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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

THAMAR FREEMAN, an individual, on
behalf of herself; and as a representative of
the State of California and the LWDA for all
others similarly situated and aggrieved
employees,

Plaintiff,

v.

AREAS SKYVIEW LAX JV, LLC, a
limited liability company, and DOES 1
through 50, inclusive,

Defendants.

Case No. 23TRCV04022

[Assigned for all purposes to Hon. Ronald Frank,
Dept. ING-8]

**JOINT STIPULATION AND SETTLEMENT OF
CLASS AND PAGA ACTION**

Action Filed: December 4, 2023
Trial Date: Not Set

JOINT STIPULATION AND SETTLEMENT OF CLASS AND PAGA ACTION

ACTIVE 699791249v1

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TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

Plaintiff Thamar Freeman ("Plaintiff"), individually and on behalf of the Labor Workforce Development Agency ("LWDA") and all employees similarly situated, on the one hand, and Defendants Areas Skyview LAX JV, LLC ("Areas Skyview") and Areas USA LAX, LLC ("Areas USA") (collectively "Defendants"), on the other hand, hereby agree to the following binding settlement of the class and Private Attorneys General Act ("PAGA") action titled *Thamar Freeman v. Areas Skyview LAX JV, LLC, et al.*, filed in Los Angeles Superior Court Case No. 23TRCV4022 ("Action"), as follows:

I. RECITALS

WHEREAS, Plaintiff and Defendants (collectively the "Parties, and each individually, a "Party") the Parties have conducted significant investigation of the facts and law during the prosecution of this Action. Discovery and investigation included: the exchange of informal discovery between Plaintiff and Defendants including the production of documents by Defendants, such as employee policies and procedures, and sample Class Member payroll and time punch data. Plaintiff's counsel retained an expert to review timekeeping records and payroll records and to assist in the preparation of a damage analysis for this litigation. Also, there were numerous conferences between representatives of the Parties and a full day mediation session with Michael Loeb Esq., an experienced mediator of wage and hour class and PAGA actions, that took place on April 16, 2024;

WHEREAS, Named Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Named Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Named Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendants' defenses thereto (most of which have been shared at the mediation and in settlement discussions). Named Plaintiff and Class Counsel have also taken into account the extensive settlement negotiations conducted. Named Plaintiff and Class Counsel have also taken into account Defendants' agreement to enter into a settlement that confers substantial relief upon the Class Members. Based on the foregoing, Named Plaintiff and Class Counsel have determined that the Settlement set forth

in this Agreement is a fair, adequate and a reasonable settlement, and is in the best interests of the Class Members;

WHEREAS, Defendants do not admit any wrongdoing and contend that they fully complied with the law at all times in all respects. Regardless of whether the Settlement is finally approved, neither this Settlement, nor any terms, document, statement, proceeding or conduct related to settlement, nor any reports or accounts thereof, shall in any event be (a) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose, including, but not limited to, evidence of a presumption, concession, indication, or admission by Defendants of any fault, wrongdoing, liability and/or unlawful activity whatsoever or any effort to certify a class or collective action; or (b) disclosed, referred to, or offered or received in evidence, in any further proceeding in this action, or any other civil, criminal or administrative action or proceeding, except for purposes of settling this Action or enforcing this Settlement, or as a defense to any claims released by the Settlement;

WHEREAS, Named Plaintiff has claimed and continues to claim that the Released Class Claims and PAGA Released Claims have merit and give rise to liability on the part of Defendants. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to herein and no action taken to carry out this Agreement may be construed or used as an admission by or against the Named Plaintiff or Class Counsel as to the merits or lack thereof of the Action.

NOW, THEREFORE, IT IS HEREBY STIPULATED, that the Action is hereby compromised and settled pursuant to the terms and conditions set forth in this Agreement, subject to the recitals set forth above, which by this reference become an integral part of this Agreement, and subject to the following definitions:

II. DEFINITIONS

1. "Action" means, and refers to, the case *Thamar Freeman v. Areas Skyview LAX JV, LLC, et al.*, filed in the California Superior Court for the County of Los Angeles, Case No. 23TRCV4022, which also includes the notice letters submitted by the Named Plaintiff to the LWDA in the case number LWDA-CM-983623-23 ("PAGA Notices").

2. “Agreement,” “Settlement,” or “Stipulation” mean, and refer to, this Joint Stipulation and Settlement of Class and PAGA Action.

3. “Aggrieved Employee(s)” means, and refers to, all current and former employees of Areas Skyview LAX JV, LLC and Areas USA LAX, LLC employed in California during the PAGA Period.

4. “Aggregate Workweek Number” means, and refers to, the sum of all of the Participating Class Members’ Total Workweeks which will be used to calculate the Individual Settlement Payments.

5. “Attorneys’ Fees and Cost Award” means, and refers to, the amount to be requested of the Court to be paid to Class Counsel. As set forth, *infra*, Class Counsel shall request an award of attorneys’ fees of One Hundred and Twenty Five Thousand Dollars (\$125,000.00) which is Thirty-Three and One Third Percent (33.33%) of the Gross Fund Value and a cost award of up to Fifteen Thousand Dollars (\$15,000.00). Defendants will not oppose this request. The Attorneys’ Fees and Cost Award shall come out of the Gross Fund Value and will not increase the amount of the Gross Fund Value.

