

D.LAW, INC.
Emil Davtyan (SBN 299363)
Emil@d.law
David Yeremian (SBN 226337)
d.yeremian@d.law
Roman Shkodnik (SBN 285152)
r.shkodnik@d.law
Enoch J. Kim (SBN 261146)
e.kim@d.law
Amanda Fazio (SBN 346350)
a.fazio@d.law
450 N Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Attorneys for Plaintiff CECILA ALCARAZ,
on behalf of herself and others similarly situated

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

CECILIA ALCARAZ, on behalf of herself
and on behalf of all other aggrieved
employees,

Plaintiff,

vs.

HHM FACILITY MANAGEMENT LLC,
Missouri limited liability company; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 37-2023-00055133-CU-OE-CTL

Assigned for All Purposes To:

Hon. Matthew Braner

Dept.: C-60

**DECLARATION OF ENOCH J. KIM IN
SUPPORT OF PLAINTIFF'S MOTION TO
APPROVE THE PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT UNDER
CALIFORNIA LABOR CODE §§ 2698 et.
seq.**

[filed concurrently with Plaintiff's Notice of
Motion and Motion; and [Proposed] Order]

Date: March 7, 2025

Time: 11:00 a.m.

Dept.: C-60

1 6. On or about December 20, 2023, Plaintiff filed this representative lawsuit for civil
2 penalties under PAGA against Defendant in San Diego County Superior Court, Case No. 37-2023-
3 00055133-CU-OE-CTL, alleging claims for (1) failure to pay minimum wage; (2) failure to pay
4 wages and overtime; (3) failure to pay vacation wages; (4) failure to comply with Labor Code
5 Section 245 and 246; (5) meal period liability; (6) rest period liability; (7) violation of Labor Code
6 Section 221; (8) failure to reimburse for necessary business expenses; (9) violation of Labor Code
7 Sections 226 and 1174; (10) failure to produce employment records; and (11) violation of Labor
8 Code Sections 203 and 204 (the “Action”). On June 5, 2024, Plaintiff provided Defendant with the
9 PAGA Lawsuit via Notice of Acknowledgment and Receipt.

10 7. On or about April 30, 2024, Plaintiff filed a complaint in the Los Angeles County
11 Superior Court, Case No. 24STCV10833, against Defendant and a former employee of Defendant,
12 Daniel Noell, alleging (1) sex/gender harassment in violation of the Fair Employment and Housing
13 Act, California Government Code Section 12940 *et seq.* (the “FEHA”); (2) retaliation in violation
14 of the FEHA; (3) failure to prevent harassment and retaliation in violation of the FEHA; (4)
15 violation of Labor Code Section 232.5; (5) violation of Labor Code Section 6310; (6) violation of
16 Labor Code Section 6311; (7) violation of Labor Code 1102.5; (8) wrongful termination in violation
17 of public policy; (9) intentional infliction of emotional distress; and (10) unfair competition in
18 violation of the California business and Professions Code Section 17200 *et seq.* (the “Harassment
19 Action”). Plaintiff served the Harassment Complaint on Defendant on May 8, 2024, and the Parties
20 agreed that Defendant’s answer or response to the Harassment Lawsuit would be due June 21, 2024.

21 8. Prior to mediation, Plaintiff conducted comprehensive informal discovery and Defendant
22 provided data and numbers and documents, including electronic payroll and timekeeping data for
23 all alleged Aggrieved Employees, Employee Handbooks and other policies, information and
24 documentation regarding Defendant’s wage and hour policies, expense report data and information,
25 and meal period information. The information and data exchanged by Plaintiff and Defendant prior
26 to and during mediation and settlement negotiations were sufficient to reliably assess the merits of
27 the parties’ respective positions, to compromise the issues on a fair and equitable basis, and to
28 devise a formula for distribution of civil penalties among the Aggrieved Employees that took into

1 consideration the strength of the PAGA claims.

2 **SETTLEMENT NEGOTIATIONS AND TERMS**

3 9. On June 11, 2024, the parties attended an all-day mediation with the Honorable John Leo
4 Wagner (Ret.). With the assistance of a highly respected wage and hour mediator, the parties agreed
5 to a global settlement of the Action, Class Action and the Harassment Action. The general terms
6 for settling this Action that were first memorialized in a Memorandum of Agreement, fully
7 executed on June 20, 2024, and thereafter in the long-form Settlement Agreement now before the
8 Court for approval, which was fully executed on August 14, 2024. Additionally, as part of the
9 global settlement, (a) the Parties executed an individual settlement agreement with Plaintiff, for
10 which Plaintiff received additional compensation, which was fully executed on July 3, 2024; (b)
11 the Class Action was dismissed without prejudice, except for Plaintiff's individual claims, which
12 were dismissed with prejudice, in an Order signed by the Federal Court on September 5, 2024; and
13 (c) Plaintiff filed a conditional Notice of Settlement with the Court in the Harassment Action on
14 September 12, 2024, which states that the Harassment Action will be dismissed with prejudice after
15 the Court approves this Settlement. The PAGA Settlement Agreement is attached hereto as **Exhibit**
16 **1**.

17 10. The parties believe and agree that the Settlement provides for a fair, adequate, and
18 reasonable resolution of the Action and have arrived at the Settlement in extensive, arm's length
19 negotiations, considering all relevant factors, present and potential. PAGA Counsel believes that
20 the Settlement confers real benefits upon Plaintiff and the Aggrieved Employees and that an
21 independent review of the Settlement by the Court in the approval process will confirm this
22 conclusion.

23 11. For purposes of the Settlement, Aggrieved Employees are defined as: "all persons who
24 are employed or were previously employed by Defendant in California and are or were classified
25 as non-exempt employees at any time from October 12, 2022 to the date of the Approval Order."
26 Based on its records, Defendant represents that there are approximately 1,927 Aggrieved Employee
27 pay periods in the aggregate from October 12, 2022 through September 11, 2024. during the PAGA
28 Period as of the date of the Settlement Agreement.

1 12. The Settlement Agreement requires Defendant to pay the total sum of \$98,277.00 (the
2 “Gross Settlement Amount”). The Gross Settlement Amount will be allocated as follows, pending
3 Court approval:

- 4 a) Attorneys’ fees in the amount of \$32,759.00 (“PAGA Counsel Fees Payment”)
5 and litigation costs in the amount of \$16,443.83 (“PAGA Counsel Litigation
6 Expenses Payment”);
- 7 b) Administration costs of no more than \$5,900.00 to be paid to the Settlement
8 Administrator (“Administration Expenses Payment”), Apex, for sending notices
9 and for calculating settlement shares and preparing all checks and mailings; and
- 10 c) The remainder of the Gross Settlement Amount (the “Net Settlement Amount”)
11 after deducting the above costs is approximately \$43,174.17 and shall be
12 designated as PAGA Penalties to be allocated between the LWDA and the
13 Aggrieved Employees pursuant to Labor Code section 2699(i), with 75%
14 (\$32,380.63) being paid to the LWDA (the “LWDA PAGA Payment”) and 25%
15 (\$10,793.54) being paid to the Allegedly Aggrieved Employees on a pro-rata
16 basis (“Individual PAGA Payment”). The Aggrieved Employees will receive an
17 average of approximately \$106.87 per person (\$10,793.54 divided by 101
18 Aggrieved Employees, which is the approximate number of Aggrieved
19 Employees based on the data given at the time of mediation) as their share of the
20 Individual PAGA Payment.

21 13. From PAGA Counsel’s review of the facts, strengths, and weaknesses of the case, the
22 risks and delays posed by further litigation, and PAGA Counsel’s own prior litigation experience,
23 PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable
24 taking into consideration the amounts received in other PAGA actions, the risks inherent in
25 litigation of this genre, and the reasonable tailoring of each Aggrieved Employee’s claim to the
26 settlement award he or she will receive. Further, and based on the settlement negotiations, which
27 were extensive and conducted in good faith and at arm’s length between attorneys with substantial
28 experience litigating PAGA actions, the Settlement Agreement was the product of a non-collusive

1 settlement process in which the parties were forced to make significant compromises in the interest
2 of reaching a full and complete settlement of the lawsuit.

3 **THE STRENGTH OF PLAINTIFF’S CASE**
4 **IN LIGHT OF THE SETTLEMENT AMOUNT**

5 14. Plaintiff alleges that Defendant violated various provisions of California law and seeks
6 civil penalties for the foregoing violations pursuant to Labor Code § 2699 *et seq.* Under Labor Code
7 § 2699, specifically, Plaintiff alleged that Defendant:

- 8 • Failed to pay the Aggrieved Employees minimum wages and overtime for “off-the-
9 clock” work, including having to work through their meal periods in order to meet
10 Defendant’s strict deadlines for cleaning several client sites per night. Additionally, the
11 Aggrieved Employees had to regularly communicate with their supervisors while off-
12 the-clock to discuss scheduling.
- 13 • Failed to provide the Aggrieved Employees with compliant meal periods because they
14 were required to remain on the work premises, were frequently interrupted during meal
15 periods by their supervisors, and regularly had to work through their meal periods due
16 to Defendant’s strict deadlines.
- 17 • Failed to provide the Aggrieved Employees with compliant rest periods as they
18 frequently received interrupted, shortened, or no rest periods.
- 19 • Failed to provide the Aggrieved Employees with reporting time pay.
- 20 • Failed to reimburse the Aggrieved Employees for business expenses, including
21 uniforms that they were required to wear at work and the use of their personal cell
22 phones for work.
- 23 • Failed to provide accurate wage statements, including the failure to include all hours
24 worked by the Aggrieved Employees.

25 15. Defendant denied and continues to deny all of the claims made by Plaintiff in this Action
26 and contend that they acted at all relevant times in conformance with the law. Defendant contends
27 that Plaintiff and the Aggrieved Employees were paid for all hours worked and that Defendant
28 prohibited Plaintiff and the Aggrieved Employees from working beyond their scheduled shifts; that

1 Defendant provided lawfully compliant meal and rest periods (and in fact provided longer breaks
2 than required by law) and that any deviations were at the voluntary election of Plaintiff and/or the
3 Aggrieved Employees and not at the request of Defendant or due to work requirements; that
4 Defendant paid all wages due on a timely basis; that Defendant paid all wages due on a timely basis
5 and using Labor Code compliant instruments; that Defendant's wage statements complied with the
6 law; and that neither Plaintiff nor any Aggrieved Employees incurred reasonable business related
7 expenses for which they were not reimbursed. As a result, PAGA Counsel had to appropriately
8 discount the amount recoverable from Defendants in a settlement.

