1.10 The term "<u>Final Approval Order</u>" means the order of the Court that grants final approval of the Settlement.

1.11 The term "<u>Final Judgment</u>" means the final judgment entered by the Court based upon the Settlement.

1.12 The term "<u>Individual PAGA Payment</u>" means the PAGA Member's pro rata share of the portion of the PAGA Payment allocated to PAGA Members pursuant to Section 9 below.

1.13 The term "<u>Individual Settlement Payment</u>" means the amount to be paid to a Participating Class Member from the Net Settlement Amount pursuant to Section 9 below.

1.14 The term "<u>Mediator</u>" means the Honorable Amy D. Hogue.

1.15 The term "<u>Net Settlement Amount</u>" means the Settlement Amount minus Court-approved Attorneys' Fees and Litigation Costs and Expenses, the Class Representative Payment to Plaintiff, the Settlement Administration Costs, and the portion of the PAGA Payment paid to the State of California Labor Workforce and Development Agency ("LWDA").

1.16 The term "<u>Federal Action</u>" means the action entitled *Arceli Yamido v. Courtyard Management Corporation et al.*, Case No. CGC-22-601366 60315 (San Francisco County Superior Court), currently pending in the Northern District of California, Case No. 22-cv-07023-LB.

1.17 The terms "<u>PAGA Member(s)</u>" means all individuals who are or who have been employed by Defendants in California employed at the San Francisco Courtyard Downtown, The Clancy, or both for any period of time during the PAGA Period.

1.18 The term "<u>PAGA Notice</u>" is the letter that Plaintiff sent to the California Labor and Workforce Development Agency ("LWDA") on August 19, 2022, Case No. LWDA-CM-902924-22.

1.19 The term "PAGA Payment" means the payment made to the LWDA and PAGA Members for civil penalties pursuant to PAGA and the terms of this Agreement.

1.20 The term "PAGA Period" means the time from August 19, 2021 through the date on which the Court issues the Preliminary Approval Order.

1.21 The term "PAGA Workweek(s)" refers to the week(s) during the PAGA Period in which a PAGA Member worked for Defendants at the San Francisco Courtyard Downtown, The Clancy, or both.

1.22 The term "Participating Class Members" means Class Members who have not timely requested exclusion from the Settlement.

1.23 The term "Parties" means Plaintiff and Defendants, collectively.

1.24 The term "Party" means Plaintiff or Defendant, individually.

1.25 The term "Plaintiff" means Plaintiff Arceli Yamido.

1.26 The term "Preliminary Approval Order" means the order of the Court that grants preliminary approval of the Settlement.

1.27 The term "Released Parties" means: Defendants and each of their past, present and future agents, employees, servants, hotel owners, officers, directors, managing agents, members, owners (whether direct or indirect), partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, plans, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and alleged joint employers, temporary staffing agencies, common law employers, potential and alleged common law employers, dual employers, potential and alleged dual employers, co-employers, potential and alleged co-employers, contractors, affiliates, service providers, alter-egos, potential and alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns, and any and all persons and/or entities acting under, by, through or in concert with any of them.

1.28 The term "Settlement Administrator" means ILYM Group, Inc. ("ILYM"), or any other third-party settlement administrator agreed to by the Parties, and which meets Defendants' information security requirements, for the purpose of administration of the Settlement pursuant to the terms of this Agreement and as ordered by the Court.

1.29 The term "Settlement Amount" means an amount not to exceed $235,000.00, inclusive of Attorneys' Fees, Litigation Costs and Expenses, which includes all such fees and costs incurred to date, as well as all such fees and costs incurred in documenting the Settlement and this Agreement, securing Court approval of the Settlement and this Agreement, administering the Settlement, including the Settlement Administration Costs, and obtaining a final order approving the Settlement and this Agreement and entering judgment, the Class Representative Payment to Plaintiff, and the PAGA Payment, but excluding the employer portion of any applicable payroll taxes.

1.30 The term "Workweek(s)" refers to week(s) during the Class Period in which a Class Member worked for Defendants at the San Francisco Courtyard Downtown, The Clancy, or both.

2. SCOPE, PURPOSE, AND BENEFITS OF THE SETTLEMENT

2.1 On August 19, 2022, Plaintiff initiated the Action by filing a putative class action complaint against Courtyard Management Corporation dba The Clancy Autograph Collection, Marriott International, Inc. (*erroneously sued as* Marriott International), and Marriott Hotel Services, Inc. (the "Federal Action" defined above). The complaint alleged the following claims: (1) failure to pay wages; (2) waiting time penalties; (3) failure to provide accurate wage statements; (4) failure to reimburse business expenses; and (5) violation of Business & Professions Code § 17200, et seq. On November 9, 2022, Defendants removed the Action to the United States District Court for the Northern District of California. On August 8, 2023, the parties stipulated to dismiss Marriott International, Inc. from the Action, without prejudice.

On November 17, 2022, Plaintiff filed a separate representative action against Defendants and Marriott International in San Francisco County Superior Court under the Private Attorneys General Act ("Action" defined above). The Action asserts a sole claim under PAGA and alleges the same predicate wage-hour violations as the Action. On April 7, 2023, the superior court stayed the Action in its entirety pending resolution of, among other things, the Federal Action.

2.2 On January 25, 2024, the Parties participated in private mediation conducted by the Hon. Amy D. Hogue, an experienced mediator and judge. The settlement discussions were conducted at arm's length. The Parties reached an impasse at mediation, but thereafter were able to agree on a resolution of the Action and the Federal Action. The Settlement is the result of an informed and detailed analysis of the risks facing all Parties in litigating this case, including but not limited to, careful consideration of the legal and factual obstacles to Plaintiff's prospects of obtaining class certification and on the merits, and Defendants' defenses, as well as Defendants' potential exposure and the additional costs of litigating the Action and the Federal Action.

2.3 This Agreement is intended to and does effectuate the full, final, and complete resolution of the Action. For purposes of settlement, Plaintiff has agreed to amend the operative complaint in this Action to include the claims alleged in the Federal Action for efficiency purposes and any other necessary claims, so the claims alleged in both actions may be settled in the same court. The Parties also agree to stipulate to file an amended complaint in the Action and agree to do so within 15 days of signing the Agreement. Plaintiff also agrees to file a motion for preliminary approval of the settlement within 15 days of the Court entering an order on the First Amended Complaint the parties stipulated to, referenced above. Plaintiff also agrees to seek a stay of the Federal Action while the parties are finalizing settlement in the Action Upon final approval of the Action, Plaintiff agrees to seek dismissal of the Federal Action with prejudice.

2.4 The Parties believe that continued litigation would be protracted, expensive, uncertain, and contrary to their best interests and the interests of the Class. In light of these realities, the Parties believe that this Settlement is the best way to resolve the disputes between them.

3. <u>JURISDICTION, ENFORCEMENT, AND INTERPRETATION</u>

The Court has jurisdiction over the Parties for purposes of approving the settlement of the Action. The Action include claims that, while Defendants deny them in their entirety, would, if proven, authorize the San Francisco County Superior Court to grant relief pursuant to the

California laws cited therein. If the Settlement is approved, the Court will retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, pursuant to California Rules of Court Rule 3.769, *et seq*. and California Code of Civil Procedure Section 664.6, and the Parties hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith. The Parties and their counsel agree that a court, upon motion, may enter judgment pursuant to the Agreement and California Code of Civil Procedure Section 664.6 and the Agreement is admissible in evidence for purposes of enforcement pursuant to California Evidence Code Section 1123. The Agreement will be interpreted and enforced under the laws of the State of California without regard to its conflict of laws provisions. Any dispute arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Court and the Parties hereby consent to the jurisdiction of the Court over them solely in connection therewith.

4. <u>NO ADMISSION WITH RESPECT TO LIABILITY</u>

4.1 The Parties agree that this Agreement reflects their good faith compromise of the Action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel. This Agreement does not constitute, is not intended to constitute, and will not be deemed to constitute, an admission of liability or lack of liability by Defendants or Plaintiff as to the merits, validity, or accuracy of any of the allegations or claims made against Defendants in the Action or the appropriateness of class certification. Defendants deny each of Plaintiff's allegations in their entirety and allege that Plaintiff and all other Class Members were provided compensation and treated in all respects in accordance with California law.