6. “Class” and “Class Member” means, and refers to, a member of the class conditionally certified for settlement purposes only during the applicable Class Period, consisting of all current and former non-exempt, hourly employees of Areas Skyview LAX JV, LLC and Areas USA LAX, LLC employed in California during the Class Period.

7. “Class Counsel” means, and refers to, Amir H. Seyedfarshi of Employment Rights Lawyers, APC and Tatiana Hernandez of the Law Office of Tatiana Hernandez, P.C.

8. “Class and PAGA Member Data” means, and refers to, an electronic data file that identifies for each Class Member and Aggrieved Employee his/her full name, last-known address, last known telephone number, Social Security number, the number of Workweeks worked during the Class Period and, if applicable, the number PAGA Pay Periods worked during the PAGA Period. The Settlement Administrator will keep the Class and PAGA Member Data confidential and shall use it only for the purposes described herein, take adequate safeguards to protect confidential or private information, and return to Defendants or certify to Defendants the destruction of the information upon completion of the Settlement Administration process. For avoidance of doubt, neither Class Counsel nor the Named Plaintiff shall be permitted to review or receive a copy of Class and PAGA Member Data.

Plaintiff shall be permitted to review or receive a copy of Class and PAGA Member Data.

9. “Class Period” means, and refers to, the period between March 4, 2019 and either July 23, 2024 or the date of Preliminary Approval, whichever is earlier.

10. “Court” means, and refers to, the Superior Court of California, County of Los Angeles and specifically the courtroom in which Case No. 23TRCV4022 is pending, or any other court and/or courtroom holding jurisdiction.

11. “Defendants” means, and refers to, the following related entities: Areas Skyview LAX JV, LLC and Areas USA LAX, LLC.

12. “Defendants’ Counsel” or “Defense Counsel” means, and refers to, Mark D. Kemple of Greenberg Traurig, LLP.

13. “Effective Date” means, and refers to, the date the Settlement shall become effective which will be the later of the following: (a) the 61st day (unless the last such date is a weekend or holiday, in which case the next business day shall be used) after the Court enters an order granting final approval of this Settlement and entering of judgment in the Action, provided that no timely appeal is taken of the order of final approval and the entering of judgment in the Action; or (b) if any timely appeals are filed, the date of the resolution and entry of remittitur (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.

14. “Excluded Class Members” means, and refers to, all Class Members who timely and validly submit a written request to be excluded from the Class on or before the Objection/Exclusion Deadline.

15. “Final Approval,” “Final Approval Order,” or “Final Judgment” means, and refers to, the Court’s order granting final approval of the Settlement and entering judgment.

16. “Gross Fund Value” means, and refers to, the maximum non-reversionary amount that Defendants will be required to pay in connection with this Settlement. The Gross Fund Value consists of the Attorneys’ Fees and Costs Award, the Service Award, the Settlement Administration Costs, the PAGA Allocation and the Net Fund Value. The Gross Fund Value is equal to the total gross sum of Three Hundred Seventy-Five Thousand Dollars (\$375,000.00). Defendants will have no obligation to pay any

amount in connection with this Settlement apart from the Gross Fund Value and Defendants' employers' portion of payroll taxes due on the portion of the Individual Settlement Payments allocated as wages. There will be no reversion.

17. "Individual Settlement Payment(s)" means, and refers to, the amount to be paid to each Participating Class Member from the Net Fund Value.

18. "Named Plaintiff" or "Plaintiff" means, and refers to, Tamar Freeman.

19. "Net Fund Value" or "NFV" means, and refers to, the funds available to be distributed to Participating Class Members from the Gross Fund Value after the payment of any Attorneys' Fees and Cost Award, Service Award, Settlement Administration Costs, and PAGA Allocation.

20. "Notice" or "Class Notice" means, and refers to, the Notice of Class Action and PAGA Settlement, in the form that the Court approves and directs to be sent by regular mail to all Class Members. The Class Notice is attached hereto as **Exhibit A**.

21. "Objection/Exclusion Deadline" means, and refers, to the date no later than sixty (60) calendar days after the date the Class Notices are mailed (judged by the postmark date) to Class Members by the Settlement Administrator, on or before which a Class Member, may (1) validly submit a Notice of Objection, (2) submit a Request for Exclusion, or (3) challenge with documentary evidence his or her Total Workweeks.

22. "PAGA Allocation" means, and refers, to the total sum of Seventy-Five Thousand Dollars (\$75,000.00) that will be paid from the Gross Fund Value and which constitutes penalties pursuant to PAGA, that which will be distributed as follows: 75% (which totals \$56,250.00) shall be paid to the LWDA and the remaining 25% (which totals \$18,750.00) shall be paid to the Aggrieved Employees on a proportionate basis based on the number of PAGA Pay Periods each worked during the PAGA Period ("Individual PAGA Payment(s)").