9 **PAGA Penalties**

10 16. The Private Attorneys General Act, Labor Code § 2699 *et seq.*, allows Plaintiff to obtain
11 civil penalties on behalf of themselves and other aggrieved employees for Defendant's violation of
12 any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are
13 provided in the statute, those civil penalties are recoverable; where no civil penalties are
14 recoverable, Labor Code § 2699(f) establishes civil penalties of one hundred dollars (\$100) for each
15 aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each
16 aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code §
17 2699(i), seventy-five (75) percent of the penalties recovered must be allocated to the LWDA, with
18 the remaining twenty-five (25) percent allocated to the affected employees. However, under *Amaral*
19 *v. Cintas*, 163 Cal. App. 4th 1157, 1207-09 (2008) the Court held that a lower penalty amount of
20 \$100 per violation applies in the absence of a determination that a violation actually occurred.

21 17. Plaintiff estimated that the maximum potential exposure on the PAGA claim is
22 \$192,700.00, calculated by multiplying the total number of Pay Periods (1,927) by \$100 per
23 violation. Plaintiff's calculation of the total potential exposure on the PAGA claim was based on
24 one PAGA penalty per Pay Period (i.e., Plaintiff did not stack the PAGA penalties in her damages
25 calculation).

26 18. Case law supports the notion that it is inappropriate to "stack" penalties for multiple
27 violations, particularly when those violations all stem from the same alleged "injury" *Aguirre v.*
28 *Genesis Logistics*, 2015 U.S. Dist. LEXIS 78748 (citing *Villacres v. ABM Indus., Inc.*, 189

1 Cal.App.4th 562, 577 (2010)). (“One injury gives rise to only one claim for relief...The violation
2 of one primary right constitutes a single cause of action.”; *Crowley v. Katleman*, 8 Cal. 4th 666,
3 681-82) (1994); *Li v. A Perfect Day Franchise, Inc.*, 2012 WL 2236752, *17 (N.D. Cal.2012)
4 (“There is no authority that “would permit double recovery of essentially the same penalties.”)

5 19. PAGA penalties are not mandatory but permissive. Labor Code § 2699(e)(2) states that
6 “a court may award a lesser amount than the maximum civil penalty amount specified by this part
7 if, based on the facts and circumstances of the particular case, to do otherwise would result in an
8 award that is unjust, arbitrary and oppressive, or confiscatory.” (See *Thurman v. Bayshore* (2012)
9 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision)
10 (emphasis added); see also *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018)
11 (affirming penalty reduction of 90% for practice that resulted in meal periods occasionally starting
12 minutes after the fifth hour of work); *Sanchez v. McDonald’s Corp.* (2017), LASC Case No. No.
13 BC 499888 (98% reduction from \$41 million to \$775,000); *Ghrdilyan v. RJ Financial* (2012),
14 LASC Case No. BC430633 (94% reduction from \$5.4 million to \$325,000); *Fleming v. Covidien*,
15 Inc. (2011), USDC Case No. ED CV 10-01487-RGK (OPx) (87% reduction from \$2.8 million to
16 \$375,000).). In departing from the \$100/pay period calculation to arrive at the \$80,000.00 Gross
17 Settlement Amount in this case, Plaintiff considered various reasons why the Court may reduce any
18 eventual recovery at its discretion, and considered that PAGA penalties are not mandatory but
19 permissive.

20 20. The Gross Settlement Amount of \$98,277.00 is approximately 51% of the maximum
21 potential exposure of \$192,700.00. The Gross Settlement Amount therefore represents a strong
22 value at approximately \$51.00 per Pay Period. From PAGA Counsel’s review of the facts,
23 strengths, and weaknesses of the case, the risks and delays posed by further litigation, PAGA
24 Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable.

25 **REQUEST FOR ATTORNEYS’ FEES AND COSTS**

26 21. Pursuant to the Settlement Agreement, PAGA Counsel is requesting an award of
27 attorneys’ fees in the amount of **\$32,759.00** and an award of litigation costs to PAGA Counsel of
28 **\$16,443.83**. D.Law, Inc.’s cost log for this matter is attached hereto as **Exhibit 2**.

1 22. This request is fair, reasonable, and adequate to compensate PAGA Counsel for the
2 substantial work they have put into this case and, moreover, the risk they assumed by taking it in
3 the first place. The attorneys' fees award is intended to reimburse PAGA Counsel for all
4 uncompensated work that they have already done and for all the work they will continue to do in
5 carrying out and overseeing the notification to the Aggrieved Employees, communicating with
6 Aggrieved Employees regarding their claims, and assisting in the administration of the Settlement
7 if it is approved.

8 23. Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk
9 and cost of litigation associated with this Action on a purely contingency basis. As a result, PAGA
10 Counsel have yet to receive any compensation for the amount of time and money invested in the
11 case to date.

12 24. Contingent-fee cases present the very real risk of working hundreds if not thousands of
13 hours that may never be entirely compensated. Moreover, while the case is being litigated, counsel
14 must pay overhead (salaries, rent, etc.), provide for their own expenses, and in most cases pay the
15 out-of-pocket expenses incurred on the plaintiff's behalf. And the prospect of a court-awarded fee
16 does not greatly reduce the risk posed by these cases. In many cases, the prospect is nothing more
17 than a potential that never materializes. First, you must win the case to get a court-awarded fee;
18 even those cases that seem strongest at the onset can be lost and sometimes are lost. Second, there
19 are always the pitfalls and unforeseen obstacles that arise along the way, such as settlement offers
20 that the client may accept without ensuring that we receive a reasonable fee or changes in the law
21 that substantially affect the merits of the case, or other uncertainties involving the client. Finally,
22 there is the great risk inherent in advancing tens if not hundreds of thousands of dollars in out-of-
23 pocket expenses. If that money were to be invested in some sort of financial investment, one would
24 expect a reasonable rate of return on that investment. Here, however, the best we can hope to
25 recover is our money, and then only if we are substantially successful; if we are not, all or part of
26 this "investment" can be lost.

27 25. PAGA Counsel is well acquainted with the contingent-fee market throughout California,
28 particularly as it pertains to PAGA and class action litigation. PAGA Counsel has negotiated

1 numerous contingency-fee agreements with plaintiffs, both as individuals and as representatives in
2 class-action and PAGA suits. Many of those agreements required that counsel receive a fee under
3 certain scenarios that exceeds one-third of the recovery. PAGA Counsel's recent attorneys' fees
4 awards in similar wage-and-hour class and PAGA actions have been 35% of the recovery.

5 26. PAGA counsel in contingency-fee cases typically receive attorneys' fees equal to or
6 greater than forty percent of the gross settlement amount. See *Crandall v. U-Haul* (Los Angeles
7 County Super. Ct., Case No. BC178775), the Honorable Steven Czuleger awarded a 40% attorney
8 fee request in an overtime-exemption class action; in *Bushnell v. Cremar, Inc.* (Orange County
9 Super. Ct., Case No. 657778), the Honorable Donald E. Smallwood awarded attorneys' fees in the
10 amount of 38%; in *Abzug v. Kerkorian* CA000981 (Los Angeles County Super. Ct., November
11 1990), the Honorable R. William Schoettler awarded a 45% fee; in *Haitz v. Meyer, et al.*, Alameda
12 County Super. Court, 8-20-1990 No. 572968-3, the court awarded a 40% fee; in *Elliott v.*
13 *Clothestime* (Orange County Super. Ct., Case No. 01-CC00333) the Honorable Jonathan Cannon
14 awarded a 40% fee in a wage-and-hour class action which had not yet proceeded to the class
15 certification stage; in both *Rippee v. Boston Market Corporation*, Case No.: 05 CV 1359 BTM
16 (JMA) and *Barile v. Boston Market Corporation*, Case No.: 05 CV 1360 BTM (JMA), the
17 Honorable Judge Barry T. Moskowitz awarded a 40% fee to plaintiffs' counsel in wage-and-hour
18 class actions that had not proceeded to the class-certification stage.

19 27. Moreover, PAGA Counsel spent substantial time on this matter. Aside from drafting the
20 initial complaint, PAGA Counsel conducted informal discovery, reviewed and analyzed time and
21 pay records, employment handbooks, Plaintiff's personnel file, relevant policies and other
22 documentation, researched the applicable law and potential defenses, constructed damage models
23 based on interpretations of California law, reviewed information provided by Defendant at the
24 mediation, engaged in meet and confer efforts with Defendant, drafted and revised the settlement
25 agreement, and drafted this Motion. PAGA Counsel from D.Law, Inc. conservatively estimates that
26 it invested at least 135.30 hours of attorney time in this matter. Attorney Roman Shkodnik spent
27 approximately 23 hours on this matter and his current billing rate is \$700.00 (13 years out of law
28 school, Laffey Matrix rate of \$948.00). Attorney Amanda Fazio spent approximately 87.4 hours on

1 this matter and her current billing rate is \$400.00 (3 years out of law school, Laffey Matrix rate of
2 \$473.00). Attorney Enoch Kim spent approximately 24.90 hours on this matter and his current
3 billing rate is \$750.00 (17 years out of law school, Laffey Matrix rate of \$948.00). The total lodestar
4 for PAGA Counsel is \$69,735.00 (\$16,100.00 for Attorney Roman Shkodnik's time on the case,
5 \$34,960.00 for Attorney Amanda Fazio's time on the case, and \$18,675.00 for Attorney Enoch
6 Kim's time on the case). Thus, the fee request of \$32,759.00 is significantly less than the amount
7 warranted by the lodestar analysis.

8 28. In light of the foregoing, the fee request in an amount equal to one-third of the settlement
9 in this case is well within the bounds that have been established by the above-cited authority.

10 **EXPERIENCE AND VIEWS OF COUNSEL**

11 29. D.Law (formerly known as Davtyan Law Firm) prosecutes wage and hour cases,
12 including class actions and PAGA actions on behalf of employees and others who have had their
13 rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs'
14 counsel of record in numerous wage and hour and employment class action and PAGA action cases
15 pending in both state and federal court.

16 30. D.Law is well-qualified and has ample experience, knowledge, and resources to act as
17 counsel and represent Plaintiffs and the Allegedly Aggrieved Employees in this action. Our practice
18 is exclusively focused on employment matters and representing plaintiffs in wage and hour actions
19 with the same or similar causes of actions brought forth in the matter pending before this Court.

