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Attorneys for Plaintiffs ARACELY ANDRADE and SEBASTIAN MAGNARELLI, in a Representative capacity only, and on behalf of other members of the general public similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

ARACELY ANDRADE and SEBASTIAN MAGNARELLI, in a Representative capacity only, and on behalf of other members of the general public similarly situated, Plaintiffs v. HLT CONRAD DOMESTIC EMPLOYER LLC, a Delaware Limited Liability Company; HILTON HOTEL EMPLOYER LLC, a Delaware Limited Liability Company; HILTON RESORTS CORPORATION, a Delaware Corporation; and DOES 1-10, inclusive Defendants	CASE NO. 37-2024-00009775-CU-OE-CTL **DECLARATION OF ERIC K. YAECKEL IN SUPPORT OF PLAINTIFFS' *UNOPPOSED* MOTION FOR PAGA SETTLEMENT APPROVAL** Date: October 30, 2026 Time: 8:30 a.m. Dept: C-74 Judge: Hon. Blaine K. Bowman

I, Eric K. Yaeckel, hereby declare as follows:

1. I am an attorney licensed to practice law before this Court and am employed with the law firm of Sullivan & Yaeckel Law Group, APC, attorneys of record for Plaintiffs ARACELY ANDRADE and SEBASTIAN MAGNARELLI, in a Representative capacity only, and on behalf of other members of the general public similarly situated in this matter.

2. I make this declaration in support of Plaintiffs' Unopposed Motion for PAGA Settlement Approval. I am personally familiar with the facts set forth in this declaration and I make this declaration based on my personal knowledge. If called to testify, I could and would do so competently.

Background, Investigation and Settlement Terms

3. As this is a "PAGA" action only, the Limitations Period begins on December 26, 2022 and runs through September 22, 2026. Plaintiffs' has independently verified, that there are approximately 1,300 employees who worked a total of 64,210 pay periods from December 26, 2022 to September 22, 2026.

4. Following the exchange of discovery, analysis of numerous sets of time and wage data, a full day mediation before Steve Serratore, and extensive "arms length" negotiations, on July 24, 2026, the Parties reached a proposed settlement that includes a payment of penalties to the LWDA. Attached hereto as **Exhibit 1** is a true and correct copy of the Settlement Agreement.

5. On **September 10, 2026**, Plaintiffs' counsel gave notice of the hearing and instant Settlement to the LWDA. To date, Plaintiffs' counsel has not received notice that the LWDA would intervene.

6. On **September 10, 2026**, Plaintiffs' counsel uploaded via the LWDA's electronic filing portal copies of an entire *ex parte* application to get the settlement approved, including the Notice, this supporting Memorandum, Declaration, and Proposed Order & Judgment. To date, Plaintiffs' counsel has not received any response. While the *ex parte* application was denied, the Court did move up the hearing for approval of this Motion.

7. On **October 16, 2026**, Plaintiffs' counsel uploaded via the LWDA's electronic filing portal copies of this Motion, including the Notice, this supporting Memorandum, Declaration, and

Proposed Order & Judgment. To date, Plaintiffs' counsel has not received any opposition from the LWDA. If the LWDA contacts Plaintiffs' counsel at any time prior to the hearing, Plaintiffs' counsel will provide an updated declaration to the Court.

8. Defendant has confirmed that as of the date of this settlement, there are **1,300** PAGA group members and **64,210** pay periods at issue. After deduction of all "contingent costs" set forth below, each PAGA member will receive an average payment of **$110.51**.

9. The Total Value of the proposed Settlement is **$925,000.00** which is broken down as follows:

* **$24,045.89** Costs of Litigation
* **$10,000.00** Payment for Plaintiffs' Enhancement Award ($5,000 each)
* **$7,919.20** Administration Expenses
* **$308,333.33** Attorneys' Fees (1/3 of total settlement value);
* Sub-Total of **$574,701.58**. 75% **($431,026.18**) shall be assigned/paid to the LWDA as penalties; and
* The remaining 25% **($143,675.40)** will be disbursed among all employees based on work weeks employed during the PAGA period.

10. There are no restrictions for any of the employees to file individual actions, as the settlement agreement only covers PAGA claims.