23. "PAGA Period" means, and refers to, the period between September 25, 2022, and either July 23, 2024, or the date of Preliminary Approval, whichever is earlier.

24. "PAGA Pay Periods" means, and refers to, Defendants' two-week payroll cycle in which an Aggrieved Employee worked one or more days for Defendants during the PAGA Pay Period.

25. "Participating Class Member" means, and refers to, all Class Members who are not Excluded Class Members.

26. "Preliminary Approval Order" and "Preliminary Approval" mean, and refers to, the order issued by the Court preliminarily approving the terms of the Settlement.

27. "Qualified Settlement Fund" means, and refers, to the fund to be established by the Settlement Administrator pursuant to Internal Revenue Code Section 1.468B-1.

28. "Released Class Claims" is defined as follows: Participating Class Members release and discharge Defendants and the Released Parties from all claims pled in the Action, including in the Named Plaintiff's Complaint, First Amended Complaint, Second Amended Complaint, or the PAGA Notices submitted by the Named Plaintiff to the LWDA in the case number LWDA-CM-983623-23, or any claims that could have been pled based on the facts or circumstances alleged in the Named Plaintiff's Complaint, First Amended Complaint, or and Second Amended Complaint, or the PAGA Notices submitted by the Named Plaintiff to the LWDA in the case number LWDA-CM-983623-23, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to timely pay wages during employment, failure to pay final wages, failure to provide accurate wage statements, failure to reimburse business expenses, unlawful business practices under the California Labor Code and/or the California Business and Professions Code, all claims for restitution or equitable relief, statutory penalties of any nature whatsoever, and attorneys' fees and costs. The Released Class Claims include claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 226, 226.3, 226.7, 510, 512, 516, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2802; the California Unfair Competition Act based on the preceding claims, and in particular, California Bus. & Prof. Code §§ 17200 et seq, as well as the Industrial Welfare Commission Wage Orders.

29. "PAGA Released Claims" is defined as follows: Aggrieved Employees release and discharge Defendants and the Released Parties from all claims pled in the Action, including in the Named Plaintiff's Complaint, First Amended Complaint, or Second Amended Complaint, or the PAGA Notices

submitted by the Named Plaintiff to the LWDA in the case number LWDA-CM-983623-23, or any claims that could have been pled based on the facts or circumstances alleged in the Named Plaintiff's Complaint, First Amended Complaint, or Second Amended Complaint, or the PAGA Notices submitted by the Named Plaintiff to the LWDA in the case number LWDA-CM-983623-23, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to timely pay wages during employment, failure to pay final wages, failure to provide accurate wage statements, failure to reimburse business expenses, civil penalties under the Private Attorneys General Act of 2004, Cal. Labor Code §§ 2699 et seq., and attorneys' fees and costs. The PAGA Released Claims include claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 226, 226.3, 226.7, 510, 512, 516, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2802, 2699, as well as the Industrial Welfare Commission Wage Orders.

30. "Released Parties" means, and refers to, Areas Skyview LAX JV, LLC and Areas USA LAX, LLC, and all of their current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, agents, clients, successors, assigns, accountants, insurers, or legal representatives.

31. "Service Award" means, and refers to, the amount that the Court authorizes to be paid to the Named Plaintiff over and above her Individual Settlement Payment, in recognition of Named Plaintiff's efforts in assisting with the prosecution of the Action on behalf of the Class Members. Named Plaintiff will request, and Defendants will not oppose, a Service Award of up to Ten Thousand Dollars (\$10,000.00).

32. "Settlement Administrator" means, and refers to, ILYM Group, Inc.

33. "Settlement Administration Costs" means, and refers to, the amount that will be paid to the Settlement Administrator, and includes all costs incurred in administering the Settlement, which will be paid from the Gross Fund Value. The Parties agree to work in good faith to minimize, as much as possible, the Settlement Administration Costs. Defendants will not object to an application for approval

of the Settlement Administration Costs, provided the Settlement Administration Costs are paid out of the Gross Fund Value and will not increase the Gross Fund Value. The Parties anticipate Settlement Administration Costs to total \$13,000.00.

34. "Settlement Member(s)" means, and refers to, all Participating Class Members, all Aggrieved Employees, and the Named Plaintiff.

35. "Aggregate PAGA Pay Periods" means, and refers to, the sum of all the PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period.

36. "Workweek" is any calendar week during the Class Period in which a Class Member was employed by and performed work for Defendants for at least one shift.

37. "Total Workweeks" means and refers to the sum of all the Workweeks a Class Member was employed during the Class Period.

III. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

At or about the time that the Named Plaintiff files her motion for preliminary approval of this Settlement, the Named Plaintiff shall request certification of the Class for settlement purposes only. The certification of the Class – for settlement purposes only – shall not constitute, in this or any other proceeding, an admission of any kind by Defendants, including without limitation, that certification of a class or collective action for trial purposes is appropriate or proper, that Named Plaintiff could establish any of the requisite elements for class or collective treatment of any of the claims in the Action, or that the PAGA claims asserted could proceed on a representative basis. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated or rendered null and void, the certification of the Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class or collective action for trial purposes in this Action or in any other actions are satisfied. In such circumstances, Defendants expressly reserve all rights to challenge the Class certification for any purpose other than settlement purposes in this Action or in any other action on all available grounds as if no class had been certified for settlement purposes in the Action, and no reference to the prior certification of this class, or any documents related thereto, shall be made available for any purpose. Additionally, the Parties stipulate that to further the certification for settlement purposes

only, and for no other purpose or effect, and which shall not constitute evidence or a binding admission, the Named Plaintiff is typical of other Class Members and can represent the Class.

IV. SETTLEMENT TERMS

1. Release as to All Participating Class Members. Upon the Effective Date and upon Defendants fully funding the Settlement, the Participating Class Members, including the Named Plaintiff, release the Released Parties for the Released Class Claims for the Class Period.

2. Release as to All Aggrieved Employees. Upon the Effective Date and upon Defendants fully funding the Settlement, the Aggrieved Employees, including the Named Plaintiff, release the Released Parties for the PAGA Released Claims for the PAGA Period.

3. Service Award. Subject to Court approval, Named Plaintiff shall be paid a Service Award up to a total of Ten Thousand Dollars (\$10,000.00), or such other distribution or lower amount as the Court may order. The Service Award shall be paid from the Gross Fund Value and shall not increase the Gross Fund Value. The Service Award shall be paid to the Named Plaintiff by the Settlement Administrator no later than ten (10) business days after Defendants deliver the Gross Fund Value to the Settlement Administrator for deposit into the Qualified Settlement Fund. The Parties agree that a decision by the Court to award Named Plaintiff an amount less than the amount stated above shall not be a basis for the Named Plaintiff to void this Stipulation. The Settlement Administrator shall issue Named Plaintiff an IRS Form 1099 for the Service Award. Any amount awarded for service payments to the Named Plaintiff less than the requested amount will result in the non-awarded funds to be awarded to Participating Class Members and the Aggrieved Employees on a proportionate basis. The Named Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this payment. The Service Award shall be paid in addition to her Individual Settlement Payment.

4. Tax Liability. Defendants make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Named Plaintiff and Settlement Members are not relying on any statement or representation by Defendants in this regard. Named Plaintiff and Settlement Members understand and agree that except for Defendants' payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any and all taxes and penalties assessed on the payments

described herein.

5. Creation of the Qualified Settlement Fund and Administration of the Settlement. Within fourteen (14) days of the Effective Date, Defendants shall deliver the Gross Fund Value into the Qualified Settlement Fund created by the Settlement Administrator. Defendants shall also simultaneously deliver to the Settlement Administrator, Defendants' (Employer) share of payroll taxes, including but not limited to, FICA, FUTA and SDI contributions.

6. Escalation Clause. Defendants represent that there are approximately 75,000 workweeks through the date of mediation (i.e., April 16, 2024). If the number of the workweeks during the Class Period exceeds 75,000 by more than 10%, the Gross Fund Value will increase by a proportionate percentage above the listed 75,000 estimate (i.e., if the workweeks increased by 12%, the Gross Fund Value would increase by 2%). Alternatively, at Defendants' option, Defendants may shorten the Class Period to a date at which the total workweeks fall within the 10% threshold (i.e., the date on which the Class Members worked no more than 82,500 workweeks).

7. Attorneys' Fees and Cost Award. Defendants agree not to oppose or impede any application or motion by Class Counsel for their attorneys' fees provided such request does not exceed the amounts agreed to in this Agreement which is one third or 33.33% of the Gross Fund Value (i.e., One Hundred and Twenty-Five Thousand Dollars (\$125,000.00)). Defendants further agree not to oppose any application or motion by Class Counsel for the reimbursement of any actual costs associated with Class Counsel's prosecution of this matter provided such request does not exceed the amounts agreed to in this Agreement (i.e., Fifteen Thousand Dollars (\$15,000.00)). Class Counsel will provide verification of the cost amount that it is seeking to be reimbursed. The Parties agree that a decision by the Court to award an Attorneys' Fees and Cost Award in an amount less than the amount stated in this Settlement shall not be a basis for the Named Plaintiff to void this Stipulation. Any amount awarded for attorneys' fees and costs less than the allocated amounts will result in the non-awarded amounts to be awarded to Participating Class Members and Aggrieved Employees on a proportionate basis. Class Counsel shall be paid any Court-approved fees and costs no later than ten (10) business days after Defendants deliver the required funds to the Settlement Administrator for deposit into the Qualified Settlement Fund. Class

Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made to Class Counsel. Forms 1099 shall be provided to Class Counsel for the payments made, and Class Counsel shall provide, before the Effective Date, properly completed Forms W-9.

8. Settlement Administrator. The Settlement Administrator shall be paid for the costs of administration of the Settlement out of the Gross Fund Value as deposited in the Qualified Settlement Fund. Any amount awarded for costs of administration to the Settlement Administrator less than \$13,000.00 will result in the non-awarded amount to be awarded to Participating Class Members and Aggrieved Employees on a proportionate basis.