20 31. D.Law has litigated and successfully resolved many wage and hour class action cases
21 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa
22 v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v.
23 Bed Bath & Beyond of California Limited Liability Company (Superior Court of California in
24 Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in
25 Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno,
26 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-
27 L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los Angeles,
28 BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632

276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating

1 LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville
2 East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v.
3 Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo
4 Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL),
5 Walker v. Ariat International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v.
6 Petvet Care Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063),
7 Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in San Bernardino,
8 CIVDS1915743), Virdi v. Absolute Security International (Superior Court of California in San
9 Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento,
10 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of
11 California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

12 32. I am Senior Counsel at D.Law where I manage the class action and PAGA settlement
13 department. I was admitted to the California Bar in December 2008. I received my J.D. from
14 Pepperdine University School of Law and B.S. from University of Southern California. Since
15 graduating from law school, I have dedicated virtually my entire career on the practice of
16 employment law. I have practiced employment law from the plaintiff's side, defense side, and from
17 an in-house position. I have significant experience specifically working on wage and hour class
18 actions from the plaintiff's side as well as the defense side, with the majority of my experience
19 coming from the plaintiff's side.

20 33. Attorney Roman Shkodnik received his Bachelor of Arts in history and political science
21 from the University of California, Los Angeles, in 2007. He then earned his Juris Doctorate from
22 Loyola Law School in May of 2011. Upon graduating from law school, he has exclusively focused
23 his practice on representing employees including in wage-and-hour class actions. During his career,
24 he has represented employees in over 100 wage-and-hour class action lawsuits as lead or co-lead
25 counsel (including in the Central, Southern, Eastern and Northern Districts of California), and he
26 has obtained six and seven figure settlements against a range of defendants, including Fortune 500
27 companies. These cases have involved the gamut of wage-and-hour claims, including claims for
28 failure to pay minimum wages, unpaid wages and overtime, inaccurate pay statements, and failure

1 to pay timely wages - similar to claims at issue in the present matter.

2 34. The collective experience of the D.Law attorneys in litigating employment wage and
3 hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses
4 of a case, and generally negotiating fair and reasonable class and representative action settlements.
5 This experience is helpful in assessing the reasonableness of settlements such as the one at issue
6 here. Based on our experience, PAGA Counsel concluded that this lawsuit could not have been
7 settled on better terms than provided under the present settlement agreement given the financial
8 limitations of Defendants.

9 35. In sum, PAGA Counsel are experienced in employment class action and PAGA litigation
10 and are adequate to represent the Allegedly Aggrieved Employees in the instant action.

11 **SUMMARY**

12 36. The parties agreed to use Apex as the third-party settlement administrator in this case.
13 Apex will be responsible for updating the addresses for the Aggrieved Employees, mailing the
14 Notice of Settlement and calculating and distributing the settlement checks, among other duties.
15 Apex capped its fees at \$5,900.00 for administering the Settlement, and based on PAGA Counsel's
16 experience in other class and PAGA settlements, Apex's costs for administering this Settlement are
17 fair and reasonable. The declaration of Sean Hartranft (Chief Executive Officer of Apex) is attached
18 hereto as **Exhibit 3**.

19 37. On February 7, 2025, my office submitted the proposed Settlement to the LWDA.
20 Attached hereto as **Exhibit 4** is a true and correct copy of the confirmatory email my office received
21 from the LWDA after submission of the Settlement.

22 38. The parties entered into a separate settlement agreement to resolve the Harassment
23 Action. The Settlement and General Release Agreement is attached hereto as **Exhibit 5**.

24 39. I am not aware of any class or other representative action in any other court that asserts
25 claims similar to those alleged in the action being settled.

26 ///

27 ///

28 ///

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

Executed this 7th day of February, 2025, at Glendale, California.

Enoch J. Kim

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT/STIPULATION OF SETTLEMENT

This PAGA Settlement Agreement/Stipulation of Settlement (the “Agreement”) is made by and between plaintiff Cecilia Alcaraz (“Plaintiff”) and defendant HHM Facility Management, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

1.1 “Action” means Plaintiff’s lawsuit against Defendant captioned Cecilia Alcaraz v. HHM Facility Management LLC, Case No. 37-2023-00055133-CU-OE-CTL, filed on December 20, 2023, and pending in the Superior Court of the State of California, County of San Diego, including the Complaint.

1.2 “Administrator” means Apex the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid of Five Thousand Nine Hundred Dollars and Zero Cents (\$5,900.00) submitted to the Court in connection with approval of this Settlement.

1.4 “Aggrieved Employee” means all persons who are employed or were previously employed by HHM Facility Management, LLC, in California and are or were classified as non-exempt employees at any time during the PAGA Period.

1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession, including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current 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 Aggrieved Employees.

1.7 “Approval Order” means the Court Order Granting Approval of PAGA Settlement.

1.8 “Class Action” means Alcaraz v. HHM Facility Management LLC, United States District Court, Southern District of California, Case No. 3:23-cv-02103-DMS-JLB.

1.9 “Complaint” shall refer to the original complaint that Plaintiff filed in the Action on December 20, 2023.

1.10 “Court” means the Superior Court of California, County of San Diego.

1.11 “Defense Counsel” means Attorneys David A. Wimmer and Allison R. Musante at Swerdlow Florence Sanchez Swerdlow & Wimmer, A Law Corporation.

1.12 “Effective Date” means the date by when all of the following have occurred: (a) the Court enters Judgment on the Approval Order; (b) the Class Action is dismissed as discussed in Paragraph 9, below; and (c) the Judgment becomes final. The Judgment becomes final as of the latest of the following occurrences: (a) the day the Court entered Judgment assuming no appeal is filed; or (b) if a timely appeal is filed, the date of final resolution of that appeal (including any requests for rehearing and/or petitions for writs of certiorari) resulting in final judicial approval of the Settlement.

1.13 “Gross Settlement Amount” or “GSA” means Ninety Eight Thousand Two Hundred Seventy Seven Dollars and Zero Cents (\$98,277.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraphs 8 and 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees

Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

1.14 "Harassment Action" means Alcaraz v. HHM Facility Manager, LLC, California Superior Court for the County of Los Angeles, Case No. 24STCV10833.

1.15 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties, which shall be calculated based on the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

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

1.17 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).

1.18 "LWDA Letter" means Plaintiff's October 12, 2023, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.19 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.20 "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The NSA is to be paid to Aggrieved Employees as follows: 25% of the NSA shall be paid to Aggrieved Employees as Individual PAGA Payments and 75% of the NSA shall be paid to the LWDA as the LWDA PAGA Payment.

1.21 "PAGA Counsel" means Attorneys Emil Davtyan, David Yeremian, Roman Shkodnik and Amanda Fazio at D.Law, Inc., the attorneys representing the Plaintiff in the Action.

1.22 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for their reasonable

attorneys' fees and for the reimbursement of their reasonable expenses and costs not to exceed \$25,000, respectively, incurred to prosecute the Action.

1.23 "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.24 "PAGA Period" means the period from October 12, 2022 to the date of the Approval Order.

1.25 "PAGA" means the California Labor Code Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

1.26 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from, and shall equal, the Net Settlement Amount, which is estimated to be Forty Two Thousand Seven Hundred Twenty Three Dollars and Fifty Eight Cents (\$42,723.58). The PAGA Penalties are allocated 25% to the Aggrieved Employees (approximately \$10,680.90) as to their Individual PAGA Payments and the 75% to LWDA (approximately \$32,042.68) as the LWDA PAGA Payment in settlement of all PAGA claims.

1.27 "Plaintiff" means Cecilia Alcaraz, the named plaintiff in the Action.

1.28 "Released PAGA Claims" means any and all claims for civil penalties under PAGA arising from the pleaded claims in the Complaint in the Action and the LWDA Letter for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the LWDA Letter and the Complaint in the Action, that Plaintiff, on behalf of herself, the LWDA and the Aggrieved Employees, alleged or could have alleged against Defendant and the Released Parties, and further includes all claims seeking civil penalties for (1) failure to pay minimum wages; (2) failure to pay wages and overtime under Labor Code Section 510; (3) failure to pay vacation wages; (4) failure to comply with Labor Code Sections 245 *et. seq* and 246; (5) meal period liability under Labor Code Section 226.7; (6) rest-break liability under Labor Code Section 226.7; (7) violation of Labor Code Section 221; (8) failure to reimburse necessary business expenditures under Labor Code Section 2802; (9) violation of Labor Code Section 226(a) and 1174; (10) failure to produce requested employment records under Labor Code Sections 226 and 1198.5; and (11) violation of Labor Code Sections 203 and 204, and further including all claims for civil penalties pursuant to California Labor Code Sections 201, 201.3, 201.5, 201.9, 202, 203, 204, 204b, 204.2, 205.5, 210, 212, 213, 221, 226, 226.3, 226.7, 227.3, 245 *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194 *et seq.*, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2698 *et seq.*, 2699 *et seq.*, 2699.3, 2699.5, and 2802, 2926, 2927, California Code of Regulations 11040, as well as any applicable IWC Wage Order

provisions and California Code of Regulations, Title 8, Section 11000 et seq., arising during the PAGA Period.

1.29 “Released Parties” means Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their directors, officers, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community.

1.30 “Settlement” means the disposition of the Action effectuated by this Agreement and the Judgment.

2. **RECITALS.**

2.1 Pursuant to Labor Code Section 2699.3(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the LWDA Letter. Specifically, on October 12, 2023, Plaintiff filed the LWDA Letter with the LWDA on behalf of herself and all Aggrieved Employees, alleging that Defendant committed various wage and hour violations under the California Labor Code and were entitled to civil penalties under PAGA.

2.2 On December 20, 2023, Plaintiff commenced this representative Action by filing the Complaint against Defendant, alleging claims for (1) failure to pay minimum wage; (2) failure to pay wages and overtime; (3) failure to pay vacation wages; (4) failure to comply with Labor Code Section 245 and 246; (5) meal period liability; (6) rest period liability; (7) violation of Labor Code Section 221; (8) failure to reimburse for necessary business expenses; (9) violation of Labor Code Sections 226 and 1174; (10) failure to produce employment records; and (11) violation of Labor Code Sections 203 and 204. On June 5, 2024, Plaintiff provided Defendant with the PAGA Lawsuit via Notice of Acknowledgment and Receipt.