Experience of Counsel

11. The Lead Trial Counsel, Mr. William Sullivan, has been a California-licensed attorney for 31 years. He has approximately 30 years of experience in "class action" litigation, both as plaintiff and defense counsel. Mr. Sullivan has acted as Trial Counsel (for Plaintiff) in multiple "Wage and Hour" Class/Representative actions, including the (San Diego Superior Court) Trial which is the subject of the Published decision entitled *Carrington v. Starbucks* (2018*)* 30 Cal.App.5th 504. Mr. Sullivan (who is currently and temporarily unavailable, due to a medical issue), estimates that, throughout the course of his 30-year career, he has acted as Lead Plaintiffs' counsel on "Wage and Hour" Class/Representative actions that have collected more than $300 million for employees and/or the State of California, either through judgment following trial, or via negotiated settlement.

12. I have over 15 years of experience as a licensed California attorney who is primarily engaged in prosecuting class and representative actions. I have spent my entire practice engaged in prosecuting class and representative actions. I became a partner in 2020.

13. Mr. Cody Archer has approximately 2 years of experience as a licensed California attorney, and have dedicated his entire practice to prosecuting class and representative actions.

14. Our office are the attorneys of record in a matter recently (and favorably) decided before the California Supreme Court titled *Donohue v. AMN Services, LLC,* 11 Cal.5th 58 (2021). The *Donohue* matter is a certified class and PAGA action.

15. Our office is lead counsel on at least 50 employment "wage and hour" claims with class action, or representative action, allegations. These cases are set within the California Superior Court and Federal District Courts in California. Our office is currently lead counsel on claims that have been certified by both Court Order and by stipulation of the parties. In the last three years, Sullivan & Yaeckel Law Group has settled at least 15 employment "wage and hour" claims on behalf of a Certified Class.

16. In the last seven years, Sullivan & Yaeckel Law Group has successfully tried three "Wage and Hour" Representative (PAGA) cases.

17. Our firm has the requisite experience knowledge of California law and the Federal Rules of Civil Procedure required to act on behalf of the Class. I consider the Settlement Agreement in this matter to represent a fair, adequate and reasonable settlement that is well within the accepted range of recoveries for similar wage and hour class actions. I also believe the Agreement is in the best interests of the Settlement Class Members. I am also aware that Defendants' counsel (both the firm, and individual attorneys working on this case) have extensive experience defending similar wage and hour class actions.

18. Based on the above experience, it is this firm's opinion that this settlement represents a fair and adequate payment to the LWDA and aggrieved employees.

The Lodestar Analysis

19. For purposes of a lodestar cross-check the S & Y's attorneys' fees incurred (to date) are estimated to amount to approximately **$227,377.50.** The Attorney's fees are broken down as

follows:

a. Mr. Sullivan served as lead investigator and trial counsel, per the specific request of Plaintiffs. Over the course of the investigation (mostly including pre-filing), Mr. William Sullivan has currently expended approximately **68.8** hours in the service of this action. **68.8** hours times **$800.00** equals **$55,040.00**. The work includes nearly all preliminary investigation, the majority of the client and other employee interaction/meetings, and assistance with some of the other pre-settlement work. The preliminary investigation included the review and analysis of several hundred documents. Mr. Sullivan undertook a significant pre-filing investigation During this time, Mr. Sullivan also investigated Defendant, its business practices, and any variations in aggrieved employees job duties and rates of pay.

b. I was the partner primarily assigned to oversee the "day to day" activity of the primary associates assigned to this case. My billing rate is **$700.00** per hour. I have currently expended approximately **141.9** hours in the service of this action. **141.9** hours times **$700.00** equals **$99,330**. Aside from supervising the Associate Attorneys, this work includes attending hearings, drafting and reviewing correspondence and motions, and much of the day to day communication with opposing counsel. The Plaintiffs and I were required to jointly review hundreds of pages of documents produced that were directly applicable to Plaintiffs' employment. Moreover, I spent significant time reviewing the hundreds of pages of document produced for use in Mediation. I also primarily handled the settlement discussions. After a full day of mediation, this matter did not settle. Additional litigation, discovery, and trial preparations followed. All the while, the mediator continued to go back and forth regarding potential settlement. I was involved in numerous exchanges between the mediator and Defense counsel to help negotiate and finalize the settlement.

