

PRIVATE ATTORNEYS GENERAL ACT ("PAGA") SETTLEMENT AGREEMENT

This Private Attorney General Act ("PAGA") Settlement Agreement ("Agreement") is made and entered into by and between Adrian Gomez ("Plaintiff") on the one hand, and CS Hotel, LLC, Hotel Cara and Dean McKillen (collectively, "Defendants") on the other hand. Plaintiff and Defendants are referred to collectively herein as the "Parties" and individually as a "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's lawsuit alleging wage and hour violations against Defendants captioned *Adrian Gomez, individually and on behalf of other aggrieved current and former employees, Plaintiff(s), v. CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo, Does 1 to 50, Defendants*, Los Angeles County Superior Court Case No. 23STCV06023.

1.2. "Administrator" means CPT Group Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount not to exceed \$5,000, which the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses for administering the Settlement.

1.4. "Allegedly Aggrieved Employee" means all persons who worked for Defendants as non-exempt employees in the State of California at any time between 03/09/2022, and the date of approval of PAGA Settlement, as entered by the Court.

1.5. "Allegedly Aggrieved Employee Address Search" means the Administrator's investigation and search for current Allegedly Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Allegedly Aggrieved Employees.

1.6. "Allegedly Aggrieved Employee Data" means the Allegedly Aggrieved Employee identifying information for which Defendants will use their best efforts to provide, including each Allegedly Aggrieved Employee's full name, most recent mailing address, last known telephone number if readily available, dates of employment or number of workweeks worked during the Class Period, and Social Security number.

1.7. "Approval" means the Court's order granting approval of the PAGA Settlement.

1.8. "Approval Hearing" means the Court's hearing on the Motion for Approval of the PAGA Settlement.

1.9. "Court" means the Superior Court of California, County of Los Angeles, Department 17 of the Stanley Mosk Courthouse.

1.10. "Defendants" refers to Defendants CS Hotel, LLC, Hotel Cara and Dean McKillen.

1.11. "Defendants' Counsel" means Shannon Marie Jenkins, Esq., of Treadway Lumsdaine & Doyle, LLP.

1.12. "Effective Date" means the date of Approval. For purposes of this Paragraph, Approval "becomes final" upon the last to occur of the following: (a) if there are no objections to the Settlement, the date the Court enters an order granting final approval of the Settlement and Judgment; (b) if there are objections to the Settlement, and if an appeal, review, or writ is not sought from the Approval, the day after the time period to appeal the Settlement has expired, *i.e.*, 60 days from the date the Court enters an order granting final approval of the Settlement and Judgment; or (c) if there are objections to the Settlement, and an appeal, review, or writ is timely sought from the Approval, the day after the Approval is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order and Judgment is no longer subject to further judicial review.

1.13. "Gross Settlement Amount" means the maximum settlement amount of Sixty Thousand Dollars and Zero Cents (\$60,000.00), which has been and/or will be paid by Defendant in full satisfaction of all claims arising from the Action. The Gross Settlement Amount includes all Claims Administration Expenses, PAGA Counsel Fees Payments, PAGA Counsel Litigation Expenses Payments, Plaintiff's Incentive Award, all interest, the employer's share of all payroll taxes, the LWDA PAGA Payment, and the Individual PAGA Payment. Under no circumstances will Defendants pay more than the Gross Settlement Amount.

1.14. "Individual PAGA Payment" means an Allegedly Aggrieved Employee's pro rata share of 25% of the Net Settlement Amount, calculated according to the number of Pay Periods worked during the PAGA Period. Specifically, the Individual PAGA Payments will be based on dates of employment and the corresponding number of Pay Periods worked by each Allegedly Aggrieved Employee during the PAGA Period.

1.15. "Judgment" means the judgment entered by the Court based upon the Approval.

1.16. "LWDA" means the California Labor and Workforce Development Agency as identified in Labor Code section 2699, subd. (i).

1.17. "LWDA PAGA Payment" means the 75% portion of the total amount allocated towards the Net Settlement Amount, which shall be paid to the LWDA pursuant to Labor Code section 2699, subd. (i).

1.18. "Net Settlement Amount" means Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) that shall be paid from the Gross Settlement Amount for the resolution of the PAGA claim. The Net Settlement Amount is arrived at after deductions of \$21,000.00 in attorneys' fees (35% of the Gross Settlement Amount), \$7,500.00 for the costs of litigation, \$5,000.00 for incentive Award to Plaintiff and \$5,000.00 in administration expenses. The Net Settlement Amount of Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) shall be allocated as follows: 25% or Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% or Sixteen Thousand One Hundred and Twenty Five

Dollars and Zero Cents (\$16,125.00) shall be paid to the LWDA. The Net Settlement Amount is subject to the Court approval and the amounts set forth here are approximations.