9. Second Amended Complaint. The Named Plaintiff will seek leave to amend to file a Second Amended Complaint, in the form attached hereto as **Exhibit B**, to assert the claims, legal allegations, legal theories, and factual allegations necessary to effectuate the claims released by the Settlement. The Second Amended Complaint shall be amended in a manner such that: (i) Areas USA LAX, LLC is named as a Defendants in the Action, (ii) the PAGA Notices filed by the Named Plaintiff are incorporated by reference in the Second Amended Complaint; and (iii) the necessary class allegations are pled to effectuate the Released Class Claims provided in this Settlement. The Settlement is expressly conditioned upon: (i) the approval by Defendants of the Second Amended Complaint, and (ii) an order by the Court granting the Named Plaintiff leave to file the Second Amended Complaint and her filing of the same prior to the filing of the motion for preliminary approval.

10. Preliminary Settlement Hearing/Alterations to this Agreement. As part of this Settlement, the Parties agree to the following procedures for obtaining preliminary Court approval of the Settlement:

a. Named Plaintiff shall file a Second Amended Complaint as described in Section 9 of this Agreement prior to filing her Motion for Preliminary Approval.

a. Plaintiff shall file a Motion for Preliminary Approval and request a hearing before the Court to request preliminary approval of the Settlement and to request the entry of the Preliminary Approval Order.

b. Simultaneous with and/or included in the filing of the Motion for Preliminary Approval, and solely for purposes of this Settlement, Named Plaintiff will request the Court to enter a Preliminary

Approval Order, preliminarily approving the proposed Settlement, conditionally certifying the Class, and setting a date for a Final Approval Hearing.

c. In conjunction with the Motion for Preliminary Approval, Named Plaintiff will submit this Agreement and will include proposed forms of all notices and other documents as attached hereto necessary to implement the Settlement. The Order shall provide for Notice of the settlement to be sent to Class Members as specified herein.

d. In the event any provision of the Settlement is rejected by the Court, the Parties will work in good faith to negotiate alteration of the rejected term.

e. If, following the Parties' good faith efforts, the Parties cannot agree on alterations, or if ultimately the Court does not grant preliminary or final approval of the Settlement in its entirety, or if the Court's final approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. In such case, the Settlement shall not be used, referenced, or be admissible in any subsequent proceedings, either in this Action, in this Court, or in any other forum.

11. Settlement Administration/Management. The Individual Settlement Payments and Individual PAGA Payments shall be managed and administered as follows:

a. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

b. Defendants shall provide the Settlement Administrator the Class and PAGA Member Data within seven (7) days of the Preliminary Approval Date.

c. Within fourteen (14) days of receipt of the Class and PAGA Member Data, the Settlement Administrator shall mail the Class Notice in the form attached hereto as **Exhibit A**.

d. Participating Class Members will be eligible to receive an Individual Settlement Payment and Aggrieved Employees will be eligible to receive an Individual PAGA Payment.

e. The Settlement Administrator shall provide Defendants' Counsel and Class Counsel a weekly report showing the number of Class Members who have objected to or requested exclusion from the Settlement (if any).

f. The Settlement Administrator shall be responsible for: printing and mailing the Notices as directed by the Court; receiving and reporting the objections/requests for exclusion and challenges to the Individual Settlement Payments submitted by Class Members; mailing Individual Settlement Payments to Participating Class Members; mailing Individual PAGA Payments to Aggrieved Employees; the payment to the LWDA; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep Defendants, Defendants' Counsel and Class Counsel timely apprised of the performance of all Settlement Administrator responsibilities.

g. The Settlement Administrator shall be responsible for issuing to Named Plaintiff, Settlement Members, the LWDA, the Settlement Administrator, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all payroll taxes and penalties to the appropriate government authorities.

h. The Settlement Administrator, on Defendants' behalf, shall have the authority and obligation to make payments, credits and disbursements, including payments and credits in the manner set forth herein to Settlement Members, calculated in accordance with the methodology set out in this Agreement and orders of the Court.

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

j. The Settlement Administrator will provide to Defendants, as soon as practicable, but no later than thirty (30) days after Preliminary Approval is granted, a fully-executed IRS W-9 form and any other information Defendants may require to issue payment.