4.2 Nothing in this Agreement, any action taken or made in implementation thereof, statements, discussions, communications, nor any materials prepared, exchanged, issued, or used during the course of the negotiations leading up to the Agreement, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, or be submitted in any way in the Action or any other judicial, arbitral, administrative, investigative or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, the Agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Agreement or any orders or judgments of the Court entered into in connection therewith. Additionally, insofar as any of the foregoing material is required to be filed by any Court, by Court order, the Parties will comply with such order but will notify the other Party of such an order at least ten (10) days prior to filing of the documents.

4.3 The Parties agree that Plaintiff's forthcoming motion for preliminary approval of the Settlement, which will, among other things, seek certification of a class, is for purposes of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation to certification will have no force or effect. The Parties agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the standard applied to contested certification motions and that this Agreement will not be submitted in this or any other proceeding as evidence that (i) a class should be certified, or (ii) Defendants are liable to Plaintiff or any of the Class Members or PAGA Members. Further, neither this Agreement nor the Court's actions with regard to this Agreement will be submitted in any court or other tribunal regarding the propriety of class certification or collective treatment for purposes other than the settlement of the Action. In the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendants will not be deemed to have waived, limited, or affected in any way, any of their objections or defenses in the Action, including, but not limited to, its defenses in opposition to class certification.

5. CLASS CERTIFICATION

For the purposes of this Agreement only, the Parties agree to the certification of the Class to include all Class Members. As set forth above, Defendants expressly reserve their right to oppose class certification should the Court decide to not approve this Settlement or if this Agreement is otherwise terminated.

6. RELEASE AND WAIVER

6.1 Release and Waiver of Claims by the Participating Class Members. As of the Effective Date, all Class Members who do not properly opt-out of the Settlement will fully and finally release the Released Parties (as defined above) from any and all Released Class Claims. The "Released Class Claims" are defined as all claims asserted in the Action, Federal Action, and/or PAGA Notice arising from or related to the facts and claims alleged in the Action, Federal Action, and/or PAGA Notice, or that could have been raised in the Action, Federal Action, and/or PAGA Notice based on the facts and claims alleged. The Released Class Claims include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to pay sick pay; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; failure to reimburse business expenses; wage statements; unpaid vacation; deductions; failure to keep/maintain accurate records including payroll records; failure to provide suitable seating; unfair business practices related to the Released Class Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; failure to timely pay wages; failure to timely pay final wages; and attorneys' fees and costs; all claims related to the Released Class Claims arising under: the California Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204 *et seq.*, 205.5, 206, 210, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 227.3, 233, 246, 256, 432, 510, 511, 512, 515, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, 1198.5, 2698 *et seq.,* 2699 *et seq.,* 2800, and 2802); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); violation of the constitutional right to privacy; California Business and Professions Code section 17200, *et seq.*; the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 *et seq.*; California Code of Regulations, Title 8, Section

11040, Subdivision 5(A)-(B); California Code of Regulations, Title 8, Section 1 1070(14); and federal common law. The Released Claims also include claims for civil penalties that accrued during the PAGA Period under PAGA to the extent they were alleged or reasonably could have been alleged based on the factual allegations in the PAGA Notice filed with the LWDA by Plaintiff or any pleadings filed in the Action and/or Federal Action by Plaintiff.

The Participating Class Members, agree, upon the Effective Date and by operation of the Final Approval Order, to release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind by each and all of the Participating Class Members (including participation to any extent in any class or collective action), to obtain a recovery against any of the Released Parties for the Released Claims. Participating Class Members who endorse, timely cash, or otherwise negotiate their Settlement Payment Checks waive and release any claims under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* ("FLSA") arising during the Class Period and reasonably related to any or all of the aforementioned claims.

-The following language will be printed on the reverse of each Settlement Payment Check, or words to this effect: "By endorsing or otherwise negotiating this check, I acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement and I consent to join in the Fair Labor Standards Act ("FLSA") portion of the [Action], elect to participate in the settlement of the FLSA claims, and agree to release all of my FLSA claims that are covered by the Settlement." Upon entry of Judgment, Participating Class Members are precluded from filing a wage and hour action under the FLSA against the Released Parties for claims and/or causes of action encompassed by the Released Class Claims which are extinguished and precluded pursuant to the holding in Rangel v. PLS Check Cashers of California, Inc., 899 F.3d 1106 (9th Cir. 2018).

This release excludes the release of claims not permitted by law. Plaintiff agrees to amend the operative complaint as necessary to comport with this release as set forth below.

6.2 General Release and Waiver of Claims by Plaintiff. As of and subject to the occurrence of the Effective Date, and subject to Defendant's payment of the Settlement Amount, and as a condition of receiving any portion of the Class Representative Service Payment, Plaintiff, and each of her former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties, and each and all of them, from any and all claims, liabilities, causes of actions, charges, complaints, obligations, costs, losses, damages, injuries, attorneys' fees, and other legal responsibilities, of any form whatsoever, whether known or unknown, unforeseen, unanticipated, unsuspected, or latent, which Plaintiff or her heirs, administrators, executors, successors in interest, and/or assigns have incurred or expect to incur, or now own or hold, or have at any time heretofore owned or held, or may at any time own, hold, or claim to hold by reason of any matter or thing arising from any cause prior to the later date of Plaintiff's execution of this Agreement under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, including but not limited to claims arising from or in any way related to her employment with Defendant and/or her compensation while an employee of Defendant ("Plaintiff's Released Claims"). Plaintiff's Released Claims include, but are not limited to, any alleged (a) violation of the National Labor Relations Act, Title VII of the Civil Rights Act, the California Fair Employment and Housing Act, the Americans With Disabilities Act of 1990, the Federal Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act of 1990, the Fair Labor Standards Act, the California Labor Code, any applicable California Wage Order, PAGA (to include, but not limited to, acting as a PAGA representative), the California Equal Pay Act, the California Fair Pay Act, the Occupational Safety and Health Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the California Family Rights Act, the Employee Retirement Income Security Act (excluding vested benefits), the California Unfair Business Practices Act/Unfair Competition Law, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, and any state law equivalent; (b) harassment, discrimination and/or retaliation, or failure to prevent the same, on the basis of age, race, color, ancestry, national origin (including language use restrictions), citizenship, religious creed (including religious dress and grooming practices), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), marital status, domestic partnership status, sexual orientation, gender, gender identity or gender expression, veteran status, military status, political affiliation, failure to accommodate a disability, failure to engage in the interactive process, family care or medical leave status or the denial of family and medical care leave, physical or mental disability (including HIV and AIDS), medical condition (including cancer and genetic characteristics), genetic information or any other basis protected by applicable federal, state and/or local laws, regulations, rules, ordinances and/or orders, failure to pay wages due or other monies owed; (c) any whistleblower or retaliation claims on the basis of any protected activity or other protected basis; (d) breach of any express or implied promise, contract or agreement (express or implied), or breach of the implied covenant of good faith and fair dealing; (e) any tort or common law claims, including wrongful discharge, intentional or negligent infliction of emotional distress, negligence, fraud, misrepresentation, defamation, libel, slander, interference with prospective economic advantage, or other tort or common law actions; (f) claims for misclassification, wage and hour, or other claims related to hours, conditions, or compensation related to work; and (g) any other violation of local, state, or federal law, constitution, statute, regulation or ordinance, public policy, contract, or tort or common law claim, whether for legal or equitable relief, having any bearing whatsoever on the terms and conditions of employment, or association or working relationship, with any of the Released Parties, including but not limited to any allegations for penalties, interest, costs and fees, including attorneys' fees, incurred in any of these matters, which Plaintiff ever had, now has, or may have as of the later date of Plaintiff's execution of this Agreement or Plaintiff's execution of the stand-alone individual settlement agreement (whichever is later) (with the exception of the Released Class Claims and Released PAGA Claims, as the release for those claims will extend through the Class Period and PAGA Period, respectfully) ("Plaintiff's Released Claims").