1.19. "Operative Complaint" means the First Amended Complaint filed on May 31, 2023.

1.20. "PAGA" means the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *Et seq.*).

1.21. "PAGA Counsel" refers to Zorik Mooradian of Mooradian Law, APC.

1.22. "PAGA Counsel Fees Payment" means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees incurred to prosecute the Action. Specifically, Defendants agree not to oppose a reasonable Attorneys' Fees request up to 35% of the Settlement Amount.

1.23. "PAGA Counsel Litigation Expenses Payment" means the amounts allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action. Defendants agree not to oppose a reasonable Attorneys' Expenses request not to exceed \$7,500.00.

1.24. "PAGA Notice" refers to Plaintiff's 03/09/2023 letter, directed to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.25. "PAGA Period" means the period from 03/09/2022, to the date of approval of the PAGA settlement.

1.26. "Pay Period" means any Pay Period during the PAGA Period in which an Allegedly Aggrieved Employee worked for Defendants for at least one day.

1.27. "Plaintiff" means Adrian Gomez, the named plaintiff in the Action.

1.28. "Plaintiff's Incentive Award" means an amount of Five Thousand Dollars and Zero Cents (\$5,000) payable to Adrian Gomez for initiating the Action and providing services in support of the Action.

1.29. "Released PAGA Claims" means the claims being released as described in Paragraph 5.1 below.

1.30. "Released Parties" means: Defendants CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo and each of their former and present officers, directors, shareholders, agents, employees, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers, and their predecessors, successors, assigns, parent company, subsidiaries and affiliates, DOE Defendants, and anyone that can be held legally responsible for the claims alleged in the Operative Complaint.

1.31. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On March 17, 2023, Plaintiff filed a wage and hour complaint for damages, penalties and other relief. Thereafter, a First Amended Complaint was filed by Plaintiff on May 31, 2023, titled *Adrian Gomez, individually and on behalf of other aggrieved current and former employees, Plaintiff(s), v. CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo, Does 1 to 50, Defendants*, Los Angeles County Superior Court Case No. 23STCV06023, alleging claims for (1) violations of the California Fair Employment and Housing Act ("FEHA"), (2) failure to pay overtime, (3) failure to pay minimum wages, (4) meal period violations, (5) rest break violations, (6) failure to pay owed tips/service fees, (7) sick leave/pay violations, (8) failure to pay wages for all time worked, (9) failure to timely pay wages owed at time of termination/separation, (10) failure to provide accurate wage statements, (11) failure to produce employment records, and (12) violations of Labor Laws Giving Rise to an Action Under Private Attorney General Act ("PAGA").

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

2.3. On 04/25/2024, the Parties participated in an all-day mediation presided over by Hon. Dickran Tevrizian (Ret.) which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, extensive records including time and pay data, as well as Defendants' policies and procedures related to payment of employees.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below, Defendants promises to pay the total sum of Sixty Thousand Dollars and Zero Cents (\$60,000.00) as the Gross Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Allegedly Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1. To the Administrator: An Administration Expenses Payment not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are lower, or the Court approves payment less than the requested amount of, the remainder of the funds allocated towards the Administration Expenses Payment shall be retained in the Net Settlement Amount.

3.2.2. To Plaintiff: An incentive award to Plaintiff Adrian Gomez in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). Defendants will not oppose Plaintiff's request for a Plaintiff's Incentive Award that does not exceed this amount. If the Court approves a Plaintiff's Incentive Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Plaintiff's Incentive

Award using IRS Form 1099-MISC. Plaintiff assumes full responsibility and liability for any taxes owed on the Plaintiff's Incentive Award.

3.3. To the LWDA and Allegedly Aggrieved Employees: The Net Settlement Amount of Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) shall be allocated to LWDA and Aggrieved Employees as follows: 25% or Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% or Sixteen Thousand One Hundred and Twenty Five Dollars and Zero Cents (\$16, 125.00) shall be paid to the LWDA. The Net Settlement Amount is subject to the Court approval and the amounts set forth here are approximations.

3.3.1. The Administrator will calculate each Individual PAGA Payment a pro rata basis based on their respective number of Pay Periods, by (a) dividing the amount of the Allegedly Aggrieved Employees' 25% share of the Net Settlement Amount, Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00), by the total number of PAGA Period Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Allegedly Aggrieved Employee's respective number of Pay Periods. Allegedly Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.3.1.1. Allegedly Aggrieved Employees may not opt out of the Settlement, provided it receives Court approval. The portion of the Individual PAGA Payment paid to each Allegedly Aggrieved Employee will be considered One Hundred percent (100%) penalties and will release all claims against Defendants as described in Paragraph 5.1 below. Allegedly Aggrieved Employees agree to hold harmless Defendants, PAGA Counsel, and Defendants' Counsel for any tax liability, including penalties and interest, arising out of or relating to the Allegedly Aggrieved Employees' failure to pay taxes on any amounts paid pursuant to this Agreement.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Allegedly Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 334 Allegedly Aggrieved Employees who are or were employed by Defendants and who worked approximately 8,106 Pay Periods during the PAGA Period.