c. Ryan T. Kuhn, then after he left the firm, Mr. Cody Archer served as the primary Associate Attorneys assigned to the case. The billing rate for both Associate Attorneys is **$475.00** per hour. Mr. Archer expended approximately **153.7** hours in the service of

this action. **153.7** hours times **$475.00** equals **$73,007.50**. The work performed consisted of, for the most part, analysis of Defendants' documents and records, in preparation for mediation, a class certification motion, and to analyze liability and damages for purposes of trial. Hundreds of pages of documents and a large electronic sampling of time and wage records were produced over time throughout the litigation. The Associate Attorneys were also assigned to discovery creation/review, assisting with all discovery responses, the preparation of "meet and confer" letters and other contact with defense counsel. The Associate Attorneys also provided a detailed analysis of all employment records to determine "commonality" and damages. Mr. Archer also expended time preparing settlement documents and this Application for Approval.

Please Note: There is no authority Plaintiff is aware of requiring a lodestar analysis in a PAGA matter. Moreover, the results obtained here, including the average net recovery per PAGA Member exceed those normally observed in PAGA only settlements. Finally, the results obtained here, versus the risk of a zero recovery, given the numerous asserted defenses, support this request.

20. Given the attorneys fees incurred – in the approximate amount of **$227,377.50** – a multiplier of approximately **1.35** is necessary for the full award requested (and undisputed) by Plaintiff.

21. Here, the multiplier requested is within the range of what California and federal courts often apply in class action or representative action cases. Moreover, the results obtained here, versus the risk of a zero recovery, given the numerous asserted defenses, support this modest multiplier request. In the event the Court deems a lodestar analysis is necessary it will confirm that Plaintiffs' counsels' fees are reasonable. Counsel submits its fees are reasonable and in line with (or lower) than rates charged in the community by attorneys with similar experience.

The Reasonableness of Plaintiffs' Hourly Rates

22. I printed a copy of the Updated Laffey Matrix from the following website: www.laffeymatrix.com. A true and correct copy is attached as **Exhibit 2**. While not binding, a trial court has discretion to use the Laffey Matrix when it comes to establishing attorneys' reasonable hourly rates in California State Courts. *See e.g. Syers Properties III, Inc. v. Rankin*, 236 Cal.App.4th 691, 702 (2014).

23. The referenced "Laffey" chart states that for the time periods in this case, for an attorney with "20+" years experience, such as Mr. Sullivan, the matrix states a reasonable fee is between $1,227–$997 per hour. Mr. Sullivan has over 30 years of experience and bills at $800 per hour. **Please Note:** While $800 an hour may seem like a high figure at first glance, multiple Court's (including all San Diego Superior Court Judges) have accepted this figure for Mr. Sullivan. Moreover, this rate is justified given that "wage and hour" Class and/or Representative Action cases very rarely go to trial. Mr. Sullivan is one of the few attorneys who have (successfully) tried numerous of these types of cases. He has also successfully argued in front of the California Supreme Court in a Class and Representative action that is frequently cited in "wage and hour" litigation involving Meal Period claims. *Donohue v. AMN Services, LLC,* (2021) 11 Cal.5th 58.

24. For an attorney with 11-19 years experience, the matrix states a reasonable fee is between $1,019- $829 per hour. I have over 15 years experience working on class action litigation and only bills at the rate of $700 per hour.

25. For an attorney with 1-3 years experience, the matrix states a reasonable fee is between $508 - $437 per hour. Mr. Cody Archer billed at the rate of $475 per hour.

26. Accordingly, we submit our rates are comparable to, or less than, those charged by other class action plaintiffs' counsel and the firms defending class actions.

27. Our hourly rates have routinely been approved by numerous federal and state Courts.

28. In a recent successful PAGA trial, tried before in the San Diego Superior Court, our office was awarded our full requested attorneys fees and was approved at the requested hourly rates (which are similar to the fees/rates billed here). Please See *Carrington v. Starbucks Corp.* San Diego Superior Court, Case No. 37-2014-00018637-CU-OE-CTL and published appellate opinion 30 Cal.App.5th 504.