2.3 Prior to Defendant answering the Complaint in the Action, the Parties agreed to attend an early mediation with the Honorable John Leo Wagner (Ret.), a retired judge and an experienced mediator, in an attempt to resolve the Action, as well as the Class Action and Harassment Action.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, among other things, electronic payroll and timekeeping data for all alleged Aggrieved Employees, Employee Handbooks and other policies, information and

documentation regarding Defendant's wage and hour policies, expense report data and information, and meal period information.

2.5 On June 11, 2024, the Parties participated in an all-day mediation presided over by Judge Wagner (Ret.), which led to a global settlement of this Action, the Class Action and the Harassment Action. The Parties executed a Memorandum of Agreement dated June 20, 2024, memorializing that settlement, as well as an individual settlement agreement with Plaintiff, which was fully executed on July 3, 2024, and for which Plaintiff will receive additional consideration (the "Individual Settlement Agreement"). As part of these settlements, the Class Action will be dismissed without prejudice, except for Plaintiff's individual claims, which will be dismissed with prejudice, and the Harassment Action will be dismissed with prejudice after the Court approves this Settlement and the Class Action is dismissed.

2.6 Other than the Class Action and Harassment Action, the Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Ninety Eight Thousand Two Hundred Seventy Seven Dollars and Zero Cents (\$98,277.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to forty five (45) days after the Effective Date, as stated in Paragraph 4.2 of this Agreement, except as otherwise noted in Paragraphs 9 and 10.1. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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 Order:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (1/3) of the GSA, which is currently estimated to be Thirty Two Thousand Seven Hundred Fifty Five Dollars and Seventy Two Cents (\$32,755.72) and PAGA Counsel Litigation Expenses Payment of not more than Sixteen Thousand and One Hundred Sixty Five Thousand and Ninety-Seven Dollars and Seventy Cents (\$16,897.70). Defendant will not oppose requests for Court approval of these payments provided that they do not exceed

these amounts and/or percentage of the Gross Settlement Amount. Plaintiff will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the unincurred balance shall be included in the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will report the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant and all Released Parties harmless, and hereby indemnifies Defendant and all Released Parties from any dispute or controversy regarding any division or sharing of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment.

- 3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed Five Thousand Nine Hundred Dollars and Zero Cents (\$5,900.00), except for a showing of good cause and as approved by the Court. To the extent the administration expenses are less or the Court approves payment less than Five Thousand Nine Hundred Dollars and Zero Cents (\$5,900.00), the balance shall be included in the Net Settlement Amount.

3.3 Payment from Net Settlement Amount/PAGA Penalties: After the payments from the Gross Settlement Amount are made as described in Paragraph 3.2 above, the remaining amount is the Net Settlement Amount, all of which shall be paid as PAGA Penalties by the Administrator to the LWDA and Aggrieved Employees in the amounts specified by the Court in the Approval Order:

- 3.3.1 To the LWDA and Aggrieved Employees: Of the Net Settlement Amount, 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties in the aggregate by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying that result by each Aggrieved Employee's

individual PAGA Pay Periods to get the amount of each Individual PAGA Payment.

3.2.3.2. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.3. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Data. Within thirty (30) calendar days of the Court filing the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. Defendant shall make reasonable and good faith efforts based on Defendant's records to include the name, last known address, and social security number of each Aggrieved Employee on the List. The List will not be provided to Plaintiff's Counsel. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. The Parties and their counsel will expeditiously use good-faith efforts to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than forty five (45) days after the Effective Date, except as otherwise noted in Paragraphs 9 and 10.1.

4.3 Payments from the Gross Settlement Amount. Within thirty (30) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of

mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. 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 Aggrieved Employee Address Search for all 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 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced if requested by the Aggrieved Employee prior to the void date.
- 4.3.3 For any 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 Aggrieved Employee.
- 4.3.4 The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those expressly specified in this Agreement.
- 4.3.5 The Individual PAGA Payments shall not adjust or effect the regular rate of pay in any way for any and all Aggrieved Employees.
- 4.3.6 Whereas the Parties agree that there is no statutory obligation to provide notice of the Settlement to Aggrieved Employees, at the same time that the Administrator distributes the Individual PAGA Payments to the Aggrieved Employees, every Aggrieved Employee will be provided with the letter attached hereto as Exhibit A in the form evidenced by Exhibit A, which shall be addressed to the Aggrieved Employee and reference the Aggrieved Employee's Individual PAGA Payment.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Amount, Plaintiff, the LWDA and the Aggrieved Employees shall be deemed to have released claims against all Released Parties as follows:

5.1 Release by Plaintiff, Aggrieved Employees and the LWDA:

Plaintiff, standing in the shoes of the Labor Commissioner/LWDA to the extent permitted by law, and on behalf of the State of California and all Aggrieved Employees, for themselves and for their respective former and present representatives, agents, attorneys, spouses, domestic partners, children, marital community, estates, heirs, trusts, administrators, successors, and assigns, forever completely releases and discharges the Released Parties from the Released PAGA Claims that have or could have arisen or accrued during the PAGA Period. It is the intent of the Parties that the Approval Order entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon Plaintiff, the LWDA, and the Aggrieved Employees regarding the Released PAGA Claims. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

6.1 Within thirty (30) business days of all Parties executing this Agreement, Plaintiff shall file a Motion for Approval of the Settlement.

6.2 Plaintiff's Responsibilities. No later than seven (7) days before the due date to file the Motion for Approval, Plaintiff will deliver to Defense Counsel near final drafts of all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2), including: (i) a draft, proposed Approval Order; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, its competency, its operative procedures for protecting the security of Aggrieved Employee Data, its amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA, and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; and (iii) a near final declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary documents required to be sent to the LWDA regarding the settlement of PAGA claims. PAGA Counsel's declaration shall also attach a copy of this Agreement and the Individual Settlement Agreement for Plaintiff, and it shall include all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will

be extinguished or adversely affected by the Settlement, except for the Class Action and Harassment Action.

6.3 Responsibilities of PAGA Counsel. Consistent with Paragraph 6.1 above, PAGA Counsel is responsible for expeditiously drafting, finalizing and filing the Motion for Approval and obtaining a prompt hearing date for the Motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone or videoconference, and in good faith, to resolve the disagreement. If the Court does not grant the Motion for Approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone or videoconference, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns, provided that Defendant shall not be required to contribute any additional funds to the Gross Settlement Amount.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Apex to serve as the Administrator. PAGA Counsel has verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other

than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of providing reports to state and federal tax authorities.

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

7.4 Administrator Duties. The Administrator has a duty to perform or observe all designated tasks contained in this Agreement or otherwise required by law.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR

CLAUSE. Based on its records, Defendant represents that there are approximately 1,927 Aggrieved Employee pay periods in the aggregate from October 12, 2022, through September 11, 2024. If the total number of Aggrieved Employee pay periods in the foregoing period increases by more than 10% (i.e., an increase of 193 or more), then Defendant will increase the GSA in proportion to the number of Aggrieved Employee pay periods in excess of 10%. For example, if the number of Aggrieved Employee pay periods increased by 15% over 1,927 employee pay periods, then the GSA will increase by 5%. If this provision is triggered and the GSA is increased, the Parties agree that the portion of the GSA allocated to attorneys’ fees will increase proportionally such that the total amount of attorneys’ fees remains one-third (1/3) of the GSA after the upward adjustment required by this provision is implemented.

9. **DISMISSAL OF CLASS ACTION.** As a material condition of the settlement of this Action, within twenty (20) days of all Parties fully executing this Agreement, Plaintiff shall file the appropriate pleadings to dismiss with prejudice Plaintiff’s individual claims and dismiss without prejudice all of Plaintiff’s class-action claims in the Class Action. The Gross Settlement Fund shall not be distributed unless and until the Class Action is dismissed in its entirety as provided herein.

10. **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 pursuant to California Code of Civil Procedure Section 664.6. If any Party brings an action to enforce this Agreement, the prevailing party shall be entitled to its/her reasonable attorneys’ fees and costs.

10.1 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 and 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 individual or entity who is not a Party to this Agreement 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.

10.2 Attorneys' Fees and Costs Appeal. The specific amount of the attorneys' fees and costs awards discussed herein shall be subject to Court approval, and the award of any amounts less than that requested by PAGA Counsel will not be grounds for Plaintiff or PAGA Counsel to terminate the Settlement, but may be subject to appeal by her. In the event of such an appeal, final funding and administration of the portion of the attorneys' fees and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate review. If, after the exhaustion of any such appellate review, additional amounts are distributable to the Aggrieved Employees, then the cost of administration of the additional payments to them will be paid out of such additional amounts and not by Defendant. Any amount not awarded in attorneys' fees and costs shall be added to the Net Settlement Amount for distribution to the Aggrieved Employees.

11. ADDITIONAL PROVISIONS.

11.1 No Admission of Liability. 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 Defendant that any allegation in the LWDA Letter, Complaint and/or Action has merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. Defendant denies all liability in the Action, Class Action and Harassment Action. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's 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).

11.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits, if any, shall constitute the entire

agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party, as well as the prior Memorandum of Agreement executed by the Parties, except for the Individual Settlement Agreement signed by the Parties, which still remains in full force and effect.

11.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, 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 that are consistent therewith.

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

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

11.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense 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 C.F.R. Part 10, as amended) or otherwise.

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

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

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

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

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

11.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant 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. Additionally, the Parties are under a continuing obligation to comply with the Court's *Order Granting Joint Motion To Stay Proceedings Pursuant to Private Mediation Agreement*.

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

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

11.15 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:

Emil Davtyan, Esq.
David Yeremian, Esq.
Roman Shkodnik, Esq.
Amanda Fazio, Esq
D.Law, Inc.
880 E. Broadway
Glendale, California 91205

To Defendant:

David A. Wimmer, Esq.
Allison R. Musante, Esq.
Swerdlow Florence Sanchez Swerdlow & Wimmer,
A Law Corporation
10877 Wilshire Boulevard, Suite 1650
Los Angeles, CA 90024

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

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

EXECUTED this 14th day of August 2024, at Los Angeles County,
California.

Signed by:
Cecilia Alcaraz
BB96BF6D95144E8...

Cecilia Alcaraz

EXECUTED this 15 day of August 2024, at Branson, Missouri.