4.2. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount as follows:

\$60,000.00 to be paid in 8 equal monthly, interest-free installments of \$7,500 each, with the first installment to be due within 90 calendar days of the date the Court enters an order granting final approval of the Settlement and Judgment, and the remaining installments to be paid on a monthly basis thereafter following the first installment payment (such that the second installment payment shall be paid within approximately 120 calendar days of the date the Court enters an order granting final approval of the Settlement and Judgment, and the total time for Defendants to fund the Gross Settlement Amount being within approximately 10 total months of the date the Court enters an order granting final approval of the Settlement and Judgment. In no

event shall Defendants be required to fund the Gross Settlement Amount, or any portion or installment thereof, before the Judgment of the Court granting approval of the settlement is final and no longer subject to appeal. The Settlement Administrator will not make any payments from the Gross PAGA Settlement Amount until it has been fully funded by Defendants including, but not limited to, payments to individual putative representative group members or to the California Labor and Workforce Development Agency.

4.3. Payments from the Gross Settlement Amount. Within Thirty (30) days of the Effective Date, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Claims Administration Expenses Payment, Plaintiff's Incentive Award, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of the Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Allegedly Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date when the check will be voided (not less than one hundred and eighty (180) days after the date of mailing). The Administrator will cancel all checks that remain uncashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an Allegedly Aggrieved Employee Address Search for all other Allegedly Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Allegedly Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks after re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Allegedly Aggrieved Employee whose original check was lost or misplaced, requested by the Allegedly Aggrieved Employee prior to the void date.

4.3.3. For any Allegedly Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Allegedly Aggrieved Employee.

4.3.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Allegedly Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. EFFECTIVE ON THE DATE WHEN DEFENDANTS FULLY FUND THE ENTIRE GROSS SETTLEMENT AMOUNT AND PAGA COUNSEL WILL RELEASE CLAIMS AGAINST ALL RELEASED PARTIES AS FOLLOWS:

5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors,

and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). 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, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2. Release by Allegedly Aggrieved Employees: Upon the date that Defendants have fully funded the Gross Settlement Amount, all Allegedly Aggrieved Employees, the State of California, and the LWDA will be 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 claims for PAGA penalties for violations that were alleged, or reasonably could have been alleged, during the PAGA Period, based on the facts stated in the Operative Complaint and the PAGA Notice, including but not limited to claims for (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Meal Period Violations; (4) Rest Break Violations; (5) Failure to pay owed Tips/Service Fees; (6) Sick Leave Violations; (7) Failure to Pay Wages for All Time Worked; (8) Failure to Timely Pay Wages Owed at Time of Termination/Separation; (9) Failure to Provide Accurate Wage Statements; (10) Failure to Produce Employment Records; and (11) Violation of Labor Laws Giving Rise to an Action Under the PAGA, and any alleged violations of Labor Code §§ 200, 201, 202, 203, 204, 226, 226.7, 233, 246, 246.5, 248.2, 350, 351, 500, 510, 512, 515, 516, 558, 558.1, 1182.12, 1194, 1197, and 1198, and applicable IWC Wage Orders, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Notice Plaintiff sent to LWDA.

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. SETTLEMENT ADMINISTRATION.

6.1. Selection of Administrator. The Parties have jointly selected CPT Group Class Action Administration Solutions to serve as the Administrator. The Parties and their Counsel

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represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

6.3.1. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to PAGA Counsel and Defendants' Counsel that includes the number of checks mailed for Individual PAGA Payments and any undeliverable checks ("Weekly Report").

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

7. STIPULATION OR MOTION FOR APPROVAL. Not later than sixteen (16) court days before the calendared approval hearing, Plaintiff will prepare and deliver to Defense counsel and, upon approval, file in court, a Motion for Approval of PAGA Settlement under Labor Code section 2699, subd. (l) including: a draft of the notice, and memorandum in support of the motion for approval that includes a request for approval of the PAGA settlement under labor code section 2699, and a proposed approval order and a proposed judgment (collectively "Motion for Approval"). Instead of filing a Motion, if the Court is willing to consider approval of the PAGA settlement based on a Stipulation and a Proposed Order, Parties shall proceed in seeking the Court's approval of settlement in accordance.