Costs of Litigation

29. The total costs expended by our office in this matter will be **$24,045.89**. The total amount sought by all Plaintiffs is **$24,045.89.** Plaintiffs anticipate incurring additional costs in conjunction with filing the approval motion and future compliance declarations. The attached

Cost Worksheet on behalf of Plaintiffs was contemporaneously maintained and updated by my office. (See **Exhibit 3**). This is a true and accurate summary of the costs incurred by Plaintiffs' counsel. The costs include, filing and service fees (including the Complaint and all other pleadings, all e-file charges, LWDA filing fees and attorney messenger fees; Mediation Fees; Legal Research and Postage and Copying Costs). All costs were necessary to the continued prosecution of this matter. Given that Defendant agrees to not oppose up to $25,000.00 in costs, Plaintiffs request the Court grant the request of $24,045.89 in litigation costs.

Additional Factors Relevant to PAGA Approval

30. Plaintiffs allege that they – and other employees – received "short," "late," or "missing" Meal Periods, including those documented within Defendant's Time Records. Plaintiffs also challenged whether Defendant maintained lawful meal and rest periods. Plaintiffs alleged they – and other employees – were not properly compensated due to Defendant's failure to maintain accurate time records.

31. The catalyst of this litigation concerned allegations that Mr. Andrade and Mr. Magnarelli were denied legally compliant meal and rest periods, and was not paid for all Overtime hours worked. Plaintiffs claim that investigations completed by Plaintiffs' counsel support Plaintiffs' allegations that Defendant's timekeeping policies and employee records were not in compliance with California law. Defendant disputes this allegation. However, Plaintiff concedes these investigations also revealed that the "rate of violation" by Defendant was significantly less than 100%. On many of those occasions, it appears that Defendant did comply with the law.

32. Prior to settlement, Plaintiffs conducted a through analysis of the documents and data produced by Defendant. This included an analysis of all relevant written policies and a sampling of time and wage records for other putative aggrieved employees. Plaintiffs' Counsel were able to realistically assess the value of Plaintiffs' claims, and intelligently engage Defense Counsel in settlement discussions that culminated in the proposed settlement now before the Court.

33. Plaintiffs' calculated the estimated maximum scope of liability as being between $3,500,000 and $4,000,000**.** Defendant disputed this calculation. However, as is set forth more fully below,

all counsel are aware that "maximum" awards in PAGA only cases are exceedingly rare. Moreover, most trial Courts (including this Trial Court, in the *Carrington* matter) decline to "stack" PAGA penalties. "Stacking" refers to imposing multiple penalties for one alleged "harm" (*e.g.* one single late meal period could arguably violate at least four Labor Code provisions that allow for separate penalties pursuant to PAGA).

34. Taking these facts into consideration, if penalties were awarded for only three out of the six claims (i.e. the non-derivative claims), and the penalties were further reduced from $100 per employee to $5 per employee, in line with the *Carrington* decision, the maximum recovery would be reduced to **$700,000 - $800,000**.

35. Plaintiffs alleged that Defendants denied its employees of compliant Meal and Rest Periods – and Meal and Rest Period payments – and failed to possess compliant Meal and Rest Period policies and practices based on Defendant's Time Records. Plaintiff claimed that many pay periods were missing, late, or short meal periods in violation of, *inter alia,* Labor Code sections 226.7 and 512. Defendant denied these allegations and Defendant asserted that employees were given the opportunity for breaks and self recorded their meal periods in compliance with California law.

36. Plaintiffs also alleged that Defendant's written rest period policies failed to fully inform employees of their rights with respect to rest periods. Defendant disputed these allegations and disputed that its written policies violate the Labor Code.

37. Plaintiffs claimed that HLT failed to pay its employees all compensation due in violation of, among other statutes, Labor Code section 1197. Plaintiffs alleged that although HLT would receive "to-the-minute" start and end times (due to the mandated timekeeping practices required of employees), HLT would thereafter alter – and deduct time from – the Time Records, prior to payment of compensation to the employees. Plaintiffs alleged that Defendant failed to pay its employees all compensation due. HLT disputed these claims.