12. Calculation and Administration of Individual Settlement Payments. The Individual Settlement Payments will be calculated as follows:

a. The Settlement Administrator will divide the Net Fund Value by the Aggregate Workweek Number to calculate the amount to allocate to each Workweek.

b. The Settlement Administrator will calculate each Class Members' Individual Settlement

Payment by multiplying his or her Total Workweeks times the amount allocated to each Workweek. Each Class Members estimated Individual Settlement Payment will be indicated on the Notice.

c. The Individual Settlement Payment estimates indicated on the Notice are subject to change, depending on factors including: (i) how many Class Members become Excluded Class Members (resulting in their Total Workweeks being removed from the final Aggregate Workweek Number, thereby increasing the value of each Workweek); (ii) any changes to the Total Workweeks resulting from challenges to Total Workweeks submitted by Class Members resulting in workweek adjustments, which may increase or decrease the final Aggregate Workweek Number and the value of each Workweek; and (iii) any increases or reductions in the Net Fund Value which may result from, inter alia, changes to the actual amount of PAGA Allocation, and/or Settlement Administration Costs approved by the Court.

d. Each Participating Class Member's Individual Settlement Payment will be allocated as follows: (a) 20% as wages; and (b) 80% as interest and penalties. The portion allocated to wages shall be reported on an IRS Form W-2 and the portions allocated to interest and penalties shall be reported on an IRS Form-1099 by the Settlement Administrator.

13. Calculation and Administration of the PAGA Allocation. The Individual PAGA Payment will be calculated as follows:

a. The Settlement Administrator shall pay \$56,250.00 (75% of the PAGA Allocation) to the LWDA.

b. The Settlement Administrator will determine the number of Aggrieved Employees and the Total PAGA Pay Periods, which shall be presumed to be correct.

c. The Settlement Administrator will divide \$18,750.00 (25% of the total PAGA Allocation) by the amount of Aggregate PAGA Pay Periods to obtain the amount to allocate to each PAGA Pay Period.

d. The Settlement Administrator will calculate each Aggrieved Employee's Individual PAGA Payment by multiplying his/her PAGA Pay Periods by the amount allocated to each PAGA Pay Period. Each Aggrieved Employee's Individual PAGA Payment will be indicated on the Notice.

e. The PAGA Allocation is subject to Court approval and may change on this basis.

f. Each Aggrieved Employees' Individual PAGA Payment will be allocated as 100% penalties and shall be reported on an IRS Form-1099 by the Settlement Administrator.

14. Notice to Class Members and Aggrieved Employees. Notice of the Settlement shall be provided to all Class Members and Aggrieved Employees using the following procedures:

a. Notice By First-Class Mail. Within fourteen (14) days after receipt of the Class and PAGA Member Data, the Settlement Administrator shall mail the Class Notice, which has been mutually approved by counsel for the Parties, to the Class Members via first-class regular U.S. Mail. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database information to update and correct for any known or identifiable address changes. If a new address is obtained by a way of a returned Class Notice, then the Settlement Administrator shall promptly forward the original Class Notice to the updated address via first-class regular U.S. mail indicating on the original Class Notice the date of such re-mailing.

b. No Requirement for a Claim Form. Class Members shall not be required to submit a Claim Form to receive an Individual Settlement Payment or Individual PAGA Payment.

c. Objection/Exclusion Deadline. Class Members will have sixty (60) calendar days from the mailing of the Class Notice to submit an objection and/or request for exclusion from the Settlement, or challenge the Total Workweeks indicated on their Class Notice. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator per the paragraph below shall have an additional fifteen (15) calendar days beyond the Objection/ Exclusion Deadline Date.

d. Procedure for Undeliverable Notices. Any Class Notices returned to the Settlement Administrator as non-delivered on or before the Objection/Exclusion Deadline Date shall be sent to the forwarding address affixed thereto within five (5) days. If no forwarding address is provided, then the Settlement Administrator shall promptly attempt to determine a correct address using a single skip-trace, computer or other search using the name and address of the individual involved and shall then perform a single re-mailing within five (5) days. In the event the procedures in this paragraph are followed and the intended recipient of a Notice still does not receive the Notice, the Class Member shall be bound by all terms of the Settlement and any Final Judgment entered by the Court if the Settlement is approved by the

Court.

e. No later than fourteen (14) days prior to the Final Approval Hearing, the Settlement Administrator shall provide Defendants' Counsel: (i) the names and contact information of the Class Members objecting to or requesting exclusion from the Settlement; and (ii) the amounts owed to each Participating Class Member and Aggrieved Employees.

15. Procedure for Objecting to or Requesting Exclusion from the Class Action Settlement or Challenging Total Workweeks. The Class Members shall submit objections to the Settlement and/or request exclusion from the Settlement and/or submit a challenge to their Total Workweeks using the following procedures:

a. Procedure For Objecting. The Class Notice shall provide that those Class Members who wish to object to the Settlement shall mail a written statement of objection ("Notice of Objection") to the Settlement Administrator, no later than the Objection/Exclusion Deadline Date. The postmark date of the mailing shall be deemed the exclusive means for determining if a Notice of Objection is timely. A copy of the Notice of Objection is attached hereto as **Exhibit C**. The Notice of Objection must contain the Class Member's name, the last four digits of his/her social security number, dates of employment, current contact information, a statement providing the basis for the Class Member's objections, a statement advising if the objecting Class Member plans to address the Court at the Settlement Fairness Hearing, and any legal briefs, papers or memoranda the objecting Class Member proposes to submit to the Court. Class Members regardless of whether they submit a written objection to the Settlement Administrator will have the right to appear at the Final Approval Hearing in order to have their objections heard by the Court. Class Counsel and Counsel for Defendants shall file any responses to any written objections submitted to the Court in accordance with this Settlement Agreement at least five (5) court days before the Fairness Settlement Hearing.