7.1. Duty to Cooperate. If the Court does not grant Approval or conditions Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Allegedly Aggrieved Employees), the Parties will expeditiously work together in good faith to negotiate with one another and to address the Court's concerns by revising the Agreement as necessary to obtain Approval. The Court's decision to award less than the amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and/or Claims Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. If, after exhausting their best efforts to do so, the Parties are unable to reach agreement and/or to obtain Court approval, this settlement and any resulting agreements including any the obligation to make any payments shall be considered null and void including as to both Plaintiff's individual claims and the PAGA Claims and all Parties shall stand in the same position, without prejudice, as if the settlement had been neither entered into nor Plaintiff's settlement approval Motion filed with the Court.

7.2. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. This Agreement is enforceable pursuant to California Code of Civil Procedure section 664.6.

8. AMENDED JUDGMENT. If any amended judgment is required, the parties will work together in good faith to jointly submit a proposed amended judgment.

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

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

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. If, for any reason the Court does not grant Approval or enter Judgment, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement or in connection with any claim as between Defendants, including but not limited to, claims related to indemnification obligations).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding all oral representations, warranties, covenants, or inducements made to or by any Party. Notwithstanding anything to the contrary in this paragraph or this Agreement, as between Defendants, nothing in this Agreement is intended to nor shall constitute a release or waiver of any claims each has or may have had against the other, all such claims being expressly reserved ("Reserved Claims"). Further, Defendant's respective payment hereunder to Plaintiff pursuant to this Agreement, no matter the amount, shall be deemed a

voluntary payment or otherwise be used against the paying Defendant for any purpose, including *inter alia*, as a defense to any reserved claims of the paying Defendant.

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

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

10.5. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defendants' Counsel is providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. As to his share of the incentive award that is approved by the court, Plaintiff understands and agrees that Plaintiff is responsible for payment of any taxes which are required to be paid to the State of California, the United States Government, or any other entity because of this settlement. Plaintiff acknowledges that no representations regarding the tax consequences of the Individual Settlement Payment have been made by Defendants or its counsel. Plaintiff agrees that in the event that some federal, state, or local agency takes the position that taxes should have been withheld from amounts paid regarding the incentive award of Plaintiff pursuant to this Agreement, Plaintiff will be solely responsible for payment of any such alleged tax obligations and will indemnify and hold Releasees harmless from any resulting tax liability, interest, or penalty associated therewith, including reasonable attorneys' fees for defending any such matter.

10.6. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived by an express written instrument signed by counsel for all Parties, and approved by the Court.

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

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

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

10.10. Confidentiality. Plaintiff, PAGA Counsel, Defendants and Defendants' Counsel separately agree that, until the Motion for Approval of PAGA Settlement is filed, they will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate

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

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

10.12. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

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

To Plaintiff: **Mooradian Law, APC**
Zorik Mooradian, Esq.
zorik@mooradianlaw.com
24007 Venture Blvd., Suite 210
Calabasas, CA 91302

To Defendants: **Tredway Lumsdaine & Doyle LLP**
Shannon Marie Jenkins, Esq.
sjenkins@tldlaw.com

2010 Main Street, Suite 1000
Irvine, CA 92614

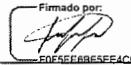
10.15. Execution in Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

10.17. Alleged Aggrieved Employee Count Limitation. The Alleged Aggrieved Employees for the PAGA Period are represented by Defendants to be 334 or less. In the event the Alleged Aggrieved Employee count is more than 334 by the time of the approval of the PAGA settlement this Agreement will (a) be null and void and without force and effect, and the Parties shall stand in the same position, without prejudice, as if the settlement had never been entered (in which event, either party may seek leave of Court for reinstatement of the case on the Court's active docket for scheduling of further proceedings in the Action, including Trial) or (b) subject to re-negotiation at the option of either Party. Said provision supersedes all other terms, conditions and provisions of this Agreement.

DATED: 2/5/2025

By:

Firmado por:

EDF4ED8B6EE6ACC

Plaintiff Adrian Gomez

DATED:

By:

Rosie Aguirre,
on behalf of Defendant SC Hotel, LLC

DATED:

By:

Rosie Aguirre,
on behalf of Defendant Hotel Cara

DATED:

By:

Defendant Dean McKillen

PRIVATE ATTORNEYS GENERAL ACT (“PAGA”) SETTLEMENT AGREEMENT

This Private Attorney General Act (“PAGA”) Settlement Agreement (“Agreement”) is made and entered into by and between Adrian Gomez (“Plaintiff”) on the one hand, and CS Hotel, LLC, Hotel Cara and Dean McKillen (collectively, “Defendants”) on the other hand. Plaintiff and Defendants are referred to collectively herein as the “Parties” and individually as a “Party.”

1. DEFINITIONS.

1.1. “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendants captioned *Adrian Gomez, individually and on behalf of other aggrieved current and former employees, Plaintiff(s), v. CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo, Does 1 to 50, Defendants*, Los Angeles County Superior Court Case No. 23STCV06023.