38. Plaintiffs alleged that HLT's payments for non-compliant Meal Periods were not paid at the employee's regular rate. Instead, Plaintiffs alleged that these payments were made at an employee's base rate and did not include the value of, *inter alia*, all actual compensation owed,

and/or all employee benefits such as, for example, non-discretionary compensation and other employee benefits. HLT disputed that it incorrectly calculated the regular rate and further disputed any shortcoming in paying meal period premiums.

39. The remaining claims are largely derivative, in that Wage Statement and Labor Code § 203 penalties would only be permissible if the above claims are proven. Plaintiffs have also alleged violations for failure to reimburse business expenses pursuant to Labor Code § 2802.However, any un-reimbursed expenses would have been very minimal.

40. Moreover, Plaintiffs' counsel is aware of the Court's discretion to mitigate penalties pursuant to California Labor Code section 2699(e)(2). To confirm, Plaintiffs' counsel experienced the mitigation of "PAGA" penalties in *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504. In *Carrington*, Judge Bacal significantly mitigated PAGA penalties ($5 per violation), due to the efforts made by the employer to comply with the law.

41. Plaintiffs' counsel agrees with the Court, and with the provision of the Labor Code, that penalties *should* be mitigated where violations are minimal (or rare), or where the employer makes significant efforts to comply with the Labor Code.

42. As the above factors exist in this case, it is the opinion of Plaintiff's counsel that the settlement is fair, adequate, and reasonable.

43. Plaintiffs have uploaded this entire motion to the LWDA, concurrent with the filing. (See the concurrently submitted Proof of Service on the LWDA.) To date, Plaintiffs have not received a response from the LWDA regarding the proposed settlement. If the LWDA contacts Plaintiffs' counsel at any time prior to the hearing, Plaintiffs' counsel will provide an updated declaration to the Court.

44. The parties proposed notice to accompany the settlement checks is attached as an Exhibit to the Settlement Agreement, Exhibit A thereto. However, it is also attached here as **Exhibit 4**.

45. The named Plaintiffs ARACELY ANDRADE and SEBASTIAN MAGNARELLI contributed extensive time and resources in the prosecution of this case. Plaintiffs were able to provide information instrumental to the prosecution of this matter including identifying numerous witnesses that could corroborate the claims. Plaintiffs also assisted with reviewing and

providing insight on Defendant's documents produced. Plaintiffs brought to our attention numerous Labor Code violations that formed the basis of the litigation sad assisted counsel with finalizing the settlement.

46. I know (from experience) that any company who does a detailed background check, will be able to determine that Plaintiffs are serving as PAGA and/or class representatives in a lawsuit against their former employer.

47. Here, by "sticking out their neck out" as PAGA Representatives in a publicly filed lawsuit, Plaintiffs took a substantial risk that may adversely impact their ability to work in this field in the future. An entire industry exists that allows employers to run extensive background searches on potential employees. Companies who provide these services specifically highlight the fact that their services allows employers to weed out litigious employment candidates. One such service outlines ways that employers can "get a sense of whether a prospective employee is likely to sue" the employer, through background checks and other means, to screen out these employees. www.reliableplant.com/Read/6959/a-solution-to-fear-of-hiring-litigious-employees. Onicra Credit Rating Agency of India states: "Background screening has become a necessity in today's litigious society." Back Track Screening also represents: "In today's litigious culture, employers simply cannot afford to hire employees who will put their company at risk." http://www.btscreening.com/wp-content/uploads/2012/09/Screening-101.pdf.

48. Finally, any employer may simply check the various Superior Court of California websites and conduct a party name search to uncover whether an applicant has previously filed litigation against their employer.

49. Plaintiffs also risked personally owing a large cost award, which I estimate would be well into the tens of thousands of dollars, had the claims been unsuccessful.

50. Despite all the risks, Plaintiff at all times remained committed to securing a monetary recovery on behalf of the entire group of aggrieved employees.

51. The parties have agreed to engage CAC Services Group, LLC (“CAC”) as the Settlement Administrator. CAC has agreed to carry out all Administration duties for an amount not to

exceed **$7,919.20**.

52. CAC has extensive experience acting as a Settlement Administrator and is prepared to carry out all Settlement Administration duties consistent with the parties Agreement and the Final Order of this Court.

I declare under penalty of perjury, under the laws of the State of California , that the foregoing is true and correct. Executed on this 16th day of October 2026, at San Diego, California.