Plaintiff's Released Claims include, but are not limited to, all claims asserted in the Action, Federal Action, and/or PAGA Notice, arising from or related to the Action, Federal Action, and/or PAGA Notice, and/or that could have been raised in the Action, Federal Action, and/or PAGA Notice, based upon the facts and causes of action alleged. Plaintiff's Released Claims include, but are not limited to, the Released Class Claims, Released PAGA Claims, all claims for unpaid wages, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; unpaid vacation; failure to reimburse business expenses; deductions; failure to keep/maintain accurate records including payroll records; failure to provide suitable seating; failure to pay sick pay; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; failure to timely pay wages; failure to timely pay final wages; and attorneys' fees and costs. Plaintiff's Released Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204 *et seq.*, 205.5, 206, 210, 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 227.3, 233, 246, 256, 432, 510, 511, 512, 515, 516, 550, 551, 552, 554, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, 1198.5, 2698, *et seq.,* 2699, *et seq.,* 2800, and 2802); all claims arising under: the Wage Orders of the California Industrial Welfare Commission; PAGA; California Business and Professions Code section 17200, *et seq*.; the California Civil Code, to include but not limited to, sections 3287, 3336 and 3294; 12 CCR § 11040; 8 CCR § 11060; California Code of Civil Procedure § 1021.5; California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B); California Code of Regulations, Title 8, Section 1 1070(14); violation of the constitutional right to privacy; the California common law of contract; the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 *et seq.*; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.* ("ERISA"). Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contract and tort.

This release excludes the release of claims not permitted by law. Plaintiff's Release does not apply to: (a) Plaintiff's entitlement under ERISA to vested retirement or pension benefits; (b) enforcement of the terms of this Agreement; (c) any entitlement to workers' compensation benefits; (d) any right to unemployment insurance benefits; (e) any other claims that cannot lawfully be waived by this agreement; and (f) any rights Plaintiff may have to file, cooperate, or participate in any proceeding before the Equal Employment Opportunity Commission ("EEOC") or a state fair employment practices agency, and/or Government Agency. Plaintiff, however, waives the right to recover any damages or to receive other relief in any claim or suit brought by or through the EEOC or any other federal, state or local agency on Plaintiff's behalf directly from the Released Parties to the fullest extent permitted by law, but expressly excluding any monetary award or other relief available, including a whistleblower award, or other awards or relief that may not lawfully be waived.

All such claims, liabilities or causes of action (including, without limitation, claims for related attorneys' fees and costs) are forever barred by this Agreement regardless of the forum in which they may be brought. The Parties intend for this release to be as broad as possible. Plaintiff's Release applies to persons who are not signatories to the Agreement.

This Release excludes the release of claims not permitted by law. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true but agree, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. The specific terms of Plaintiff's Release will be detailed in a separate, stand-alone individual settlement agreement.

<u>Plaintiff's Waiver of Rights Under California Civil Code Section 1542</u>. Plaintiff's Released Claims is intended to be broad to include all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that she now knows or believes to be true with respect to the subject matter of Plaintiff's Released Claims, those claims will

remain released and forever barred. Thus, for purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

6.3 <u>Release and Waiver of Claims by PAGA Members</u>

Upon the Effective Date, subject to Defendants' payment of the Settlement Amount, and by operation of the Final Approval Order, Plaintiff, the LWDA, and each and all PAGA Members, including those who timely and effectively exclude themselves from the Released Class Claims (Settlement), shall nevertheless be bound by the Released PAGA Claims. All PAGA Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the LWDA, shall release the Released Parties from all known and unknown claims for civil penalties which arose at any time during the PAGA Period that have been or may be asserted under PAGA, including all claims for unpaid wages, including, but not limited to, claims relating to failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; failure to provide suitable seating; failure to pay sick pay; payment for all hours worked, including off-the-clock work; wage statements; unpaid vacation; failure to reimburse business expenses; deductions; failure to keep/maintain accurate records including payroll records; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; failure to timely pay wages; failure to timely pay final wages; attorneys' fees and costs; and all claims relating to alleged violations of the Labor Code, including, but not limited to, sections 201-203, 204, 210, 218, 221, 227.3, 233, 246, 510, 512, 558, 226, 226.3, 226.7,1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 2802,) and California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B); California Code of Regulations, Title 8, Section 1 1070(14); and the applicable Wage Orders("Released PAGA Claims").

6.4 Amended Complaint. Plaintiff agrees to amend the operative complaint in the Action for purposes of settlement only as necessary to comport with the release in Sections 6.1 and 6.3. Specifically, Plaintiff agrees to amend the operative complaint to include all of the claims and allegations alleged in the Federal Action.

7. NOTICE AND OPPORTUNITY TO OPT OUT OR OBJECT

7.1 Notice to the Class. The Parties will submit a Notice of Class Action Settlement ("Class Notice"), in the form attached hereto as Exhibit 1, to the Court for approval. The Class Notice will include, nonexclusively, information regarding the nature of the Action; a summary of the substance of the Settlement; the definition of the Class; the formula used to determine the Individual Settlement Payments and Individual PAGA Payments for the Class Members; the number of Workweeks and PAGA Workweeks credited to each Class Member and his or her estimated Individual Settlement Payment and Individual PAGA Payment; the procedures and deadlines for objecting to the Settlement, seeking exclusion from the Settlement (except PAGA Members shall have no right to exclude themselves from the PAGA portion of the Settlement), and/or disputing the number of Workweeks credited to him or her; and the date for the Final Approval Hearing. To determine the estimated Individual Settlement Payment for each Class Member for purposes of the Notice, the Settlement Administrator will divide each Class Member's respective Workweeks by the total workweeks worked by all Class Members during the Class Period, and will multiply the resulting figure by the Net Settlement Amount. To determine the estimated Individual PAGA Payment for each PAGA Member, the Settlement Administrator will divide each PAGA Member's respective PAGA Workweeks by the total workweeks worked by all PAGA Members during the PAGA Period, and will multiply the resulting figure by the portion of the PAGA Payment ($5,875.00,) allocated to PAGA Members.

7.2 Mailing of the Class Notice. Within forty-five (45) calendar days of the Preliminary Approval Order, Defendants shall provide the Settlement Administrator with the name, last known mailing address, Social Security number, the dates of employment, and number of Workweeks for each Class Member during the Class Period and the PAGA Period in a readable Microsoft Excel spreadsheet (collectively the "Class List and Data"). In no event will this information ever be shared with or provided to Class Counsel.

Within fifteen (15) calendar days after receipt of the Class List and Data, the Settlement Administrator shall mail the Class Notice to the Class Members via first-class regular U.S. mail. Class Members will have forty-five (45) calendar days from the mailing of the Class Notice ("Response Deadline") to submit a request for exclusion ("Request for Exclusion"), dispute, or objection. The date of initial mailing of the Class Notice by the Settlement Administrator to the Class Members is the "Initial Mailing." Prior to mailing the Class Notice to Class Members, the Settlement Administrator will perform one search based on the National Change of Address Database information to update and correct the Class List and Data for any known or identifiable address changes.

If, within thirty (30) calendar days of the Initial Mailing, a Class Notice is returned with a forwarding address, then within five (5) calendar days of receiving the undeliverable Class Notice, the Settlement Administrator shall forward the original Class Notice to the updated address via first-class regular U.S. mail indicating on the Class Notice the date of such re-mailing. If a Class Notice is returned within thirty (30) calendar days of the Initial Mailing as undeliverable without a forwarding address, then within five (5) calendar days of receiving the undeliverable Class Notice, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace search and will perform a single re-mailing to any addresses located indicating the date of the re-mailing on the Class Notice. Those Class Members who receive a re-mailed Class Notice (as a result of the Settlement Administrator locating an updated address by way of skip-trace search, forwarding address provided by the post office, or request from the Parties or Class Members), will have the later of (a) fifteen (15) calendar days from the date the Class Notice is re-mailed or

(b) the Response Deadline to postmark a Request for Exclusion, objection, or dispute regarding Workweeks to the Settlement Administrator ("Extended Response Deadline").

In the event that the procedures in this Section are followed and the intended recipient of a Class Notice still does not receive the Class Notice, the intended recipient shall be bound by all terms of the Settlement and any Final Approval Order and Final Judgment entered by the Court if the Settlement is approved by the Court. In the event the procedures in this Section are followed and a Class Member does not ultimately return a Request for Exclusion and/or the Request for Exclusion is rejected by the Settlement Administrator, the Class Member shall be deemed a Participating Class Member and will be bound by all terms of the Settlement and any Final Approval Order and Final Judgment entered by the Court if the Settlement is approved by the Court.