1.2. “Administrator” means CPT Group Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount not to exceed \$5,000, which the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses for administering the Settlement.

1.4. “Allegedly Aggrieved Employee” means all persons who worked for Defendants as non-exempt employees in the State of California at any time between 03/09/2022, and the date of approval of PAGA Settlement, as entered by the Court.

1.5. “Allegedly Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Allegedly Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Allegedly Aggrieved Employees.

1.6. “Allegedly Aggrieved Employee Data” means the Allegedly Aggrieved Employee identifying information for which Defendants will use their best efforts to provide, including each Allegedly Aggrieved Employee’s full name, most recent mailing address, last known telephone number if readily available, dates of employment or number of workweeks worked during the Class Period, and Social Security number.

1.7. “Approval” means the Court’s order granting approval of the PAGA Settlement.

1.8. “Approval Hearing” means the Court’s hearing on the Motion for Approval of the PAGA Settlement.

1.9. “Court” means the Superior Court of California, County of Los Angeles, Department 17 of the Stanley Mosk Courthouse.

1.10. “Defendants” refers to Defendants CS Hotel, LLC, Hotel Cara and Dean McKillen.

1.11. "Defendants' Counsel" means Shannon Marie Jenkins, Esq., of Treadway Lumsdaine & Doyle, LLP.

1.12. "Effective Date" means the date of Approval. For purposes of this Paragraph, Approval "becomes final" upon the last to occur of the following: (a) if there are no objections to the Settlement, the date the Court enters an order granting final approval of the Settlement and Judgment; (b) if there are objections to the Settlement, and if an appeal, review, or writ is not sought from the Approval, the day after the time period to appeal the Settlement has expired, *i.e.*, 60 days from the date the Court enters an order granting final approval of the Settlement and Judgment; or (c) if there are objections to the Settlement, and an appeal, review, or writ is timely sought from the Approval, the day after the Approval is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order and Judgment is no longer subject to further judicial review.

1.13. "Gross Settlement Amount" means the maximum settlement amount of Sixty Thousand Dollars and Zero Cents (\$60,000.00), which has been and/or will be paid by Defendant in full satisfaction of all claims arising from the Action. The Gross Settlement Amount includes all Claims Administration Expenses, PAGA Counsel Fees Payments, PAGA Counsel Litigation Expenses Payments, Plaintiff's Incentive Award, all interest, the employer's share of all payroll taxes, the LWDA PAGA Payment, and the Individual PAGA Payment. Under no circumstances will Defendants pay more than the Gross Settlement Amount.

1.14. "Individual PAGA Payment" means an Allegedly Aggrieved Employee's pro rata share of 25% of the Net Settlement Amount, calculated according to the number of Pay Periods worked during the PAGA Period. Specifically, the Individual PAGA Payments will be based on dates of employment and the corresponding number of Pay Periods worked by each Allegedly Aggrieved Employee during the PAGA Period.

1.15. "Judgment" means the judgment entered by the Court based upon the Approval.

1.16. "LWDA" means the California Labor and Workforce Development Agency as identified in Labor Code section 2699, subd. (i).

1.17. "LWDA PAGA Payment" means the 75% portion of the total amount allocated towards the Net Settlement Amount, which shall be paid to the LWDA pursuant to Labor Code section 2699, subd. (i).

1.18. "Net Settlement Amount" means Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) that shall be paid from the Gross Settlement Amount for the resolution of the PAGA claim. The Net Settlement Amount is arrived at after deductions of \$21,000.00 in attorneys' fees (35% of the Gross Settlement Amount), \$7,500.00 for the costs of litigation, \$5,000.00 for incentive Award to Plaintiff and \$5,000.00 in administration expenses. The Net Settlement Amount of Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) shall be allocated as follows: 25% or Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% or Sixteen Thousand One Hundred and Twenty Five

Dollars and Zero Cents (\$16,125.00) shall be paid to the LWDA. The Net Settlement Amount is subject to the Court approval and the amounts set forth here are approximations.

1.19. "Operative Complaint" means the First Amended Complaint filed on May 31, 2023.

1.20. "PAGA" means the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *Et seq.*).

1.21. "PAGA Counsel" refers to Zorik Mooradian of Mooradian Law, APC.

1.22. "PAGA Counsel Fees Payment" means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees incurred to prosecute the Action. Specifically, Defendants agree not to oppose a reasonable Attorneys' Fees request up to 35% of the Settlement Amount.

1.23. "PAGA Counsel Litigation Expenses Payment" means the amounts allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action. Defendants agree not to oppose a reasonable Attorneys' Expenses request not to exceed \$7,500.00.

1.24. "PAGA Notice" refers to Plaintiff's 03/09/2023 letter, directed to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.25. "PAGA Period" means the period from 03/09/2022, to the date of approval of the PAGA settlement.