Eric Yaeckel

Eric K. Yaeckel

Exhibit 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

ARACELY ANDRADE and SEBASTIAN MAGNARELLI, in a Representative capacity only, and on behalf of other members of the general public similarly situated, Plaintiffs v. HLT CONRAD DOMESTIC EMPLOYER LLC, a Delaware Limited Liability Company; HILTON HOTEL EMPLOYER LLC, a Delaware Limited Liability Company; HILTON RESORTS CORPORATION, a Delaware Corporation; and DOES 1-10, inclusive Defendants	Case No. 37-2024-00009775-CU-OE-CTL **PAGA SETTLEMENT AGREEMENT**

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PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of San Diego ("Court"), Plaintiffs Aracely Andrade and Sebastian Magnarelli ("Plaintiffs") and Defendant HLT Conrad Domestic Employer LLC ("Defendant") (collectively with Plaintiffs, the "Parties," or individually as "Party") hereby agree to the following binding settlement ("Settlement Agreement") of Plaintiffs' claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Action" means the instant action entitled *Andrade, et al. v. HLT Conrad Domestic Employer LLC, et al.*, Case No. 37-2024-00009775-CU-OE-CTL, and pending in the Court.

2. "Approval Order" means the Court's order granting approval of the Settlement Agreement.

3. "Defense Counsel" means Jackson Lewis P.C., the attorneys representing Defendant in the Action.

4. "Effective Date" means the date by when all of the following have occurred: (a) the date the Court enters the Approval Order if the LWDA does not seek to intervene in the matter; or (b) sixty-five (65) calendar days after the date of entry of the Approval Order if any objection is asserted by the LWDA or the LWDA seeks to intervene in the matter but no appeal is filed; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the Settlement Agreement is upheld, and the Approval Order is no longer subject to further judicial review.

5. "Gross Settlement Amount" means the settlement amount of Nine Hundred Twenty-Five Thousand Dollars ($925,000), which is the total amount to be paid on behalf of Defendant in full satisfaction of all Settled Claims. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Plaintiffs' Counsel Fees Payment, Plaintiffs' Counsel's Litigation Costs Payment, Service Awards, and the Settlement

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Administration Costs.

6. "Individual PAGA Payment" means each PAGA Employee's individual pro rata share of 25% of the PAGA Penalties Fund calculated according to the number of pay periods the PAGA Employee worked during the PAGA Period.

7. "LWDA" means the California Labor and Workforce Development Agency.

8. "LWDA PAGA Payment" means the 75% of the PAGA Penalties Fund paid to the LWDA under Labor Code § 2699(i).

9. "Net Settlement Amount" constitutes the amount available from the Gross Settlement Amount to distribute as PAGA Penalties. The Net Settlement Amount is equal to the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiffs' Counsel Fees Payment, Plaintiffs' Counsel's Litigation Costs Payment, Service Awards, and the Settlement Administration Costs. The remainder is to be paid to the LWDA as the LWDA PAGA Payment and to the PAGA Employees as Individual PAGA Payments.

10. "PAGA Approval Motion" means any motion filed with the Court that seeks approval of this Settlement Agreement.

11. "PAGA Employee(s)" means any person employed by Defendant in the State of California in non-exempt positions at any time during the Settlement Period.

12. PAGA Employee Data" means PAGA Employee identifying information in Defendant's possession, including the PAGA Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

13. "PAGA Notice" means Plaintiff's original letter dated March 1, 2024 to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

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

15. "PAGA Penalties" means the total amount of civil penalties allegedly due under PAGA to be paid from the Net Settlement Amount, allocated 25% to PAGA Employees and 75% to the LWDA in settlement of PAGA claims.

16. "PAGA Penalties Fund" constitutes the amount available from the Gross

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Settlement Amount to distribute as PAGA Penalties. The PAGA Penalties Fund is equal to the Gross Settlement Amount, less the Plaintiffs' Counsel Fees Payment, Plaintiffs' Counsel's Litigation Costs Payments, Service Awards, and Settlement Administrator Costs.

17. "Plaintiffs' Counsel" means Sullivan & Yaeckel Law Group, APC.