b. Procedure For Requesting Exclusion. The Notice shall provide that Class Members who wish to exclude themselves from the Class must submit a written request to be excluded ("Request for Exclusion") from the Class on or before the Objection/Exclusion Deadline Date. Such Request for Exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social

1 Security number of the person requesting exclusion; (2) must be signed by the person requesting
2 exclusion; (3) must be returned by mail to the Settlement Administrator at the specified address; (4) and
3 must be postmarked on or before the Objection/Exclusion Deadline Date. The date of the postmark on
4 the return mailing envelope shall be the exclusive means used to determine whether a request for
5 exclusion has been timely submitted. Any Class Member who requests an exclusion from the Class will
6 not be bound by the Released Class Claims, have any right to object, appeal or comment thereon, or be
7 entitled to an Individual Settlement Payment. Class Members who fail to submit valid and timely a
8 Request for Exclusion on or before the Objection/Exclusion Deadline Date shall be Participating Class
9 Members and shall be bound by all terms of the Settlement and any Final Judgment entered in this Action
10 if the Settlement is approved by the Court. At no time shall any of the Parties or their counsel seek to
11 solicit or otherwise encourage members of the Settlement Class to submit a Request for Exclusion from
12 the Settlement. Requests for Exclusions do not apply to Aggrieved Employees; Aggrieved Employees
13 will be bound by the PAGA Released Claims irrespective of whether they make a Request for Exclusion.
14 For the avoidance of doubt, no Aggrieved Employee may opt out of the Settlement with respect to the
15 PAGA Released Claims.

16 c. Procedure for Disputing Individual Settlement Payments: Each Class Members will have
17 the opportunity, should he/she disagree with Defendants' records regarding his/her Total Workweeks as
18 presented in his/her Class Notice, to provide documentation to show contrary employment dates. To do
19 so, Class Members must contact the Settlement Administrator, along with all applicable documentary
20 evidence to support his/her dispute regarding his/her Total Workweeks prior to the Objection/Exclusion
21 Deadline. Moreover, an individual can only dispute his/her number of Total Workweeks if he/she does
22 not exclude himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will
23 consult with the Parties to determine whether a workweek adjustment is warranted. Class Counsel and
24 Defendants' Counsel shall meet and confer to reach an agreement regarding whether a workweek
25 adjustment is warranted based on the documentary evidence submitted by the Class Member to challenge
26 his/her Total Workweeks. If a workweek adjustment is warranted, the additional amount owed to said
27 Class Member, if any, shall be paid as part of that Participating Class Member's Individual Settlement
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Payment and no adjustment will result in an increase to the Gross Fund Value. If the dispute cannot be resolved by the Parties, the workweeks shall be as stated in the Class and PAGA Member Data provided by Defendants. The Settlement Administrator will notify the disputing Class Member of the decision.

d. No Solicitation of Settlement Objections. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from any Final Judgment.

16. Procedure for Payment of Individual Settlement Payments and Individual PAGA Payments.

a. Individual Settlement Payments for Class Members and Individual PAGA Payments for Aggrieved Employees shall be paid exclusively from the Qualified Settlement Fund, pursuant to the settlement formulas set forth herein, and shall be mailed within ten (10) business days after Defendants deliver the required funds to the Settlement Administrator for deposit into the Qualified Settlement Fund.

b. Any checks issued by the Settlement Administrator to Settlement Members shall be negotiable for one hundred and eighty (180) calendar days. Those funds represented by Settlement checks returned as undeliverable and those Settlement checks remaining uncashed for more than one hundred and eighty (180) days after issuance shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. for the benefits of those Settlement Members who did not cash their checks until such time they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Fund Value (NFV) and the PAGA Allocation attributable to the Aggrieved Employees will be paid out to Settlement Members, whether or not they all cash their settlement checks.

c. Although Settlement Members who do not timely cash their Individual Settlement Payments or Individual PAGA Payments shall not immediately receive the monies from those checks, such persons shall nonetheless be Settlement Members and will be bound by all terms of the Settlement and any judgment entered in this Action if the Settlement is approved by the Court, including the release

of the Released Class Claims and Released PAGA Claims.

d. The checks received by the Settlement Members shall be accompanied by a Notice of Payment of Individual Settlement Payments and/or Notice of Payment of Individual PAGA Payments copies of which are attached hereto as **Exhibit D**.

17. Certification by Settlement Administrator. Upon completion of administration of the distributions, the Settlement Administrator shall provide written certification of such completion to the Court and counsel for all Parties.

18. Final Approval Hearing and Entry of Final Judgment. Upon expiration of the Objection/Exclusion Deadline Date, with the Court's permission, a Final Approval Hearing shall be conducted to determine final approval of the Settlement along with the amount properly payable for (i) the Attorneys' Fees and Cost Award, (ii) any Service Awards, and (iii) Settlement Administration Costs. The Final Approval Hearing shall not be held earlier than thirty (30) days from Objection/Exclusion Deadline Date. After entry of the Final Approval Order, the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-final judgment matters as may be appropriate under court rules or as set forth in this Agreement. A copy of the proposed judgment Named Plaintiff shall submit to the Court in connection with the Final Approval Hearing is attached hereto as **Exhibit E**.