1.26. "Pay Period" means any Pay Period during the PAGA Period in which an Allegedly Aggrieved Employee worked for Defendants for at least one day.

1.27. "Plaintiff" means Adrian Gomez, the named plaintiff in the Action.

1.28. "Plaintiff's Incentive Award" means an amount of Five Thousand Dollars and Zero Cents (\$5,000) payable to Adrian Gomez for initiating the Action and providing services in support of the Action.

1.29. "Released PAGA Claims" means the claims being released as described in Paragraph 5.1 below.

1.30. "Released Parties" means: Defendants CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo and each of their former and present officers, directors, shareholders, agents, employees, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers, and their predecessors, successors, assigns, parent company, subsidiaries and affiliates, DOE Defendants, and anyone that can be held legally responsible for the claims alleged in the Operative Complaint.

1.31. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On March 17, 2023, Plaintiff filed a wage and hour complaint for damages, penalties and other relief. Thereafter, a First Amended Complaint was filed by Plaintiff on May 31, 2023, titled *Adrian Gomez, individually and on behalf of other aggrieved current and former employees, Plaintiff(s), v. CS Hotel, LLC, Hotel Cara, Dean McKillen, Eduardo Castillo, Does 1 to 50, Defendants*, Los Angeles County Superior Court Case No. 23STCV06023, alleging claims for (1) violations of the California Fair Employment and Housing Act ("FEHA"), (2) failure to pay overtime, (3) failure to pay minimum wages, (4) meal period violations, (5) rest break violations, (6) failure to pay owed tips/service fees, (7) sick leave/pay violations, (8) failure to pay wages for all time worked, (9) failure to timely pay wages owed at time of termination/separation, (10) failure to provide accurate wage statements, (11) failure to produce employment records, and (12) violations of Labor Laws Giving Rise to an Action Under Private Attorney General Act ("PAGA").

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

2.3. On 04/25/2024, the Parties participated in an all-day mediation presided over by Hon. Dickran Tevrizian (Ret.) which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, extensive records including time and pay data, as well as Defendants' policies and procedures related to payment of employees.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below, Defendants promises to pay the total sum of Sixty Thousand Dollars and Zero Cents (\$60,000.00) as the Gross Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Allegedly Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1. To the Administrator: An Administration Expenses Payment not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are lower, or the Court approves payment less than the requested amount of, the remainder of the funds allocated towards the Administration Expenses Payment shall be retained in the Net Settlement Amount.

3.2.2. To Plaintiff: An incentive award to Plaintiff Adrian Gomez in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). Defendants will not oppose Plaintiff's request for a Plaintiff's Incentive Award that does not exceed this amount. If the Court approves a Plaintiff's Incentive Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Plaintiff's Incentive

Award using IRS Form 1099-MISC. Plaintiff assumes full responsibility and liability for any taxes owed on the Plaintiff's Incentive Award.

3.3. To the LWDA and Allegedly Aggrieved Employees: The Net Settlement Amount of Twenty One Thousand and Five Hundred Dollars and Zero Cents (\$21,500.00) shall be allocated to LWDA and Aggrieved Employees as follows: 25% or Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% or Sixteen Thousand One Hundred and Twenty Five Dollars and Zero Cents (\$16,125.00) shall be paid to the LWDA. The Net Settlement Amount is subject to the Court approval and the amounts set forth here are approximations.

3.3.1. The Administrator will calculate each Individual PAGA Payment a pro rata basis based on their respective number of Pay Periods, by (a) dividing the amount of the Allegedly Aggrieved Employees' 25% share of the Net Settlement Amount, Five Thousand Three Hundred and Seventy Five Dollars and Zero Cents (\$5,375.00), by the total number of PAGA Period Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Allegedly Aggrieved Employee's respective number of Pay Periods. Allegedly Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.3.1.1. Allegedly Aggrieved Employees may not opt out of the Settlement, provided it receives Court approval. The portion of the Individual PAGA Payment paid to each Allegedly Aggrieved Employee will be considered One Hundred percent (100%) penalties and will release all claims against Defendants as described in Paragraph 5.1 below. Allegedly Aggrieved Employees agree to hold harmless Defendants, PAGA Counsel, and Defendants' Counsel for any tax liability, including penalties and interest, arising out of or relating to the Allegedly Aggrieved Employees' failure to pay taxes on any amounts paid pursuant to this Agreement.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Allegedly Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 334 Allegedly Aggrieved Employees who are or were employed by Defendants and who worked approximately 8,106 Pay Periods during the PAGA Period.