7.3 <u>Objection to the Settlement</u>. A Participating Class Member may object to the Settlement. To assert an objection to the Settlement, a Participating Class Member must submit an objection to the Settlement Administrator by first class U.S. mail at the address specified on the Class Notice, not later than the Response Deadline, or in the instance of a re-mailed Class Notice, the Extended Response Deadline. The date of the postmark will be the exclusive means for determining whether an objection has been timely submitted. All objections must be in writing, which includes: (1) the objector's full name, address, last four digits of his or her Social Security number, and signature; (2) the case name and number; (3) the factual and legal basis, with supporting documents, if any, on which the objection is based; (4) whether the objector is represented by an attorney and providing the contact information of any such attorney; and (5) whether the objector plans to appear at the Final Approval Hearing. The Parties agree that the Settlement Administrator shall not disclose the last four digits of any objecting Class Member's Social Security number to anyone but the Parties, that such information will be securely held, and that the disclosure of those last four digits to the Parties shall not be used for any purpose except to ascertain the identity of the objector for administration of this Settlement. Any person who fails to timely submit their written objections in the manner specified above may still appear and object at the Final Approval Hearing. Participating Class Members who fail to object in the manners specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. If a Participating Class Member objects to this Settlement, the Participating Class Member will remain a member of the Settlement Class, and if the Court grants final approval of the Settlement, he or she will be bound by the terms of the Settlement and any Final Approval Order and Final Judgment. Within three (3) business days of receipt of an objection, the Settlement Administrator shall provide counsel for the Parties with a copy of the objection. No later than thirty (30) calendar days before the Final Approval Hearing, the Settlement Administrator shall provide counsel for the Parties with a complete list of Participating Class Members who have submitted an objection. Prior to the Final Approval Hearing, the Settlement Administrator shall submit copies of the objections that it has received, to the Court by way of declaration.

7.4 Request for Exclusion from the Settlement. Class Members who wish to exclude themselves from the Settlement must submit a valid and timely Request for Exclusion to the Settlement Administrator by mail, postmarked on or before the Response Deadline or, in the instance of a re-mailed Class Notice, the Extended Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means for determining whether a Request for Exclusion has been timely submitted. A Request for Exclusion must be in writing which contains: (1) the Class Member's full name, current address, last four digits of his/her Social Security number; (2) the case name and number; (3) a clear statement that the Class Member wishes to be excluded from the Settlement; (4) the Class Member's signature and the date of signature. The name and last four digits of the Social Security number provided by the Class Member on the Request for Exclusion must match Defendants' records as provided to the Settlement Administrator, or match Defendants' records for that particular Class Member. The name and Social Security number provided by the Class Member will be deemed to match Defendants' records only if: (1) both the first name and the last name and the last four digits of the Social Security number provided by the Class Member match Defendants' records; (2) the first name and the last four digits of the Social Security number provided by the Class Member match Defendants' records and it appears the last name has been changed as a result of a change in marital status or is a shortened or lengthened version of the name that appears in Defendants' records; or (3) the last four digits of the Social Security number and last name match Defendants' records and the first name provided is either a nickname or a shortened or lengthened version of the name that appears in Defendants' records. Each Class Member who does not submit a Request for Exclusion in compliance with this paragraph will be deemed to be a Participating Class Member. Participating Class Members will be bound by all terms of the Agreement and the Final Approval Order and Final Judgment. Any Class Member who submits a Request for Exclusion will not be a Participating Class Member, will not be entitled to receive any Individual Settlement Payment, and will not be bound by this Agreement or have any right to object, appeal, or comment thereon. Notwithstanding the foregoing, the Parties agree there is no statutory or other right for any Class Member to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Class Member who submits a valid and timely Request for Exclusion and is also a PAGA Member shall still receive his or her proportionate share of the PAGA amount and shall be bound by the release of the PAGA claims during the PAGA Period. No later than thirty (30) calendar days before the Final Approval Hearing, the Settlement Administrator shall provide counsel for the Parties with a complete list of all Class Members who have submitted a valid and timely Request for Exclusion. If a Class Member submits both a Request for Exclusion and written objection to the Settlement Administrator prior to the Response Deadline, the Settlement Administrator will first attempt to contact the Class Member(s) to determine if they intended to submit only the Request for Exclusion or written objection. If the Settlement Administrator is unable to contact the Class Member(s) within ten (10) calendar days of receiving both the Request for Exclusion and written objection or if the Class Member(s) fails to respond to the Settlement Administrator within ten (10) calendar days of being contacted, then only the Request for Exclusion will be deemed valid. The Class Member(s)' written objection will be invalid, and the Class Member will no longer be considered a Participating Class Member, will not receive his or her Individual Settlement Payment, and will not be bound by the release of Released Claims (but will still have fully and finally released and discharged the Released Parties of all Released Claims arising during the PAGA Period that may be asserted under PAGA).

7.5 No Solicitation of Objections to or Exclusions from the Settlement. The Parties agree to use their best efforts to carry out the terms of this Agreement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Requests for Exclusion, objections to the Settlement, or appeal from or seek review of the Court's Preliminary Approval Order, Final Approval Order, or Final Judgment.

7.6 Defendants' Right to Withdraw from the Settlement. If either (i) 10% or more of the Class Members, or (ii) a number of Class Members whose Individual Settlement Payments in the aggregate is 10% or more of the Maximum Settlement Amount either opt out of and/or object to the Settlement, or both (i) and (ii), Defendants may, at their election, rescind the Settlement and all actions taken in its furtherance of it will be thereby null and void. If Defendants exercise this right of recession, it must do so in writing, that is mailed to Class Counsel by overnight mail, addressed to: ____________.

8. DISPUTES REGARDING WORKWEEKS

The Class Notice mailed to each Class Member will indicate the Workweeks and PAGA Workweeks credited to each Class Member and the estimated Individual Settlement Payment and/or Individual PAGA Payment that he/she is to receive based upon Defendants' records and the formulas set forth in Section 9 below. If a Class Member objects to the Workweeks and/or PAGA Workweeks credited to him or her, as stated in the Class Notice, the Class Member must submit written correspondence to the Settlement Administrator that is postmarked no later than the Response Deadline, or in the instance of a re-mailed Class Notice, the Extended Response Deadline, explaining the basis for the dispute and including any supporting documentation showing that the Workweeks and/or PAGA Workweeks credited to him or her is inaccurate. Defendants' records will be presumed determinative, absent credible evidence to rebut the accuracy of the Workweeks and/or PAGA Workweeks credited to a Class Member based thereon. The Settlement Administrator will evaluate the evidence submitted by the Class Member and make a recommendation to the Parties as to which figures should be applied. If the Parties disagree with the Settlement Administrator's recommendation, the dispute will be presented to the Court for determination.

9. COMPUTATION AND DISTRIBUTION OF PAYMENTS

9.1 Settlement Amount. The Settlement Amount has been agreed to by Plaintiff and Defendants, based on analysis and assessment of the value of the claims of the Class. It is expressly understood that if the Court awards less than the total amounts requested by Class Counsel to be awarded for Attorneys' Fees and Litigation Costs and Expenses and/or the Class Representative Payment requested by Plaintiff, the difference in any such amounts will be added to the Net Settlement Amount.

9.2 Distribution to the Participating Class Members. Individual Settlement Payments will be determined as follows: Defendants will provide the Settlement Administrator with the number of Workweeks credited to each Class Member during the Class Period. The Settlement Administrator will then calculate the total number of Workweeks worked by all Class Members during the Class Period ("Total Workweeks"). To determine the Individual Settlement Payment for each Participating Class Member, the Settlement Administrator will (1) divide each Participating Class Member's respective Workweeks by the Total Workweeks, and (2) multiply the resulting figure by the Net Settlement Amount. The Individual Settlement Payment will be reduced by any required legal deductions for each Participating Class Member, provided that such legal deductions will not include the employer's share of any payroll taxes, as set forth in Section 1.29 above. Participating Class Members will have one hundred eighty (180) calendar days from the date on which the Individual Settlement Payment and/or Individual PAGA Payment check is issued, to cash or deposit such check(s). If an Individual Settlement Payment and/or Individual PAGA Payment check is not cashed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is cashed or deposited within the original 180 day check cashing period, the check(s) will expire and become non-negotiable, and offering to replace the check(s) if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 180 day check cashing period, the Settlement Administrator will, within two hundred (200) calendar days after the checks are initially mailed, cancel the check(s) ("Unused Funds"), and pay the amount of Unused Funds to the California State Controller's Office in accordance with California Unclaimed Property Law in the name of the Participating Class Member(s) and/or PAGA Members, as an alternative distribution for which there is good cause, under Code of Civil Procedure § 384(b).