19. Discharge of Obligations. Defendants shall discharge their obligations to the Settlement Members through the remittance by the Settlement Administrator of the Individual Settlement Awards to the Participating Class Members and Individual PAGA Payments to the Aggrieved Employees, regardless of whether these awards are actually received and/or negotiated by Settlement Members. Once Defendants have complied their obligations set forth in this Settlement, they will be deemed to have satisfied all terms and conditions under this Settlement Agreement and shall have no further obligations under the terms of the Agreement regardless of what occurs with respect to those sums.

20. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally approve the Settlement as provided herein; or (ii) the Court does not enter a Final Approval Order as

provided herein, which becomes final as a result of the occurrence of the Effective Date, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the Parties and 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 Settlement Agreement had not been executed. In the event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, as well as any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Judgment, or any other appellate review.

21. Right to Rescind Agreement: Defendants shall have, in their sole discretion, the right to void and withdraw from the Settlement if, as of the Objection Deadline, five percent (5%) or more of the Class Members submit timely and valid Requests for Exclusion. Defendants must exercise this right of rescission, in writing, to Class Counsel within fifteen (15) calendar days of receipt of the report from the Settlement Administrator. If the option to rescind is exercised, then Defendants will be solely responsible for all settlement administration costs incurred to that point.

22. Notice to the LWDA. Class Counsel shall be responsible for timely providing all notices to the LWDA and providing Defendants' counsel confirmation of the same, including submission of the Settlement to the LWDA contemporaneously with the filing of the motion for preliminary approval, under California Labor Code § 2699(l)(2), and submission of any judgment within 10 days after entry of same, under California Labor Code § 2699(l)(3). Defendants may also choose, but is in no case obligated, to provide such notice to the LWDA.

23. Exhibits and Headings. The terms of this Agreement include the terms set forth in any attached exhibits which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement. 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.

24. Interim Stay of Proceedings. The Parties agree to hold all proceedings in the Action including all discovery events and efforts, except such proceedings necessary to implement and complete the Settlement, in abeyance pending the Preliminary Approval Hearing and Final Approval Hearing.

25. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

26. Entire Agreement. This Agreement and any attached exhibits constitute the entire agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties and covenants contained and memorialized in such documents.

27. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event 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 this Settlement, the Parties may seek the assistance of the Court and/or the mediator to resolve such disagreement. The persons signing this Agreement on behalf of Defendants represent and warrant that they are authorized to sign this Agreement on behalf of Defendants.

28. 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.

29. California Law Governs. All terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

30. No Public Disclosure. Named Plaintiff and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about this case and/or the fact, amount or terms of the Settlement. In

addition, Named Plaintiff and Class Counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement, including but not limited to any postings on any websites maintained by Class Counsel; provided, however, that Class Counsel may state that it has settled a class and PAGA action against a company so long as neither Defendants, nor the Named Plaintiff are identified. In addition, Named Plaintiff's counsel may list the case name, number, and a brief description of the claims in their declarations in support of qualifications as class counsel in future filings.

31. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves original signed counterparts.

32. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

33. Jurisdiction of The Court. The Court shall retain jurisdiction, pursuant to Code of Civil Procedure Section 664.6 or otherwise, with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel 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.

34. 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.

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1 **IN WITNESS WHEREOF**, the Parties and their Counsel have executed this Settlement
2 Agreement as follows:

3 **NAMED PLAINTIFF**

4 Dated: 07 / 10 / 2024

5 
Thamar Freeman

6 **CLASS COUNSEL**

7 Dated: 7/11/2024

8 Employment Rights Lawyers, APC

9 
10 Amir H. Seyedfarshi

11 **CLASS COUNSEL**

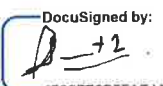
12 Dated: 07/23/2024

13 Law Office of Tatiana Hernandez, P.C.

14 
Tatiana Hernandez

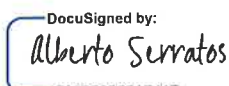
15 **AREAS SKYVIEW LAX JV, LLC**

16 Dated: 9/25/2024

17 By: 
18 Its: CFO

19 **AREAS USA LAX, LLC**

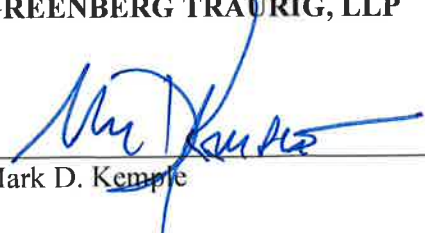
20 Dated: 10/8/2024

21 By: 
22 Its: VP of Finance

23 *Approved as to form:*

24 **GREENBERG TRAURIG, LLP**

25 Dated: 10/9/24

26 
27 Mark D. Kemple