4.2. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount as follows:

\$60,000.00 to be paid in 8 equal monthly, interest-free installments of \$7,500 each, with the first installment to be due within 90 calendar days of the date the Court enters an order granting final approval of the Settlement and Judgment, and the remaining installments to be paid on a monthly basis thereafter following the first installment payment (such that the second installment payment shall be paid within approximately 120 calendar days of the date the Court enters an order granting final approval of the Settlement and Judgment, and the total time for Defendants to fund the Gross Settlement Amount being within approximately 10 total months of the date the Court enters an order granting final approval of the Settlement and Judgment. In no

event shall Defendants be required to fund the Gross Settlement Amount, or any portion or installment thereof, before the Judgment of the Court granting approval of the settlement is final and no longer subject to appeal. The Settlement Administrator will not make any payments from the Gross PAGA Settlement Amount until it has been fully funded by Defendants including, but not limited to, payments to individual putative representative group members or to the California Labor and Workforce Development Agency.

4.3. Payments from the Gross Settlement Amount. Within Thirty (30) days of the Effective Date, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Claims Administration Expenses Payment, Plaintiff's Incentive Award, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of the Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Allegedly Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date when the check will be voided (not less than one hundred and eighty (180) days after the date of mailing). The Administrator will cancel all checks that remain uncashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an Allegedly Aggrieved Employee Address Search for all other Allegedly Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Allegedly Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks after re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Allegedly Aggrieved Employee whose original check was lost or misplaced, requested by the Allegedly Aggrieved Employee prior to the void date.

4.3.3. For any Allegedly Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Allegedly Aggrieved Employee.

4.3.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Allegedly Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. EFFECTIVE ON THE DATE WHEN DEFENDANTS FULLY FUND THE ENTIRE GROSS SETTLEMENT AMOUNT AND PAGA COUNSEL WILL RELEASE CLAIMS AGAINST ALL RELEASED PARTIES AS FOLLOWS:

5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors,

and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). 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, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2. Release by Allegedly Aggrieved Employees: Upon the date that Defendants have fully funded the Gross Settlement Amount, all Allegedly Aggrieved Employees, the State of California, and the LWDA will be 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 claims for PAGA penalties for violations that were alleged, or reasonably could have been alleged, during the PAGA Period, based on the facts stated in the Operative Complaint and the PAGA Notice, including but not limited to claims for (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Meal Period Violations; (4) Rest Break Violations; (5) Failure to pay owed Tips/Service Fees; (6) Sick Leave Violations; (7) Failure to Pay Wages for All Time Worked; (8) Failure to Timely Pay Wages Owed at Time of Termination/Separation; (9) Failure to Provide Accurate Wage Statements; (10) Failure to Produce Employment Records; and (11) Violation of Labor Laws Giving Rise to an Action Under the PAGA, and any alleged violations of Labor Code §§ 200, 201, 202, 203, 204, 226, 226.7, 233, 246, 246.5, 248.2, 350, 351, 500, 510, 512, 515, 516, 558, 558.1, 1182.12, 1194, 1197, and 1198, and applicable IWC Wage Orders, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Notice Plaintiff sent to LWDA.

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. SETTLEMENT ADMINISTRATION.

6.1. Selection of Administrator. The Parties have jointly selected CPT Group Class Action Administration Solutions to serve as the Administrator. The Parties and their Counsel

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represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

6.3.1. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to PAGA Counsel and Defendants' Counsel that includes the number of checks mailed for Individual PAGA Payments and any undeliverable checks ("Weekly Report").

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

7. STIPULATION OR MOTION FOR APPROVAL. Not later than sixteen (16) court days before the calendared approval hearing, Plaintiff will prepare and deliver to Defense counsel and, upon approval, file in court, a Motion for Approval of PAGA Settlement under Labor Code section 2699, subd. (l) including: a draft of the notice, and memorandum in support of the motion for approval that includes a request for approval of the PAGA settlement under labor code section 2699, and a proposed approval order and a proposed judgment (collectively "Motion for Approval"). Instead of filing a Motion, if the Court is willing to consider approval of the PAGA settlement based on a Stipulation and a Proposed Order, Parties shall proceed in seeking the Court's approval of settlement in accordance.

7.1. Duty to Cooperate. If the Court does not grant Approval or conditions Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Allegedly Aggrieved Employees), the Parties will expeditiously work together in good faith to negotiate with one another and to address the Court's concerns by revising the Agreement as necessary to obtain Approval. The Court's decision to award less than the amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and/or Claims Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. If, after exhausting their best efforts to do so, the Parties are unable to reach agreement and/or to obtain Court approval, this settlement and any resulting agreements including any the obligation to make any payments shall be considered null and void including as to both Plaintiff's individual claims and the PAGA Claims and all Parties shall stand in the same position, without prejudice, as if the settlement had been neither entered into nor Plaintiff's settlement approval Motion filed with the Court.

7.2. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. This Agreement is enforceable pursuant to California Code of Civil Procedure section 664.6.

8. AMENDED JUDGMENT. If any amended judgment is required, the parties will work together in good faith to jointly submit a proposed amended judgment.