9.3 Class Representative Payment to Plaintiff. Plaintiff will apply to the Court for an enhancement payment of up to $7,500 (the "Class Representative Payment"), to be paid out of the Settlement Amount. Defendants will not oppose such application, so long as it is consistent with the provisions of this Agreement. Any amounts awarded for the Class Representative Payment to Plaintiff less than the amount listed above will result in the non-awarded funds being part of the Net Settlement Amount available for distribution to the Participating Class Members. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this payment and shall hold harmless the Released Parties from any claim or liability for taxes, penalties or interest arising as a result of the payment. The Settlement Administrator will issue to each Plaintiff an IRS Form 1099 reflecting his Class Representative Payment.

9.4 PAGA Payment. The Parties agree to allocate the amount of $23,500.00 from the Maximum Settlement Amount pursuant to PAGA. Seventy-five percent (75%) of this amount, or $17,625, will be paid to the LWDA and twenty-five percent (25%) of this amount, or $5,875.00, will be a part of the Net Settlement Amount which will be distributed to the PAGA Members. The portion of the PAGA Payment ($5,875.00) distributed to PAGA Members as part of the Net Settlement Amount shall be calculated and distributed on a pro rata basis based on PAGA Members' respective number of PAGA Workweeks. The Settlement Administrator will (1) divide each PAGA Member's PAGA Workweeks by the total number of workweeks worked by all PAGA Members during the PAGA Period, and (2) multiple the resulting figure by the portion of the PAGA Payment ($5,875.00) allocated to PAGA Members in order to yield each PAGA Member's Individual PAGA Payment. It is expressly understood that if the Court awards less than the total amounts requested to be awarded for the PAGA Payment, the difference in any such amount will be a part of the Net Settlement Amount. In the event that the Court finds the Parties' allocation of proceeds from the Settlement Amount to PAGA to be insufficient, the Parties expressly reserve the right to amend this Agreement to increase the allocated amount to a level that satisfies the Court's discretion, but provided that such increase does not increase the Settlement Amount.

9.5 Attorneys' Fees and Litigation Costs and Expenses. Class Counsel shall be entitled to apply to the Court for attorneys' fees payable to Class Counsel in the amount of up to 33% of the Maximum Settlement Amount, which is $77,550.00 ("Attorneys' Fees"), and litigation costs and expenses in an amount not to exceed $20,000.00 ("Litigation Costs and Expenses"). The amounts set forth above for Attorneys' Fees and Litigation Costs and Expenses will cover all work performed and all fees and costs incurred by Class Counsel to date, and all work to be performed and all fees to be incurred in connection with the litigation of the Action, seeking preliminary and final approval by the Court of this Settlement and Agreement, the administration of the Settlement, seeking and obtaining a Preliminary Approval Order and Final Approval Order, and obtaining Final Judgment. Defendants agree not to oppose such an application for Attorneys' Fees and Litigation Costs and Expenses, so long as it is consistent with the provisions of this Agreement. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel reflecting the awarded Attorneys' Fees and Litigation Costs and Expenses. If Plaintiff and/or Class Counsel requests a lesser amount for Attorneys' Fees and/or the Court approves a lesser amount, the difference between the lesser amount and $77,550.00 will be a part of the Net Settlement Amount. If Plaintiff and/or Class Counsel requests a lesser amount for its Litigation Costs and Expenses and/or the Court approves a lesser amount, the difference between the lesser amount and $20,000.00 will be added to the Net Settlement Amount. Class Counsel will not be permitted to petition the Court for, or accept, any additional payments for attorneys' fees, costs, or expenses in connection with the Action. Plaintiff, Class Counsel, and Class Members shall assume full responsibility and liability for the payment of taxes due on such awards.

Defendants' payment of the Attorneys' Fees and Litigation Costs and Expenses awarded to Class Counsel shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law firm for attorneys' fees, costs, or expenses in the Action incurred by any attorney on behalf of the Plaintiff and the Class Members, and shall relieve Defendants, the Settlement Administrator, and Defendants' counsel of any other claims or liability to any other attorney or law firm for any attorneys' fees, costs, and expenses to which any of them may claim to be entitled on behalf of Plaintiff and/or the Class Members.

9.6 Settlement Administrator. Subject to approval by the Court, the Parties agree that the fees and expenses of the Settlement Administrator in relation to services rendered in Settlement of the Action shall be deducted from the Maximum Settlement Amount, not to exceed $10,000.00 ("Settlement Administration Costs"). If the Court awards less than the total amount allocated for Settlement Administration Costs, the difference in any such amounts will be a part of the Net Settlement Proceeds.

The Settlement Administrator shall have the authority to mail the Class Notice; establish a qualified settlement fund account and administer the Maximum Settlement Amount; and disburse funds from the Maximum Settlement Amount in accordance with this Agreement. The Settlement Administrator shall calculate the Individual Settlement Payments to be paid to the Participating Class Members in accordance with the terms and provisions of this Agreement; calculate the Individual PAGA Payments to be paid to the PAGA Members in accordance with the terms and provisions of this Agreement; distribute the Class Notice; determine eligibility for payment to a Class Member; resolve any disputes regarding the Workweeks and/or PAGA Workweeks credited to each Class Member; keep track of those Class Members requesting to be excluded from the Settlement, and provide information regarding objections and Requests for Exclusion to the Parties' counsel; mail the Individual Settlement Payment checks to Participating Class Members and Individual PAGA Payment checks to PAGA Members; undertake require tax withholdings and reporting; and perform such other tasks necessary to effectuate the terms of this Agreement or as the Parties mutually agree or the Court orders the Parties to perform. The Settlement Administrator shall regularly report to the Parties, in written form, the substance of the work performed.

The Settlement Administrator will submit to the Court, in conjunction with the motion for final approval, a declaration providing, among other things, the number of Class Notices it mailed to the Class Members, the number of Class Notices that it re-mailed, the number of Class Notices that were ultimately undeliverable, the number of Requests for Exclusion and objections that it received, the number of defective Requests for Exclusion and objections that it received, the total of its charges for services rendered, and the anticipated future charges contemplated in order to bring the administration of the Settlement and distribution of payments to completion.

Any disputes relating to the Settlement Administrator's ability and need to perform its duties shall be referred to the Court.

9.7 Time for Funding of the Settlement. Prior to the Effective Date of the Settlement, Defendants will not be required to fund the Settlement, in whole or in part, through the Settlement Administrator or any third party. Within sixty (60) calendar days after the Effective Date, Defendants shall provide the Settlement Administrator with sufficient funds to make all the payments required under this Settlement. Prior thereto, Defendants shall not have any obligation to segregate the funds comprising the Maximum Settlement Amount from its other assets and will retain exclusive authority over, and responsibility for, those funds.

9.8 Time for Distribution. Within 30 calendar days after receipt of the Settlement Amount from Defendant, the Settlement Administrator shall make the following payments: (1) Individual Settlement Payments to Participating Class Members; (2) Individual PAGA Payments to PAGA Members; (3) the Class Representative Payment; (4) the Attorneys' Fees; (5) the Litigation Costs and Expenses; (6) the PAGA Payment; and (7) payment to the Settlement Administrator for its administration duties performed and to be performed to conclude its obligations pursuant to this Agreement.

10. INTEREST

The Settlement Amount includes any and all interest accruals and no additional interest shall be due under any circumstances.

11. TAXATION

11.1 Plaintiff and Participating Class Members represent and warrant that they understand that it is their sole obligation to pay appropriate federal, state, and local income taxes on any amounts they receive under this Agreement that lawfully qualify as taxable income.

11.2 All Individual Settlement Payments will be allocated as follows: 50% as wages ("wage portion") and 50% as penalties, any other non-taxable items, and interest. The wage portion of each Individual Settlement Payment will be subject to W-2 reporting and, therefore, employee's share of payroll taxes and withholdings will be deducted pursuant to applicable state and federal law. Defendants shall be responsible for paying employer-side taxes separately from the Maximum Settlement Amount. Participating Class Members will be issued an IRS Form 1099 for the portion of their Individual Settlement Payments that is treated as interest and penalties and any other non-taxable items and will assume full responsibility and liability for the payment of taxes due on such awards, if any. All Individual PAGA Payments will be allocated as 100% penalties and interest and PAGA Members will be issued an IRS Form 1099 for their Individual PAGA Payment and will assume full responsibility and liability for the payment of taxes due on such awards, if any. The Parties make no representations about the tax consequences to the portion of the Individual Settlement Payments representing interest and penalties.