DEFENDANT HHM FACILITY MANAGEMENT, LLC

DocuSigned by:
Penny Campbell
476C29A7D5494B6...

By: _____

Penny Campbell

Its: Vice President of Business Services

APPROVED AS TO FORM:

D.LAW, INC.

Signed by:
Roman Shkodnik
1191B7A5A7E6410...

By: _____

Roman Shkodnik, Esq.

Attorneys for Plaintiff, Cecilia Alcaraz

8/14/2024

Dated: _____

APPROVED AS TO FORM:

SWERDLOW FLORENCE SANCHEZ

SWERDLOW & WIMMER, A LAW CORPORATION

Signed by:
David Wimmer
900A289960F64D3...

By: _____

David A. Wimmer, Esq.

Attorneys for Defendant HHM

Facility Management, LLC

8/14/2024

Dated: _____

EXHIBIT A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment from *Alcaraz v. HHM Facility Management, LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Alcaraz v. HHM Facility Management, LLC*, San Diego Superior Court Case No. 37-2023-00055133-CU-OE-CTL.

WHAT IS THE CASE ABOUT?

This case was brought by Plaintiff, Cecilia Alcaraz (“Plaintiff”), and filed against HHM Facility Management, LLC (“Defendant”), pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). Plaintiff filed the lawsuit on behalf of herself, the State of California and all persons who are employed or were previously employed by HHM Facility Management, LLC, in California and are or were classified as non-exempt employees at any time during the “PAGA Period,” which covers the time period of October 12, 2024, to [REDACTED], 2024 [Approval Date]. The group of employees referenced above are called the “Aggrieved Employees,” and you have been identified as an Aggrieved Employee.

WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

In this case, Plaintiff claimed that Defendant owed civil penalties under PAGA for certain California Labor Code (the “Labor Code”) violations because Defendant allegedly (1) failed to pay minimum wage; (2) failed to pay wages and overtime; (3) failed to pay vacation wages; (4) failed to comply with Labor Code Section 245 and 246; (5) failed to comply with meal-period laws; (6) failed to comply with rest-period laws; (7) violated Labor Code Section 221; (8) failed to reimburse for necessary business expenses; (9) violated of Labor Code Sections 226 and 1174; (10) failed to produce employment records; and (11) violated Labor Code Sections 203 and 204. Defendant denies the allegations in the Complaint, denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged.

The Parties agreed to resolve the case, and as part of that settlement, Defendant agreed to pay \$98,277.00, which is called the Gross Settlement Amount. From the Gross Settlement Amount, and as approved by the Court, Plaintiff’s counsel will receive a PAGA Counsel Fees Payment of \$[REDACTED] for attorneys’ fees and a PAGA Counsel Litigation Expenses Payment of \$[REDACTED] for litigation costs. In addition, and as approved by the Court, the Settlement Administrator will receive an Administrator Expenses Payment of \$[REDACTED] for helping to

administer the settlement. The balance of the monies, called the Net Settlement Fund, in the amount of \$ [REDACTED], represents the PAGA Penalties.

Under PAGA, the law requires that PAGA Penalties get divided between the California Labor and Workforce Development Agency (the LWDA”) and the Aggrieved Employees, with 75% of the settlement going to the LWDA and 25% being divided amongst the Aggrieved Employees. As a result, and as approved by the Court, \$ [REDACTED] will be paid to the LWDA for its share of PAGA penalties, and \$ [REDACTED] will be paid to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$ [REDACTED]) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Pay Periods, which is any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

As an Aggrieved Employee, you will assume full responsibility and liability for any taxes owed on your Individual PAGA Payment. The Administrator will report all Individual PAGA Payments on IRS 1099 Forms.

The settlement of this action does not constitute an admission by Defendant of any of the matters alleged in the case or an admission of liability. Defendant strongly denies violating any laws or failing to pay any wages. Defendant contends it complied with all applicable laws.

YOUR SETTLEMENT CHECK AND THE RELEASE OF CLAIMS

The enclosed check, in the amount of \$ [REDACTED].00, represents your Individual PAGA Payment, which is based on the number of pay periods you worked during the PAGA Period.

As an Aggrieved Employee, you are legally barred from asserting any of the claims released under the Settlement. This means that you, along with all Aggrieved Employees, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or its related entities based on the facts alleged in the case to have occurred during the PAGA Period and resolved by this settlement. The Aggrieved Employees’ Release is as follows:

Plaintiff, standing in the shoes of the Labor Commissioner/LWDA to the extent permitted by law, and on behalf of the State of California and all Aggrieved Employees, for themselves and for their respective former and present representatives, agents, attorneys, spouses, domestic partners, children, marital community, estates, heirs, trusts, administrators, successors, and assigns, forever completely releases and discharges the Released Parties from the Released PAGA Claims that have or could have arisen or accrued during the PAGA Period. It is the intent of the Parties that the Approval Order entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon Plaintiff, the LWDA, and the Aggrieved Employees regarding the Released PAGA Claims. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

The “Released PAGA Claims” means any and all claims for civil penalties under PAGA arising from the pleaded claims in the Complaint in the Action and the LWDA Letter for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the LWDA Letter and the Complaint in the Action, that Plaintiff, on behalf of herself, the LWDA and the Aggrieved Employees, alleged or could have alleged against Defendant and the Released Parties, and further includes all claims seeking civil penalties for (1) failure to pay minimum wages; (2) failure to pay wages and overtime under Labor Code Section 510; (3) failure to pay vacation wages; (4) failure to comply with Labor Code Sections 245 et. seq and 246; (5) meal period liability under Labor Code Section 226.7; (6) rest-break liability under Labor Code Section 226.7; (7) violation of Labor Code Section 221; (8) failure to reimburse necessary business expenditures under Labor Code Section 2802; (9) violation of Labor Code Section 226(a) and 1174; (10) failure to produce requested employment records under Labor Code Sections 226 and 1198.5; and (11) violation of Labor Code Sections 203 and 204, and further including all claims for civil penalties pursuant to California Labor Code Sections 201, 201.3, 201.5, 201.9, 202, 203, 204, 204b, 204.2, 205.5, 210, 212, 213, 221, 226, 226.3, 226.7, 227.3, 245 et seq., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194 et seq., 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2698 et seq., 2699 et seq., 2699.3, 2699.5, and 2802, 2926, 2927, California Code of Regulations 11040, as well as any applicable IWC Wage Order provisions and California Code of Regulations, Title 8, Section 11000 et seq., arising during the PAGA Period.

The “Released Parties” means Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their directors, officers, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community.

This release applies to you, regardless of whether you cash your check, and regardless of whether this letter can be delivered to you. **Aggrieved Employees have no right to object to this settlement, and they cannot opt out of this settlement. You will be bound by this release whether you cash your check or not.**

QUESTIONS?

If you have any questions, you can contact the Settlement Administrator (whose contact information is at the top of this letter) or Plaintiff’s counsel, whose contact information is as follows:

Counsel for Plaintiff:

Emil Davtyan, Esq.

David Yeremian, Esq.
Roman Shkodnik, Esq.
Amanda Fazio, Esq
D.Law, Inc.
880 E. Broadway
Glendale, California 91205

Very Truly Yours,

Apex Administrators
[INSERT CONTACT INFORMATION]

EXHIBIT 2

Alcaraz v. HHM Facility Management, LLC
Litigation Costs

Service Date		Details		Provider		Amount
10/12/23		LWDA Letter		LWDA		\$ 75.00
10/12/23		LWDA Letter Postage		USPS		\$ 19.16
10/13/23		Class Summons & Complaint		Rapid Legal		\$ 1,494.53
10/18/23		Process of Service - Summons & Complaint		Rapid Legal		\$ 87.55
10/24/23		POS of Class Summons		Rapid Legal		\$ 16.48
12/20/23		Rejected PAGA Summons & Complaint		Rapid Legal		\$ 16.48
12/22/23		PAGA Summons & Complaint		Rapid Legal		\$ 464.53
1/31/24		Document Download - 4 Pages		PACER		\$ 0.70
1/31/24		Mediator Fee		Judicate West		\$ 8,775.00
4/11/24		Case Management Statement		Rapid Legal		\$ 14.42
6/12/24		Consulting Fee		Berger Consulting Group		\$ 5,280.00
6/20/24		Notice of Acknowledgment & Receipt		Rapid Legal		\$ 14.42
6/21/24		Joint Status Conference Statement		Rapid Legal		\$ 14.42
8/22/24		Joint Status Conference Statement		Rapid Legal		\$ 15.19
10/14/24		Notice of Status Conference		Rapid Legal		\$ 15.19
10/23/24		Notice of Change of Address		Rapid Legal		\$ 15.19
12/16/24		Notice of Unavailability		Rapid Legal		\$ 15.19
1/27/25		Notice of Association of Counsel		Rapid Legal		\$ 15.19
1/28/25		Joint Status Conference Statement; NAR		Rapid Legal		\$ 15.19
		Motion for PAGA Approval		Rapid Legal		\$ 80.00

Total	\$ 16,443.83
--------------	---------------------

EXHIBIT 3

DECLARATION OF SEAN HARTRANFT

I, Sean Hartranft, declare as follows:

1. I am the Chief Executive Officer of Apex Class Action LLC., a settlement administration company headquartered in Irvine, California. I have personal knowledge of the facts outlined in this declaration and, if called as a witness, I could and would competently testify thereto.

2. Apex Class Action's team has been directly involved with settlement administration for a combined 15 years and has successfully managed numerous class & PAGA actions during that time. Our team comprises experienced professionals with extensive knowledge of settlement administration. In addition, Apex Class Action has the necessary technology and infrastructure to efficiently manage large-scale settlements. We utilize state-of-the-art software and systems to ensure that all aspects of the administration process are executed accurately and efficiently.

3. The legal practitioners or parties involved do not possess any form of ownership stake or affiliation with Apex Class Action.

4. Apex Class Action has extensive expertise in the dissemination of settlement notices and administration of PAGA settlements. Our range of services includes first-class mail via the United States Postal Service, a bilingual toll-free call center, interactive & static website development and support, enterprise database management, response processing, and Qualified Settlement Fund (QSF) distribution for settlements of various sizes. We uphold the highest level of confidentiality in all our operations, and any employee data and communication received by us will be treated with the utmost confidentiality and will not be disclosed to any unauthorized party. Attached is our current CV as **Exhibit A**, highlighting our primary competencies in settlement administration.