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

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

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. If, for any reason the Court does not grant Approval or enter Judgment, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement or in connection with any claim as between Defendants, including but not limited to, claims related to indemnification obligations).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding all oral representations, warranties, covenants, or inducements made to or by any Party. Notwithstanding anything to the contrary in this paragraph or this Agreement, as between Defendants, nothing in this Agreement is intended to nor shall constitute a release or waiver of any claims each has or may have had against the other, all such claims being expressly reserved ("Reserved Claims"). Further, Defendant's respective payment hereunder to Plaintiff pursuant to this Agreement, no matter the amount, shall be deemed a

voluntary payment or otherwise be used against the paying Defendant for any purpose, including *inter alia*, as a defense to any reserved claims of the paying Defendant.

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

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

10.5. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defendants' Counsel is providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. As to his share of the incentive award that is approved by the court, Plaintiff understands and agrees that Plaintiff is responsible for payment of any taxes which are required to be paid to the State of California, the United States Government, or any other entity because of this settlement. Plaintiff acknowledges that no representations regarding the tax consequences of the Individual Settlement Payment have been made by Defendants or its counsel. Plaintiff agrees that in the event that some federal, state, or local agency takes the position that taxes should have been withheld from amounts paid regarding the incentive award of Plaintiff pursuant to this Agreement, Plaintiff will be solely responsible for payment of any such alleged tax obligations and will indemnify and hold Releasees harmless from any resulting tax liability, interest, or penalty associated therewith, including reasonable attorneys' fees for defending any such matter.

10.6. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived by an express written instrument signed by counsel for all Parties, and approved by the Court.

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

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

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

10.10. Confidentiality. Plaintiff, PAGA Counsel, Defendants and Defendants' Counsel separately agree that, until the Motion for Approval of PAGA Settlement is filed, they will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate

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

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

10.12. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

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

To Plaintiff: **Mooradian Law, APC**
Zorik Mooradian, Esq.
zorik@mooradianlaw.com
24007 Venture Blvd., Suite 210
Calabasas, CA 91302

To Defendants: **Tredway Lumsdaine & Doyle LLP**
Shannon Marie Jenkins, Esq.
sjenkins@tldlaw.com

2010 Main Street, Suite 1000
Irvine, CA 92614

10.15. Execution in Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

10.17. Alleged Aggrieved Employee Count Limitation. The Alleged Aggrieved Employees for the PAGA Period are represented by Defendants to be 334 or less. In the event the Alleged Aggrieved Employee count is more than 334 by the time of the approval of the PAGA settlement this Agreement will (a) be null and void and without force and effect, and the Parties shall stand in the same position, without prejudice, as if the settlement had never been entered (in which event, either party may seek leave of Court for reinstatement of the case on the Court's active docket for scheduling of further proceedings in the Action, including Trial) or (b) subject to re-negotiation at the option of either Party. Said provision supersedes all other terms, conditions and provisions of this Agreement.

DATED:

By: _____
Plaintiff Adrian Gomez

DATED: 02/06/2025

By: 
Rosie Aguirre (Feb 6, 2025 13:35 PST)
Rosie Aguirre,
on behalf of Defendant SC Hotel, LLC

DATED: 02/06/2025

By: 
Rosie Aguirre (Feb 6, 2025 13:35 PST)
Rosie Aguirre,
on behalf of Defendant Hotel Cara

DATED: 02/07/2025

By: 
Dean McKillen (Feb 7, 2025 13:46 PST)
Defendant Dean McKillen

2010 Main Street, Suite 1000
Irvine, CA 92614

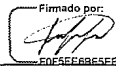
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DATED: 2/5/2025

By:

Firmado por:

F0EACF6B6E5FE4CC

Plaintiff Adrian Gomez

DATED:

By:

Rosie Aguirre,
on behalf of Defendant SC Hotel, LLC

DATED:

By:

Rosie Aguirre,
on behalf of Defendant Hotel Cara

DATED:

By:

Defendant Dean McKillen

AGMT_ Settlement Agreement re PAGA

Final Audit Report

2025-02-07

Created:	2025-02-07
By:	Urvi Sakurikar (USakurikar@tldlaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAALQNkImpa6d6hDd6o0a6KZOkLuFDp5Ltl

"AGMT_ Settlement Agreement re PAGA" History



Document created by Urvi Sakurikar (USakurikar@tldlaw.com)

2025-02-07 - 4:50:39 PM GMT



Document emailed to Dean McKillen (dcmckillen@gmail.com) for signature

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Email viewed by Dean McKillen (dcmckillen@gmail.com)

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Document e-signed by Dean McKillen (dcmckillen@gmail.com)

Signature Date: 2025-02-07 - 9:46:39 PM GMT - Time Source: server



Agreement completed.

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