12. ESCALATOR CLAUSE

12.1 It was estimated for purposes of mediation that during the time period beginning August 19, 2018 through and including December 8, 2023, Class Members worked approximately 25,004 workweeks. This number would be expected to increase proportionately to reflect the passage of time between December 8, 2023 and the date the Court enters an order approving the settlement approval. If the workweeks as of the date the Court enters an order approving the settlement exceed 28,000 workweeks for Class Members, Defendants, at their discretion, agree to elect one of two possible options: (a) the first option is to increase the Settlement Amount on a pro rata basis according to the number of additional compensable workweeks over 28,000 workweeks, with any such increase in the Settlement Amount paid solely by Defendants; or (b) the second option is that Defendants may elect to close the Class Period before the date the workweeks exceed the 28,000 workweek limit. It is in Defendants' sole discretion whether to choose option (a) or (b) as set forth herein.

13. COURT APPROVAL

13.1 Following the Preliminary Approval Order, if Defendants do not exercise their right to cancel the Settlement solely as provided for herein, a motion for final approval of the Settlement will be filed by Class Counsel, which, if not separately filed by Class Counsel, will include a request for Attorneys' Fees, Litigation Costs and Expenses, and Class Representative Payment as provided for herein, which Defendants will not oppose. The Parties agree to take all steps as may be reasonably necessary to secure final approval of the Settlement as quickly as possible, to the extent not inconsistent with the terms of this Agreement and will not take any action adverse to each other in obtaining Court approval, and, if necessary, appellate approval, of the Agreement in all respects.

13.2 If the Court does not grant preliminary approval and/or final approval of the Settlement, or if the Court's Final Approval Order and Final Judgment are reversed or materially modified on appeal, then this Settlement will become null and void.

13.3 In the event the Court declines to enter the Final Approval Order and Final Judgment, this Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Agreement shall be treated as void. In such a case, any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees and expenses already reasonably incurred by the Settlement Administrator shall be paid by Defendants.

13.4 Notice of Settlement and Stay. As soon as practicable following the execution of this Agreement, Plaintiff's counsel will file a Notice of Settlement to advise the San Francisco Superior Court that the Parties have reached a settlement. Plaintiff's counsel will also request a stay of the Federal Action pending approval of the settlement in the Action.

14. MISCELLANEOUS PROVISIONS

14.1 Headings. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

14.2 Final Agreement. This Agreement constitutes the exclusive and final understanding and expression of all agreements between the Parties with respect to the resolution of the Action and supersedes all prior agreements and understandings between the Parties relating to the subject matter hereof. Plaintiff, on behalf of herself and on behalf of the Class Members, and Defendants enter into this Agreement based solely upon its terms and not in reliance upon any representations or promises other than those contained in this Agreement.

14.3 Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for the Parties, or their successors, and approved by the Court.

14.4 Counterparts/Facsimile. This Agreement may be executed in one or more actual or telecopied counterparts, all of which will be considered one and the same instrument and all of which will be considered duplicate originals. A signature by facsimile on this Agreement shall be as legally binding as an original signature.

14.5 Authority. Counsel for all Parties represent and warrant they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions 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 Parties and their counsel will cooperate with each other and use their best efforts to effectuate the implementation of the Settlement. In the event that the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties shall seek the assistance of the Court to resolve such disagreement. The person(s) signing this Agreement on behalf of Defendants represent and warrant that they are authorized to sign this Agreement on their behalf.

14.6 No Effect on Regular Rate or Overtime Compensation. Participating Class Members will receive payment under the Settlement, as determined by the Settlement Administrator in accordance with this Agreement. The Parties agree that this payment is not viewed as additional compensation for purposes of calculating a "regular rate" of pay under California or federal law for the period during which it is received, and no additional overtime compensation is required as a result of such payment; further, any claim to entitlement to any additional overtime compensation is expressly waived under the terms of this Agreement.

14.7 No person or entity shall have any claim against Defendants, Defendants' Counsel, Plaintiff, any Class Members, Class Counsel, or the Settlement Administrator based upon distributions and payments made in accordance with this Agreement.

14.8 No Effect on Employee Benefits. The Individual Settlement Payments to be paid to Plaintiff and Participating Class Members and the Class Representative Payment to be paid to Plaintiff shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiff or any Participating Class Members. Such payments do not represent any modification of Plaintiff's and Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any Individual Settlement Payment or Class Representative Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.

14.9 Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

14.10 Cooperation and Drafting. Each of the Parties has cooperated in the drafting and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be construed against any of the Parties.

14.11 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 as valid and enforceable.

14.12 Plaintiff's Waiver of Right to Be Excluded. By signing this Agreement, Plaintiff is bound by the terms herein stated and further agrees not to submit a request for exclusion from the Settlement. Any such request for exclusion shall therefore be void and of no force or effect. Plaintiff also agrees to not disparage the Settlement to Class Members or encourage, in any way, Class Members to submit or not to submit a request for exclusion. In addition, neither Plaintiff nor Class Counsel will initiate any contact with Class Members about the amount or terms of the Settlement.

14.13 Confidentiality. Neither Plaintiff nor Class Counsel shall issue any press release or announcement of any kind related in any way to the Settlement. Plaintiff and Class Counsel agree that, prior to Preliminary Approval of the Settlement, they will keep the terms of this Settlement confidential except for purposes of communicating with Plaintiff only, and will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize (to include by not limited to posting on websites, settlement reporting services, and/or other media or social media), whether verbally or in writing, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff and Class Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Plaintiff shall be informed that the Settlement is confidential and shall be advised to keep the Settlement confidential.

From and after Preliminary Approval of the Settlement, Plaintiff and Class Counsel may: (1) as required by law; (2) as required under the terms of the Settlement; or (3) as required under counsel's duties and responsibilities as Class Counsel, comment regarding the specific terms of the Settlement. In all other cases, Plaintiff and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the world wide web), to say the Action has been resolved and that Plaintiff and Class Counsel are satisfied with the Settlement terms. This Settlement shall not be advertised or mentioned on any source, including Plaintiff's Counsels' personal or firm website(s).

14.14 Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with Class Members regarding the Settlement.

14.15 Defense. To the extent permitted by law, this Settlement may be plead as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted with respect to the Released Claims against the Released Parties in breach of or contrary to the Settlement.

14.16 Final Judgment. The Parties agree that, upon final approval of the Settlement, a Final Judgment will be made and entered, resolving the Action in its entirety.

WHEREFORE, Plaintiff, on behalf of herself and the Participating Class Members and PAGA Members, and Defendants, have executed this Agreement as of the dates set forth below.

Dated: 2/11/2025

PLAINTIFF:

DocuSigned by:

Ayamido

5A2DB4497EBE4DB

Arceli Yamido

Dated: 2/19/2025

DEFENDANT

Mike Michel

On behalf of Marriott Hotel Services, LLC

Dated: 2/19/2025

DEFENDANT

Mike Michel

On behalf of Courtyard Management, LLC

Dated: 2/19/2025

DEFENDANT

Mike Michel

On behalf of Marriott International, Inc.

APPROVED AS TO FORM

Dated: 2/11/2025

Gregory Mauro
James Hawkins APLC
Counsel for Plaintiff Arceli Yamido

Dated: 2/19/2025

Greg S. Labate
Sheppard Mullin Richter & Hampton
Counsel for Defendants *Marriott Hotel Services, LLC*, *Courtyard Management, LLC, and Marriott International, Inc.*

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

YOU ARE ESTIMATED TO RECEIVE APPROXIMATELY $«MERGED_EstSettAmnt_CALC» THROUGH THIS CLASS ACTION SETTLEMENT

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

IF YOU WANT TO RECEIVE MONEY FROM THE SETTLEMENT, YOU DO NOT NEED TO DO ANYTHING

The San Francisco County Superior Court authorized this notice.
This is not an advertisement or solicitation from a lawyer.