5. Apex Class Action ensures that Client and employee information is only used for the purposes specified in the relevant agreements or court orders governing the provision of its legal services. To safeguard employee information, Apex Class Action has implemented a comprehensive process to identify, assess, and mitigate risks in all areas of its operations,

1 regularly evaluating the effectiveness of its security measures. Access to aggrieved employee
2 information is limited to employees, agents, or subcontractors who require it to perform their
3 duties, and Apex Class Action conducts background checks on all personnel with access to
4 sensitive personal information, to ensure they do not pose a threat to the security of client or
5 aggrieved employee information. To guarantee the security of the settlement administration
6 process, Apex Class Action maintains Professional Liability and Cyber Liability Insurance
7 coverage, as required by legal standards and best practices in the legal profession.

8 6. Apex Class Action disbursement process involves (i) obtaining a Federal Employer
9 Identification Number (FEIN) from the Internal Revenue Service (IRS) under the name of the
10 settlement case; (ii) establishing a QSF to manage the distribution of settlement funds; (iii)
11 conducting preliminary and final calculations to determine the individual settlement amounts,
12 including attorneys' fees, costs, enhancement awards, and any other court-approved designees;
13 (iv) calculating and reporting state and federal taxes as applicable; (v) and disseminating approved
14 settlement funds and tax forms via First-Class USPS mail.

15 7. The administration fees for Apex Class Action's management of this PAGA
16 settlement will not exceed \$5,900.00, as specified in **Exhibit B**. This document presents a
17 comprehensive plan detailing the specific administration services that will be provided.

18
19 I declare under penalty of perjury under the laws of the state of California that the
20 foregoing is true and correct. Executed this 6th day of February 2025, in Irvine, California.

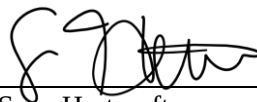
21
22 
23 Sean Hartranft

EXHIBIT A



CASE TYPES

- Consumer
- Data Breach
- Mass Tort Disbursement
- Wage & Hour
- Private Attorneys
General Act (PAGA)
- Belaire West
- Class Certification
- Fair Labor Standards
Act (FSLA)
- Telephone Consumer
Protection Act (TCPA)
- Employee Retirement
Income Security Act
(ERISA)
- Product Liability

SUMMARY

Apex Class Action brings together a seasoned team of professionals adept at navigating the intricate landscape of legal processes and settlement administration. Armed with extensive expertise, we offer a comprehensive understanding of the nuances inherent in settlement procedures. Our organization excels in communication and organization, leveraging cutting-edge technology to streamline project management and adhere to rigorous timelines with precision and efficiency.

From initial pre-settlement consultation to the final stages of disbursement and tax reporting, our technology platform and stringent data security protocols revolve around integration, automation, and observability. This ensures swift and precise payment for class members, bolstering efficiency and accuracy throughout the process.

PRELIMINARY CONSULTATION

Our complimentary preliminary consultation serves as the cornerstone for establishing a comprehensive framework. This framework ensures that all stakeholders grasp the project's scope, timeline, and budget parameters effectively. Following the alignment of objectives and expectations between plaintiff and defense counsel, our team diligently explores additional avenues to identify potential class members. We go the extra mile by offering detailed interactive banner ad campaigns and print media options, maximizing outreach and engagement to achieve optimal results.

CASE MANAGEMENT

At Apex Class Action, our expert Case Managers and Data Managers take charge of overseeing all aspects of the settlement administration process. Their role is pivotal in ensuring strict adherence to court orders, settlement agreements, and industry benchmarks. Working hand in hand with both plaintiff and defense counsel, we meticulously manage every aspect of the settlement administration process.

Our comprehensive mailing and notification services commence with meticulous data scrubbing and the establishment of a class database, guaranteeing the accuracy of contact information. Subsequently, the database undergoes validation using the USPS National Change of Address (NCOA) database to ensure precision and reliability. Additionally, we provide court-certified translation services covering over 65 languages, facilitating effective communication across diverse demographics. In instances where mail is returned as undeliverable, we undertake skip tracing to obtain updated addresses for class members, ensuring that all notices reach their intended recipients without delay.



To ensure transparency throughout the entire process, a steady cadence of reports, as defined during the preliminary consultation, is generated throughout the administration process for both the plaintiff and defense counsel.

Our capability to provide cost-effective pricing is rooted in our adept utilization of cutting-edge technology, a team of highly skilled professionals, and an optimized process. Should the courts approve the utilization of modern electronic notification methods like email and banner ads, we ensure both certainty and cost-effectiveness. Through electronic disbursement, we offer a highly efficient strategy wherein settlement awards are directly delivered to class members, mitigating potential drawbacks associated with traditional mail delivery and enhancing overall efficiency.

TAX COMPLIANCE & CASE RESOLUTION

Apex leverages its proprietary technology to efficiently manage all necessary state and federal tax reporting requirements. This includes establishing a Settlement Federal Tax Identification Number (FIEN) with the IRS and Qualified Settlement Fund (QSF) EDD accounts where applicable. We handle taxes associated with settlements involving multiple state tax filings, as well as manage all payroll tax filings such as Form 940, 941, and state filings. Additionally, our services encompass the preparation of information returns (Forms W-2, 1099, and 1042-S) for reportable payments and the preparation of the annual Federal income tax return (Form 1120-SF). Moreover, we provide comprehensive management of qualified settlement funds (QSF), ensuring that all accounts are FDIC-insured bank accounts. Our full suite of comprehensive tax management services includes:

- Prepare and fill all applicable returns (Forms W-2, 1099, and 1042-S)
- Payroll tax filings, including Form 940, 941, and state filings
- FID-Insured QSF Bank Accounts
- State and Federal Tax Reporting
- IRS Federal Tax Identification Number
- QSF Audit Reports
- Prepare And File 1120-SF Tax Returns with Quarterly Tax Obligations

CONTACT

Address
18 Technology Dr. Ste. 164
Irvine, CA 92618

Email
Info@apexclassaction.com

Phone
1.800.355.0700

EXHIBIT B



Quotation Request:

Enoch Kim
D-Law
e.kim@d.law

Case Name:

Alcaraz v. HHM Facility Management, LLC

Date:

Monday, February 3, 2025

RFP Number:

20180004

Prepared By:

Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications	
Number of Aggrieved Employees	125
Certified Language Translation:	Yes
Static Settlement Website	No
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
-----------------------	-----------------	---------	----------	----------------

Data Analytics and Standardization				
Import and Standardize Data*	Per Hour	\$125.00	2	\$250.00
Data Analyst	Per Hour	\$150.00	2	\$300.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				
Sub Total:				\$550.00

Project Management				
Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	1	\$90.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00
Sub Total:				\$530.00

Toll-Free Contact Center, Website, Reporting & Pre-Distribution				
Form Set Up	Per Hour	\$120.00	1	\$120.00
Bilingual Toll-Free Contact Center	Static Rate	\$50.00	1	\$50.00
NCOA Address Update (USPS)	Static Rate	\$45.00	1	\$45.00
Certified Language Translation: Spanish	Static Rate	\$750.00	1	\$750.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$965.00



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Distribution & Settlement Fund Management				
Settlement Calculations	Per Hour	\$120.00	2	\$240.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	\$1.50	125	\$187.50
USPS First Class Postage	Per Piece	\$0.73	125	\$91.25
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.50	13	\$31.25
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	8	\$800.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,250.00	1	\$1,250.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$500.00	1	\$500.00
Sub Total:				\$3,380.00
Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	2	\$240.00
Sub Total:				\$475.00
WILL NOT EXCEED:				\$5,900.00

Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this confidentiality may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 4

EXHIBIT 5

SETTLEMENT AND GENERAL RELEASE AGREEMENT

This Settlement & General Release Agreement (the “Agreement”) is entered into by Cecilia Alcaraz (“Plaintiff”) and HHM Facility Management, LLC (“Defendant”) (Plaintiff and Defendant, collectively, the “Parties”) and is made with knowledge of the Factual Recitals and Agreed Upon Terms and Conditions of Settlement set forth below, and is only effective once signed by both parties hereto and delivered to each other. The Effective Date of the Agreement shall be the date on which this Agreement has been signed by Plaintiff and Defendant.

FACTUAL RECITALS

1. Plaintiff enters into this Agreement freely and voluntarily. No promise, inducement, or agreement not expressed in this Agreement or the Memorandum of Agreement executed concurrently herewith has been made to Plaintiff.

2. Plaintiff was employed by Defendant from on or about March 9, 2021, through on or about October 24, 2022.

3. On March 7, 2023, Plaintiff filed a Complaint of Discrimination against Defendant and Daniel Noell (“Noell”) with the California Civil Rights Division (“CRD”) (formerly the Department of Fair Employment and Housing), Case No. 202211-18759102 and EEOC No. 37A-2023-01259, for, among other things, sex/gender harassment, sex harassment/hostile environment, and retaliation (the “First CRD Charge”). On February 12, 2024, the CRD issued a Notice of Case Closure and Right to Sue.

4. On October 10, 2023, Plaintiff commenced a civil putative class-action lawsuit by filing a Complaint in the San Diego County Superior Court, Case No. 37-2023-00044371-CU-OE-CTL, against Defendant alleging claims under the California Labor Code (the “Labor Code”) for failure to pay minimum wages, failure to pay wages and overtime, failure to pay reporting-time pay, failure to provide meal-periods, failure to provide rest periods, failure to pay vacation wages, failure to pay sick time at the regular rate of pay, failure to provide accurate, itemized wage statements, failure to keep payroll records, failure to produce requested employment records, unlawfully removing wages for medical insurance, failure to reimburse for necessary business expenses, failure to pay all wages due at time of termination or resignation, and unlawful business practices under California’s Business and Professions Code (the “Class Action Lawsuit”). Defendant timely removed the Class Action Lawsuit to the United States District Court, Southern District of California, Case No. 3:23-cv-02103-DMS-JLB.

5. On October 17, 2023, Plaintiff filed a letter with the California Labor and Workplace Development Agency (the “LWDA”) on behalf of herself and all aggrieved employees alleging that Defendant committed various wage and hour violations under the Labor Code and were entitled to civil penalties under the California Labor Code Private Attorneys General Act (“PAGA”) (the “LWDA Letter”). In the LWDA Letter, Plaintiff alleged similar claims to those brought in the Class Action Lawsuit.