18. "Plaintiffs' Counsel Fees Payment" and "Plaintiffs' Counsel's Litigation Costs Payment" mean the amounts allocated to Plaintiffs' Counsel for reimbursement of reasonable attorneys' fees and out-of-pocket costs and expenses, respectively, incurred to prosecute the Action (including mediation fees, investigation costs, etc.)

19. "Service Awards" means the amounts to be paid to Plaintiffs, not to exceed $5,000 each, in addition to Plaintiffs' Individual PAGA Payments, as payment for their service on behalf of the LWDA and PAGA Employees.

20. "Settled Claims" means any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged based on the facts alleged in the Action and PAGA Notice during the Settlement Period being released as described in paragraph 38 below.

21. "Settlement Administration Costs" means the amount the Settlement Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Settlement Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

22. "Settlement Period" means December 26, 2022 through September 22, 2026.

23. "Released Parties" means Defendant HLT Conrad Domestic Employer LLC, Hilton Hotel Employer LLC and Hilton Resorts Corporation, and their respective present and former parent companies, subsidiaries, divisions, related or affiliated companies, predecessors, insurers, hotel ownership entities, shareholders, successors and assigns, and their current and former officers, directors, employees, agents, and attorneys thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

RECITALS

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24. On March 1, 2024, Plaintiffs commenced this Action by filing a Complaint for civil penalties under PAGA against Defendant, Hilton Hotel Employer LLC, and Hilton Resorts Corporation. Defendant denies the allegations in the Action, denies any failure to comply with the laws identified in the Action and PAGA Notice, and denies any and all liability for causes of action alleged.

25. On April 29, 2024 Defendant, Hilton Hotel Employer LLC and Hilton Resorts Corporation timely filed an Answer generally denying the allegations in the Action and any and all liability for causes of action alleged therein.

26. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiffs gave written notice to Defendant and the LWDA by sending the PAGA Notice.

27. On December 22, 2025, the Court entered Plaintiffs' Request for Dismissal of Hilton Hotel Employer LLC and Hilton Resorts Corporation.

28. On October 2, 2025, the Parties participated in an all-day mediation presided over by Steven Serratore, Esq. The Parties did not reach a settlement on that day, but through Mr. Serratore, agreed to the Mediator's Proposal on July 24, 2026, which led to this Settlement Agreement to settle the Action.

29. Prior to mediation, Plaintiff obtained, through informal discovery, a representative sample of time and payroll data, policy documents, and the number of aggrieved employees and pay periods at issue.

30. The Parties, Plaintiffs' 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.

TERMS

31. Gross Settlement Amount. In consideration for Plaintiffs' promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendant will pay Nine Hundred Thirty-Five Thousand Dollars ($925,000) ("Gross Settlement Amount") to settle the Action. The Gross Settlement Amount includes the Individual PAGA Payments, the LWDA PAGA Payment, Plaintiffs' Counsel Fees

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Payment, Plaintiffs' Counsel's Litigation Costs Payment, Service Awards, and the Settlement Administration Costs. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendant. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 34 of this Settlement Agreement. The Settlement Administrator will disburse the entire Gross Settlement Amount without asking or requiring PAGA Employees to submit any claim as a condition of payment.

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

a. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to PAGA Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Action with respect to PAGA Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be paid to all PAGA Employees according to the following formula:

i. Defendant will calculate: (i) the total number of pay periods worked by each PAGA Employee during the Settlement Period, and (ii) the total number of pay periods worked by all PAGA Employees during the Settlement Period.

ii. To determine each PAGA Employee's payment from the PAGA Penalties Fund, Defendant will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund × [Pay Periods Worked by Individual PAGA Employee During the Settlement Period ÷ Total Pay Periods Worked by All PAGA Employees during the Settlement Period].

iii. This Settlement is entered based on Defendant's estimate that PAGA Employees worked during the Settlement Period a total of 64,210 biweekly pay periods. If the total number of Pay Periods worked during the Settlement Period is greater than ten percent (10%) of this estimate, Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of pay periods worked by the PAGA Employees (e.g., if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%).