- Arceli Yamido ("Plaintiff"), former employee, has sued Courtyard Management Corporation dba the Clancy Autograph Collection; Marriott International; and Marriott Hotel Services Inc., ("Defendants,") individually and on behalf of all other similarly situated employees (the "Action");
- The parties to the Action have reached a tentative settlement, which the Court has preliminarily approved;
- If you are or have been employed by Defendants in California employed at the San Francisco Courtyard Downtown, The Clancy, or both for any period of time during the Class Period from August 10, 2018 through the Preliminary Approval Order, you are eligible to receive payment from this class settlement.
- The settlement will resolve the Action.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
You Can DO NOTHING	**You will automatically receive a payment from the settlement.** If you do nothing, you will still be part of the Action and affected by its outcome. You will be entitled to the Individual Settlement Payment, which is estimated and indicated above. You will also be bound by the settlement, including the release of claims detailed below. To receive your payment, you only need to ensure that the Administrator has your current mailing address. Once the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you.
You Can ASK TO BE EXCLUDED FROM THE SETTLEMENT **(Deadline: _________, 2025)**	If you **do not** wish to take part in the settlement, you may exclude yourself by sending to the Administrator a letter in accordance with Question 11 below. **If you ask to be excluded from the settlement, you will get no payment from the class settlement,** but you will **keep** any rights to sue Defendant separately about the same class claims made in this lawsuit. **IMPORTANT: YOU CANNOT ASK TO BE EXCLUDED AND STILL**

	GET AN INDIVIDUAL SETTLEMENT PAYMENT. **However, you <u>cannot</u> opt-out of the settlement of the representative claims under the Private Attorneys General Act (the "PAGA"). You will receive your portion of the PAGA Penalty regardless of whether you opt-out and you will release the PAGA Released Claims as discussed below.**
You Can OBJECT TO THE SETTLEMENT **(Deadline: ________, 2025)**	If you feel that the settlement is inadequate, you must file an objection with the court and mail your objection to the Administrator by ****, 2025, as well as file your objection with the Court. You may also object by appearing at the final approval hearing. If your objection is overruled by the Court, you will still receive a payment from the settlement, and you will be bound by the terms of this settlement. **IF YOU OBJECT TO THE SETTLEMENT, YOU CANNOT ALSO ASK TO BE EXCLUDED**.

THESE RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this case and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. What is this lawsuit about?

Plaintiff, individually and on behalf of Defendants' current and former employees at the San Francisco Courtyard Downtown, The Clancy, or both allege that Defendants violated California law because of its alleged failure to, among other things: (a) failure to pay wages including overtime, (b) failure to provide meal periods and failure to pay an additional hour of pay or accurately pay an additional hour of pay in lieu of providing a meal period; (c) failure to provide rest breaks for every four hours or major fraction thereof worked and failure to pay an additional hour of pay or accurately pay an additional hour of pay in lieu of providing a rest period; (d) failing to pay all wages earned and owed upon separation from Defendant's employ, (e) failing to provide accurate itemized wage statements, (f) failure to reimburse business expenses, and (g) unfair competition ("UCL"). Plaintiffs also contend that Defendants engaged in unlawful business practices and is liable for civil penalties under the PAGA.

Defendants deny that they have done anything wrong. Defendants deny that they owe Class Members or PAGA Members any wages, penalties, or other damages. Accordingly, the settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendants, which expressly denies all liability.

<u>If you are still employed by Defendants, your decision about whether to participate in the settlement will not affect your employment. California law and Defendants' company policies strictly prohibit unlawful retaliation.</u> Defendants will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Class Member or PAGA Member because of their decision to either participate or not participate in the settlement.

2. Who are the Attorneys?

Attorneys for Plaintiff / the Class Members:	Attorneys for Defendant:
JAMES HAWKINS APLC James R. Hawkins, Esq. Gregory Mauro, Esq. Michael Calvo, Esq. Lauren Falk, Esq. Ava Issary, Esq. 9880 Research Drive, Suite 200 Irvine, CA 92618 Tel.: (949) 387-7200 Fax: (949) 387-6676 Email: James@jameshawkinsaplc.com Email: Greg@jameshawkinsaplc.com Email: Michael@jameshawkinsaplc.com Email: Lauren@jameshawkinsaplc.com Email: Ava@jameshawkinsaplc.com	SHEPPARD, MULLIN, RICHTER & HAMPTON LLP GREG S. LABATE, Cal. Bar No. 149918 glabate@sheppardmullin.com 650 Town Center Drive, 10th Floor Costa Mesa, California 92626-1993 Telephone: 714.513.5100 Facsimile: 714.513.5130 HILARY A. HABIB, Cal. Bar No. 293431 350 South Hope Street, 40th Floor Los Angeles, California 90071 Telephone: 213.620.1780 Facsimile: 213.620.1398

3. Why Is This a Class Action?

Plaintiff brought this case as a proposed class action. In a proposed class action, one or more people, called Class Representatives (in this case, Yamido), sue on behalf of people who they purport have similar claims. In this case, the Court has not made any determination on whether the case should proceed as a class action. However, the Parties have agreed to resolve the case on a class basis. The San Francisco Superior Court is in charge of the case. The Action is called ***Arceli Yamido v. Courtyard Management Corporation dba The Clancy Autograph Collection et al.,*** Case No. GCG-22-603015.

4. Why is There a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. The parties participated in a mediation with the Honorable Judge Amy Hogue (Ret.) an experienced and well-respected class action mediator. With Judge Hogue's guidance, the parties were able to negotiate a complete settlement of Plaintiff's individual and proposed class claims. Counsel for Plaintiff and the Class ("Class Counsel") have investigated and researched the facts and circumstances underlying the issues raised in the Action and the applicable law. While Class Counsel believes that the claims alleged in the lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on this, Class Counsel believes the proposed settlement is fair, adequate and reasonable, and in the best interests of Class Members.

Defendants have denied, and continues to deny the factual and legal allegations in the Action and believes that it has valid defenses to Plaintiff's claims. Defendants also deny that this case can proceed on a class or representative basis. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the Action or that the case can or should proceed as a class action. Defendants have agreed to settle the Action as part of a compromise with Plaintiff.

5. How Do I Know If I Am Part of The Settlement?

The Court has decided that all individuals who are or who have been employed by Defendants in California employed at the San Francisco Courtyard Downtown, The Clancy, or both for any period of time during the Class Period from August 10, 2018 through the Preliminary Approval Order (Class "Period") are part of the Class.

The Court has further decided that if you fit within the above definition for the time period of August 19, 2021, through the date on which the Court issues the Preliminary Approval Order ("PAGA Period"), you are a PAGA Member and will receive your proportionate share of the PAGA Penalty.

6. What Does the Settlement Provide?

The proposed Settlement provides for a cash payment by Defendant of $235,000.00 to fully and finally resolve all claims in the Action (the "Settlement Amount"). The total amount to be distributed to Class Members who do not exclude themselves from the settlement will be the value of the Settlement Amount after deducting for the following (the "Net Settlement Amount"): (a) Settlement Administrator Costs not to exceed $10,000.00; (b) Service Award payment to Plaintiff not to exceed $7,500.00, for Plaintiff's work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this Action was not favorable) and a general release of all claims; (c) Class Counsel's attorneys' fees not to exceed 33% of the Settlement Amount (currently estimated at 77,500.00); (d) Class Counsel's actual litigation costs and expenses as supported by declaration not to exceed $20,000.00; (e) PAGA Penalty Payments to Aggrieved Employees totaling $5,875.00; and (f) payment of $17,625.00 to the Labor and Workforce Development Agency as part of its share of the PAGA Penalty as required by law. **Class Counsel's attorneys' fees and costs and Plaintiff's Service Award remain subject to Court approval.** No portion of the Net Settlement Amount will be returned to Defendants under any circumstances.

This settlement is conditioned upon the court entering an order at or following the Final Approval Hearing finally approving the settlement as fair, reasonable, and adequate, and the court's entry of Judgment.

7. How much will my payment be?

Your estimated share of the settlement is shown above and shall be determined by (dividing each Class Member's respective Workweeks by the total workweeks worked by all Class Members during the Class Period, and will multiply the resulting figure by the Net Settlement Amount.