6. On December 30, 2023, Plaintiff filed a representative lawsuit for civil penalties under PAGA against Defendant in Superior Court of the State of California, County of San Diego, Case No. 37-2023-00055133-CU-OE-CTL, which alleged claims for (1) failure to pay minimum wage; (2) failure to pay wages and overtime; (3) failure to pay vacation wages; (4) failure to comply with Labor Code Section 245 and 246; (5) meal period liability; (6) rest period liability; (7) violation of Labor Code Section 221; (8) failure to reimburse for necessary business expenses; (9) violation of Labor Code Sections 226 and 1174; (10) failure to produce employment records; and (11) violation of Labor Code Sections 203 and 204 (the “PAGA Lawsuit”). On June 5, 2024, Plaintiff provided Defendant with the PAGA Lawsuit via Notice of Acknowledgment and Receipt.

7. On April 29, 2024, Plaintiff filed a Complaint of Employment Discrimination with the CRD, CRD Matter Number 202404-24527129 (the “Second CRD Charge”), against Defendant and Noell, alleging, among other things, harassment, battery and retaliation. Plaintiff requested and received an immediate Right to Sue Letter.

8. On April 30, 2024, Plaintiff filed a complaint in California Superior Court for the County of Los Angeles, Case No. 24STCV10833, against Defendant and Noell alleging (1) sex/gender harassment in violation of the Fair Employment and Housing Act, California Government Code Section 12940 *et seq.* (the “FEHA”); (2) retaliation in violation of the FEHA; (3) failure to prevent harassment and retaliation in violation of the FEHA; (4) violation of Labor Code Section 232.5; (5) violation of Labor Code Section 6310; (6) violation of Labor Code Section 6311; (7) violation of Labor Code 1102.5; (8) wrongful termination in violation of public policy; (9) intentional infliction of emotional distress; and (10) unfair competition in violation of the California business and Professions Code Section 17200 *et seq.* (the “Harassment Lawsuit”). Plaintiff served the Harassment Complaint on Defendant on May 8, 2024. The Parties agreed that Defendant’s answer or response to the Harassment Lawsuit would be due June 21, 2024.

9. On June 11, 2024, the Parties attended an all-day mediation with the Honorable John Leo Wagner (Ret).

10. Plaintiff was advised, and hereby is advised, to consult with independent legal counsel prior to executing this Agreement. To this end, Plaintiff is hereby provided with a reasonable period of time of not less than five (5) business days to consult with

legal counsel. By signing this Agreement Plaintiff acknowledges that Plaintiff has been provided a reasonable period of time to consult with legal counsel and has voluntarily chosen to sign this Agreement without being induced by the Defendant through fraud, misrepresentation, or a threat to withdraw or alter the offer prior to the expiration of the reasonable time period, or by providing different terms to the Plaintiff to sign this Agreement prior to the expiration of such time period.

11. Defendant has not made any representation to Plaintiff regarding the legal or tax consequences of any funds received pursuant to this Agreement.

12. Plaintiff represents that, as of the date of Plaintiff's execution of this Agreement, Plaintiff is younger than forty (40) years of age.

13. The parties hereto desire to resolve all pending and potential actions and issues raised by Plaintiff's complaint in the Harassment Lawsuit and any individual claims she asserted in or could have asserted in the Class Action Lawsuit, as well as any other potential actions and issues, without the further expenditure of time or expense of litigation and, for that reason, have entered into this Agreement. This Agreement is a full release and settlement of all claims asserted or which could have been asserted by Plaintiff, including without limitation all claims contained in Plaintiff's First CRD Charge, Second CRD Charge, the complaint in the Harassment Lawsuit, and her individual claims in the Class Action Lawsuit.

14. Nothing in this Agreement is intended to release or waive any of the claims alleged in the PAGA Lawsuit for civil penalties, costs, and attorneys' fees, under PAGA for alleged failure to pay minimum, overtime, double-time, or premium pay wages; failure to provide meal periods or rest breaks; failure to pay vested vacation wages; failure to pay sick pay; failure to keep required payroll records; failure to produce requested employment records; failure to reimburse for necessary work or business expenses; failure to furnish, provide, or issue accurate or compliant itemized wage statements; waiting time penalties; any and all derivative claims under PAGA based on any of the claims and/or facts alleged in the PAGA Lawsuit, including claims for civil or statutory penalties under PAGA. Additionally, nothing in this Agreement shall affect Plaintiff's status as an "aggrieved" employee under the PAGA for purposes of the PAGA Lawsuit.

15. The Parties are separately resolving the claims in the PAGA Lawsuit, which have been initially memorialized in a separate Memorandum of Agreement (the "PAGA Settlement").

16. While this Agreement resolves all issues between the Parties (subject to Paragraph 14 above), as well as any future effects of any acts or omissions, the Agreement does not constitute an admission by Defendant of any violation of federal,

state, or local law, ordinance or regulation or of any violation of Defendant's policies, procedures, or of any liability or wrongdoing whatsoever. Consistent therewith, Defendant has denied, and continues to deny, any allegation made by Plaintiff and Defendant has further denied, and continues to deny, that Plaintiff has been damaged in any way or is entitled to any remedy in any form, whether legal or equitable. Neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any proceeding as evidence of liability or wrongdoing by Defendant, provided that Plaintiff, Defendant, and Releasees (as defined below) may rely upon and introduce this Agreement to support any claim and/or affirmative defense that might arise out of, be related to, or be otherwise connected with any alleged breach of this Agreement.

AGREED-UPON TERMS AND CONDITIONS OF SETTLEMENT

Now, therefore, with full knowledge and agreement as to the facts set forth above, the parties to this Agreement agree as follows:

17. In consideration of the covenants undertaken and releases given herein by Plaintiff, Defendant agrees, within thirty (30) days after:

- a. the delivery to Defendant's counsel of this Agreement executed by Plaintiff and Plaintiff's counsel; and
- b. the delivery to Defendant's counsel of IRS Forms W-4 and W-9 as to Plaintiff; and
- c. the delivery to Defendant's counsel of IRS Form W-9 as to Plaintiff's counsel's law firm; and
- d. Court approval of the PAGA Settlement; and
- e. the delivery to Defendant's counsel of the entered Order dismissing with prejudice Plaintiff's individual claims and dismissing without prejudice and in its entirety all of Plaintiff's class-action claims complaint in Alcaraz v. HHM Facilities Management, LLC, United States District Court, Southern District of California, Case No. 3:23-cv-02103-DMS-JLB (the Class Action Lawsuit); and
- f. the delivery to Defendant's counsel of a Request for Dismissal with prejudice form signed by Plaintiff's counsel as to the Harassment Lawsuit, which form shall be in held in trust by Defendant's counsel and shall then be filed with the Court by Defendant's counsel upon confirmation from Plaintiff's counsel that the payment of the monetary consideration herein was received,

to pay the sum of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) as follows:

i. to pay to “Cecilia Alcaraz” the sum of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for alleged, but disputed, past and future wages, less standard payroll withholdings and authorized deductions, with such amount to be reported by year’s end via IRS Form W-2; and

ii. to pay to “D. Law, Inc. Client Trust Account” the sum of Eighty Five Thousand Dollars and Zero Cents (\$85,000.00) as compensatory and liquidated damages for alleged, but disputed, emotional distress damages, pain and suffering and attorneys’ fees and costs, with such amount to be reported by year’s end via IRS Form 1099.

18. In consideration of the covenants undertaken herein by Defendant and subject to the preservation of the claims and issues under PAGA as described in Paragraph 14 above, which are being resolved in the PAGA Settlement, and except for those obligations created by or arising out of this Agreement and the PAGA Settlement, Plaintiff, for herself and for Plaintiff’s spouse, domestic partner, marital community, children, family, estate, trust(s), heirs, representatives, attorneys, executors, administrators, trustees, beneficiaries, successors and assigns, hereby acknowledges full and complete satisfaction of and releases and discharges and covenants not to sue Defendant, its divisions, subsidiaries, partnerships, parent, affiliated corporations, trusts, or other related entities, past and present, and each of them, as well as its and their directors, officers, shareholders, partners, members, representatives, executors, trustees, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, benefit plans, attorneys, and employees, past and present, including but not limited to Daniel Noell, and each of them and their marital community (individually and collectively, “Releasees”) from and with respect to any and all claims, grievances, wages, agreements, obligations, contracts, torts, demands and causes of action, known or unknown, suspected or unsuspected, concealed or hidden, including, without limiting the generality of the foregoing, any claim for physical or psychological injury, severance pay, overtime, commissions, bonus, contingent compensation or similar benefit, sick leave (including without limitation any COVID-19 related or supplemental sick leave), other paid leave, stock, stock options, phantom stock, pension, retirement, life insurance, health or medical insurance or any other fringe benefit, workers’ compensation or disability, liquidated damages, civil and statutory penalties, interest, costs, attorneys’ fees, or any other occurrences, acts or omissions whatever, known or unknown, suspected or unsuspected, concealed or hidden:

a. alleged or set forth in the pleadings in the Harassment Lawsuit or in the First CRD Charge or in the Second CRD Charge; or

b. arising out of or in any way connected with any transactions, occurrences, acts or omissions set forth or facts alleged in pleadings on file in the Harassment Lawsuit; or

c. arising out of or in any way connected with any transactions, occurrences, acts or omissions set forth or facts alleged in pleadings on file in the Class Action Lawsuit only as to any individual claims that Plaintiff asserted or could have asserted;

d. arising out of or in any way connected with any transactions, occurrences, acts or omissions set forth, or facts alleged, in any and all charges, complaints, claims or pleadings filed by Plaintiff against any Releasee prior to the date hereof with any city, county, state or federal agency, commission, office or tribunal; or

e. resulting from any act or omission by or on the part of Releasees committed or omitted prior to the date of this Agreement, including without limiting the generality of the foregoing, any claim under Title VII of the Civil Rights Act of 1964, the National Labor Relations Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the Rehabilitation Act of 1973, the Family and Medical Leave Act, the Equal Pay Act, the Employee Retirement Income Security Act, the California Constitution, the California Government Code, the California Labor Code, the California Civil Code, the California Business & Professions Code, the California Fair Employment and Housing Act, the California Family Rights Act, or any other federal, state or local law, regulation or ordinance.

f. Any and all workers' compensation claims and claims arising under California Labor Code Section 132(a) are excluded from this release.