Likewise, the Individual Settlement Payment to each PAGA Member shall be determined by dividing each PAGA Member's respective PAGA Workweeks by the total workweeks worked by all PAGA Members during the PAGA Period. **PAGA Members shall receive their portion of the PAGA Penalty regardless of whether they opt-out and they shall still be bound by the release of Released PAGA Claims.**

Based on the above formulas, your calculated workweeks in the Class Period, as of this notice, is ****. Your estimated Individual Settlement Payment is $*****.

[IF APPLICABLE] Your calculated Pay Periods in the PAGA period, as of this notice, is ****. Your estimated PAGA Penalty Payment is $*****.

If you disagree with this amount, you can dispute this per Question 9 below. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the settlement. Individual Settlement Payment to Settlement Class Member shall be allocated as 50% for wages and 50% as penalties, any other non-taxable items, and interest. PAGA Penalty Payments to Aggrieved Employee shall be allocated as 100% penalties.

8. How do I get a payment?

To qualify for payment, you do not need to do anything. The Settlement Administrator will mail you a check within about ___ calendar days after the court enters a judgment based on this settlement, but possibly later depending on whether there are any objections and/or appeals of the judgment entered by the court.

To ensure that your payment is not delayed, you should ensure that the Administrator has your current mailing address.

9. What If I Believe that the Calculation of My Settlement Payment Is Incorrect?

If you believe that the calculations outlined in Question 7 are incorrect, you may dispute it by sending a letter to ***** [ADMINISTRATOR'S ADDRESS] no later than ____________, 2025. Be sure to include your name, address, telephone number, last four digits of your social security number for verification purposes, a statement what and why you are disputing the calculation of your settlement payment, and attaching a copy of any documentation you want to include to support your dispute. Class Counsel, Defendants' Counsel, and the Administrator will evaluate your documentation and/or evidence. The Administrator will decide who is right and its decision will be final.

10. What Claims Does The Settlement Release?

Unless you request to be excluded from the Settlement, you remain part of the Settlement Class and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants and each of their past, present and future agents, employees, servants, hotel owners, officers, directors, managing agents, members, owners (whether direct or indirect), partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, plans, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and alleged joint employers, temporary staffing agencies, common law employers, potential and alleged common law employers, dual employers, potential and alleged dual employers, co-employers, potential and alleged co-employers, contractors, affiliates, service providers, alter-egos, potential and alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns, and any and all persons and/or entities acting under, by, through or in concert with any of them. ("Released Parties"), for the class claims arising in this case during the Class Period. Specifically, you will be giving up or "releasing" the class claims described as follows:

> **<u>Released Class Claims</u>**: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims asserted in the Action, Federal Action, and/or PAGA Notice arising from or related to the facts and claims alleged in the Action, Federal Action, and/or PAGA Notice, or that could have been raised in the Action, Federal Action, and/or PAGA Notice based on the facts and claims alleged. The Released Class Claims include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to pay sick pay; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; failure to reimburse business expenses; wage statements; unpaid vacation; deductions; failure to keep/maintain accurate records including payroll records; failure to provide suitable seating; unfair business practices related to the Released Class Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; failure to timely pay wages; failure to timely pay final wages; and attorneys' fees and costs; all claims related to the Released Class Claims arising under: the California Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204 et seq., 205.5, 206, 210, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 227.3, 233, 246, 256, 432, 510, 511, 512, 515, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, 1198.5, 2698 et seq., 2699 et seq., 2800, and 2802); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); violation of the constitutional right to privacy; California Business and Professions Code section 17200, et seq.; the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 et seq.; California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B); California Code of Regulations, Title 8, Section 1 1070(14); and federal common law. The Released Claims also include claims for civil penalties that accrued during the PAGA Period under PAGA to the extent they were alleged or reasonably could have been alleged based on the factual allegations in the PAGA Notice filed with the LWDA by Plaintiff or any pleadings filed in the Action and/or Federal Action by Plaintiff.

Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Again, you will release the following PAGA claims against the Released Parties regardless of whether you opt-out:

> **<u>Released PAGA Claims</u>**. All PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all known and unknown claims for civil penalties which arose at any time during the PAGA Period that have been or may be asserted under PAGA, including all claims for unpaid wages, including, but not limited to, claims relating to failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of

the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; failure to provide suitable seating; failure to pay sick pay; payment for all hours worked, including off-the-clock work; wage statements; unpaid vacation; failure to reimburse business expenses; deductions; failure to keep/maintain accurate records including payroll records; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; failure to timely pay wages; failure to timely pay final wages; attorneys' fees and costs; and all claims relating to alleged violations of the Labor Code, including, but not limited to, sections 201-203, 204, 210, 218, 221, 227.3, 233, 246, 510, 512, 558, 226, 226.3, 226.7,1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 2802,) and California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B); California Code of Regulations, Title 8, Section 1 1070(14); and the applicable Wage Orders ("Released PAGA Claims").

11. How Do I Exclude Myself from The Settlement?

To exclude yourself from the settlement, you must send a letter mailed to the Administrator at the address below and postmarked by ****, 2025. Your letter must include: (1) your name, address, telephone number, and last four digits of your social security number; (2) expressly state you wish to be excluded from this settlement with language to the effect of "I wish to be excluded from the Class Settlement in the "***Arceli Yamido v. Courtyard Management Corporation dba The Clancy Autograph Collection et al.,"*** and (3) your signature. If your Request for Exclusion does not comply with any of these requirements, it will be rejected and you will remain a settlement class member. You cannot opt out of the PAGA Released Claims.

12. How do I object to the Settlement?

If you are a Class Member, you can object to the settlement if you feel that the settlement is not fair. You can give reasons why you think the Court should not approve the settlement. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must: (a) clearly identify the case name and number (as *Arceli Yamido v. Courtyard Management Corporation dba The Clancy Autograph Collection et al.*, Case No. GCG-22-603015); (b) contain your name, address, and telephone number and; (c) state all legal and factual grounds for your objection; (d) be filed with the Superior Court of California, County of San Francisco, 400 McAllister St., San Francisco, CA 94102 (e) be signed by your and/or your legal representative; (f) be mailed to the Settlement Administrator at ****; and (d) be filed and postmarked on or before ______________________, 2025. If your objection does not comply with these requirements, you may not be permitted to raise any objections unless the Court permits you to do so.

13. What Is the Difference Between Objecting And Excluding?

Objecting is telling the court that you believe that the terms of the settlement are not fair. You can object only if you stay in the Class. Excluding yourself is telling the court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement, if it is approved by the court.

You should not submit both an objection and request for exclusion. If you both exclude yourself from the settlement and object to it, your exclusion will be deemed valid and your objection will not be considered.

14. How Will the Attorneys For The Class and Class Representative Be Paid?

Class Counsel will be up to 33% of the Gross Settlement Amount (currently estimated at $77,500.00). Class Counsel will ask for actual litigation costs incurred not to exceed $20,000.00, the actual amount of which will be determined by the Court at the Final Approval Hearing (see section 17 below for details). Class Members (like you) do not have to pay the fees and costs of Class Counsel. **If you elect, however, to hire your own lawyer, you have to make your own arrangements to compensate your lawyer.**

If approved by the Court, an Enhancement Award for Plaintiff up to $7,500.00 will be paid from the Settlement Amount for Plaintiff's services and in exchange for a general release.

15. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

You are hereby notified that a Final Approval Hearing will be held before the Honorable Ethan P. Schulman, on _________, 2025 at _____ a.m., in Department 304 of the San Francisco County Superior Court located at 400 McAllister St., San Francisco, CA 94102 to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be finally approved by the Court. The Court may adjourn or continue the hearing from time to time, without further notification to you, as the Court may direct.

Once final approval is granted by the Court, the Court will enter judgment against Defendants, and all Class Members who have not requested exclusion will be deemed to have waived and released the Released Class and PAGA Claims, and all PAGA Members will have released the PAGA claims. You are not required to attend the Final Approval Hearing, but you are welcome to do so.

16. How Do I Get More Information?

This notice summarizes the proposed settlement. You can get more information on the Administrator's website at *****************.

WHAT IF I HAVE QUESTIONS?

If you have any questions about the Settlement, you may contact the Settlement Administrator:

Arceli Yamido v. Courtyard Management Corporation dba The Clancy Autograph Collection et al.,
[Settlement Administrator]
Address
City, CA, Zip
Toll-Free Phone Number: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.