19. This Agreement is intended to be effective as a bar to all claims as stated above. Accordingly, Plaintiff hereby expressly waives any rights and benefits conferred by Section 1542 of the California Civil Code, which provides: "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." Plaintiff acknowledges that Plaintiff may hereafter discover claims or facts in addition to or different from those which Plaintiff now knows or believes to exist with respect to the subject matter of this Agreement and which, if known or suspected at the time of executing this Agreement, may have materially affected this settlement. Nevertheless, Plaintiff hereby waives any right, claim or cause of action that might arise as a result of such different or additional claims or facts. Plaintiff acknowledges that Plaintiff understands the significance and consequence of such release and such specific waiver of Section 1542.

20. The payments made pursuant to this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which Plaintiff may be

eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, pension plans, retirement plans, stock purchase or other types of equity plans, vacation plans, sick leave plans, PTO plans, and any other benefit or incentive plan. Rather, it is the Parties' intention that this settlement will not affect any rights, contributions, or amounts to which Plaintiff may be entitled under any benefit plans. Plaintiff and Defendant agree that the amounts paid pursuant to this settlement are not for days or hours worked and are not to be included toward any regular rate of pay calculation or any benefit vesting or accrual purpose.

21. With the exception of the already filed Class Action and PAGA Lawsuits, in which Plaintiff will take all necessary steps to seek Court approval of the settlement of the PAGA Lawsuit and the dismissal of the Class Action Lawsuit (as set forth in Paragraph 17 (d) and (e), above), Plaintiff will not engage in or assist in any litigation against Defendant or any Releasee relating to anything occurring prior to the effective date of this Agreement, except as compelled by order of a court or as necessary to participate in an investigation or proceeding conducted by the United States Equal Employment Opportunity Commission ("EEOC"), the CRD, or other governmental agency and except as may be necessary to effectuate the PAGA Settlement. Plaintiff further acknowledges and understands that this Agreement does not prohibit Plaintiff from filing an administrative charge or claim with: (a) the EEOC or CRD or any state or local agency authorized to accept such charge or claim, or (b) the United States National Labor Relations Board. This Agreement does, however, preclude Plaintiff from receiving any monetary, injunctive, or other personal relief related in whole or in part to claims released in this Agreement. Should any individual or entity who is not subject to this Agreement bring an administrative charge, claim, or action against Defendant or any Releasee that results in assignable recovery or relief for Plaintiff, Plaintiff waives any right to such recovery or relief and specifically assigns to Defendant and/or any Releasee, as the case may be, the right to any such recovery or relief arising from such proceeding.

22. Other than the LWDA Letter referenced above and already filed, which is the subject of the PAGA Lawsuit, Plaintiff agrees not to present any additional letter to the LWDA pursuant to California Labor Code Section 2699(a) relating to Defendant or any Releasee. Plaintiff further agrees not to assert in any forum any claim against Defendant or any Releasee for civil penalties arising under the California Labor Code Private Attorneys General Act, California Labor Code Section 2698 *et seq.*, whether individually or in a representative capacity, other than those claims presently asserted in the PAGA Complaint, which is being resolved in the PAGA Settlement.

23. Plaintiff agrees that the settlement amount provided in this Agreement, and anything that suggests the number or range thereof, shall remain confidential as between the parties and their counsel, to the extent permitted by law, and neither Plaintiff nor Plaintiff's counsel shall disclose them to any other person, including any current or

former employee of Defendant, other than by Plaintiff to Plaintiff's legal and financial advisors. Plaintiff agrees that any proven disclosure by Plaintiff in violation of the foregoing shall constitute and be treated as a material breach of this Agreement and, in addition, shall cause Plaintiff to pay Releasees total liquidated damages in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00), plus Releasees' reasonable attorneys' fees incurred to enforce this. Nothing in this Agreement prevents Plaintiff from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct, that Plaintiff has reason to believe is unlawful.

24. Plaintiff affirms, covenants, and warrants that Plaintiff is not a Medicare beneficiary and is not currently receiving, has not received in the past, will not have received at the time of payment pursuant to this Agreement, is not entitled to, is not eligible for, and has not applied for or sought Social Security Disability or Medicare benefits. In the event any statement in the preceding sentence is incorrect (for example, but not limited to, if Plaintiff is a Medicare beneficiary, etc.), the following sentences (i.e., the remaining sentences of this paragraph) shall apply. Plaintiff affirms, covenants, and warrants that Plaintiff has made no claim for illness or injury against, nor is Plaintiff aware of any facts supporting any claim against, the Releasees under which the Releasees could be liable for medical expenses incurred by the Plaintiff before or after the execution of this Agreement. Furthermore, Plaintiff is aware of no medical expenses which Medicare has paid and for which the Releasees are or could be liable now or in the future. Plaintiff agrees and affirms that, to the best of Plaintiff's knowledge, no liens of any government entities, including those for Medicare conditional payments, exist. Plaintiff further agrees to waive any and all future private causes of action for damages pursuant to 42 U.S.C. Section 1395y(b)(3)(A) *et seq.*

25. Plaintiff will not make any defamatory or maliciously false statements or remarks about Defendant, any of its employees, policies, procedures, operations, and/or any of its services and products; this restriction includes, but is not limited to, Plaintiff not making any such statements or remarks on Yelp, Glassdoor, LinkedIn, Facebook, Instagram, Reddit, YouTube, TikTok, other social media, and other online forums. To the extent Plaintiff has made or posted any such comments on social media, Plaintiff shall immediately take down such posts. Plaintiff acknowledges and agrees that failure to update any and all such information will be grounds for the Defendant to withhold any and all funds otherwise due pursuant to this Agreement until such time as Plaintiff complies with the requirements of this Paragraph. Defendant agrees that its Officers or Directors will not make any defamatory or maliciously false statements or remarks about Plaintiff.

26. Plaintiff shall direct all inquiries regarding her former employment with Defendant to Defendant's Director of Human Resources. In response to such inquiries,

Defendant's Director of Human Resources will provide information limited only to Plaintiff's dates of employment and last position held.

27. Plaintiff warrants, represents and covenants that Plaintiff has not heretofore assigned or transferred to any person not a party to this Agreement any released matter or any part or portion thereof. Plaintiff further warrants, represents and covenants that Plaintiff will not hereafter assign or transfer to any person not a party to this Agreement any released matter or any part or portion thereof.

28. Plaintiff agrees that Plaintiff shall be exclusively liable for the payment of all federal and state taxes which may be due by Plaintiff as the result of the consideration received from the settlement of disputed claims as set forth herein and Plaintiff hereby represents that, except as to employer-side payroll taxes, Plaintiff shall make payments on such taxes at the time and in the amount required only of Plaintiff. Plaintiff has not relied upon any advice from Defendant and/or its attorneys as to the necessity for withholding or the taxability of such payment, whether pursuant to federal, state or local income tax statutes or otherwise. Plaintiff acknowledges that Defendant does not make and has not made any representations regarding the taxability of the payment to Plaintiff, and Plaintiff has not relied upon any representation by Defendant or its counsel on that subject.

29. This Agreement constitutes and contains the entire agreement and final understanding concerning Plaintiff's employment with Defendant, prosecution of the action in the Harassment Lawsuit, prosecution of any individual claims that Plaintiff asserted or could have asserted in the Class Action Lawsuit, and the other subject matters addressed herein between the parties, except for the PAGA Lawsuit and Settlement, which shall remain in full force and effect. If any provision of this Agreement or its application is held invalid, the invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions or application and, therefore, the provisions of this Agreement are declared to be severable. Any representation, promise or agreement not specifically included in this Agreement shall not be binding upon or enforceable against either party. This Agreement is an integrated agreement and is the entire agreement of the parties. It supersedes all prior negotiations and all agreements, whether written or oral, except that any agreement between Defendant and Plaintiff relating to Defendant's proprietary, confidential, and/or trade-secret information shall survive this Agreement and shall remain in full force. This Agreement may be modified only by a writing signed by the Parties. This Agreement may be executed in counterparts. Any facsimile or .PDF (or similar, reliable electronic image) copy of this executed Agreement (or its counterparts) shall be as effective as an original. This Agreement shall become effective once signed by both parties hereto and delivered to each other.

30. This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of California without regard to principles of conflict of laws.

31. Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against any party on the basis that the party was the drafter. Accordingly, each party hereto waives its rights pursuant to California Civil Code Section 1654.

32. Pursuant to California Evidence Code Section 1123(a) and (b), this Agreement is intended by the parties to be, and shall be, enforceable, binding and admissible in a court of law.

33. Pursuant to California Code of Civil Procedure Section 664.6, the Court shall retain jurisdiction over the parties hereto to enforce the settlement until performance in full of the terms of this Agreement.

34. No waiver of any breach of any term or provision of this Agreement shall be construed to be, or shall be, a waiver of any other breach of this Agreement. No waiver shall be binding unless in writing and signed by the party waiving the breach.

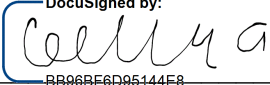
35. In entering into this Agreement, the parties represent that they have relied upon the advice of their attorneys, who are attorneys of their own choice, and that the terms of this Agreement have been completely read and explained to them by their attorneys, and that those terms are fully understood and voluntarily accepted by them.

36. All parties agree to cooperate fully and to execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force to the basic terms and intent of this Agreement and which are not inconsistent with its terms.

I have read the foregoing Agreement and I accept and agree to the provisions it contains and hereby execute it voluntarily with full understanding of its consequences.

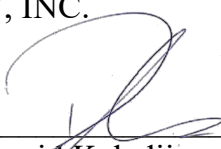
I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

EXECUTED this 28 day of June 2024, at Los Angeles County, California.

DocuSigned by:

BB06BF6D95144E8...
Cecilia Alcaraz

Approved as to form:

D. LAW, INC.

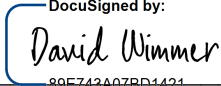
By 
David Keledjian, Esq.
Attorneys for Plaintiff Cecilia Alcaraz

HHM FACILITY MANAGEMENT, LLC

By 
Penny Campbell
Vice President of Business Services

Approved as to form:

SWERDLOW FLORENCE SANCHEZ SWERDLOW & WIMMER
A Law Corporation
David A. Wimmer, Esq.

By 
David A. Wimmer, Esq.
Attorneys for Defendant
HHM Facility Management, LLC