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Alternatively, Defendant can elect to decrease the Settlement Period to limit the number of pay periods to no more than the total number stated above, plus 10%.

iv. To the extent required by law, Individual PAGA Payments will be reported for tax purposes using IRS form 1099. Tax forms, if required, will be issued by the Settlement Administrator.

b. Plaintiffs' Counsel Fees Payment and Plaintiffs' Counsel's Litigation Costs Payment. Defendant agrees not to oppose or impede any application or motion by Plaintiffs' Counsel for Plaintiffs' Counsel Fees Payment of not more than one third of the Gross Settlement Amount which is Three Hundred Eleven Thousand Six Hundred Sixty Six Dollars and Sixty-Seven Cents ($311,666.67), plus Plaintiffs' Counsel's Litigation Costs Payment, not to exceed $25,000.00 both of which will be paid from the Gross Settlement Amount. Plaintiffs and/or Plaintiffs' counsel will seek approval of Plaintiffs' Counsel's Fees Payment and Plaintiffs' Counsel's Litigation Costs Payment with their PAGA Approval Motion. If the Court approves a Plaintiffs' Counsel's Fees Payment or Plaintiffs' Counsel's Litigation Costs Payment in amounts less than the amounts requested, the Settlement Administrator will allocate the remainder to the PAGA Penalties Fund. Released Parties shall have no liability to Plaintiffs' Counsel, or any other Plaintiffs' Counsel, arising from any claim to any portion of any Plaintiffs' Counsel's Fee Payment and/or Plaintiffs' Counsel Litigation Costs Payment. The Settlement Administrator will pay the Plaintiffs' Counsel Fees Payment and Plaintiffs' Counsel's Litigation Costs Payment using one or more IRS 1099 Forms. Plaintiffs' Counsel assumes full responsibility and liability for any taxes owed on the Plaintiffs' Counsel Fees Payment and the Plaintiffs' Counsel Litigation Costs Payment. Plaintiffs' Counsel holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

c. Service Awards. For their service on behalf of the LWDA and PAGA Employees, Defendant agrees not to oppose or impede any application or motion by Plaintiffs for a service award of up to Five Thousand Dollars ($5,000), each.

d. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and effect even if the full amount of Service Awards sought by Plaintiffs are not

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ultimately awarded by the Court.

e. Settlement Administration Costs. The Parties will retain CAC Services Group, LLC, as the third-party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate tax forms to PAGA Employees, the LWDA, Plaintiffs, and Plaintiffs' Counsel. The Settlement Administration Costs will be paid from the Gross Settlement Amount to the Settlement Administrator to reimburse its reasonable fees and expenses in accordance with the Settlement Administrator's "not to exceed" bid submitted to the Court in connection with approval of the Settlement. Based on the estimate that there are approximately 1,300 PAGA Employees, Settlement Administration Costs are estimated at Seven Thousand Nine Hundred Nineteen Dollars and Twenty Cents ($7,919.20). The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Settlement Agreement or otherwise.

33. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the Court issue an order and judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement (the "Order and Judgment").

34. Funding of the Settlement. Within fifty (50) days after entry of the Order and Judgment, Defendant will deposit the Gross Settlement Amount into the QSF to be established by the Settlement Administrator. Within fourteen (14) calendar days after the Gross Settlement Amount is deposited into the QSF, the Settlement Administrator will issue payments to: (a) PAGA Employees; (b) the LWDA; (c) Plaintiffs; (d) Plaintiffs' Counsel; and (e) itself. The Settlement Administrator, and not Defendant, will issue the appropriate tax forms for all payments issued under this Settlement.

35. List of PAGA Employees. On or before the date of the funding of the Gross Settlement, Defendant will provide the Settlement Administrator a complete list of all PAGA Employees ("PAGA Employee List"). The PAGA Employee List will be formatted in Microsoft Office Excel and will include each PAGA Employees full name; most recent mailing address and

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telephone number; Social Security number; the respective number of pay periods during which each PAGA Employee worked during the Settlement Period; and any other relevant information needed to calculate settlement payments. To protect PAGA Employees' privacy rights, the Settlement Administrator must maintain the PAGA Employee Data in an encrypted file, use the PAGA Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the PAGA Employee Data to Settlement Administrator employees who need access to the PAGA Employee Data to effect and perform under this Settlement Agreement. The Settlement Administrator shall not disclose PAGA Employee Data to Plaintiffs' Counsel. Defendant has a continuing duty to immediately notify Plaintiffs' Counsel and the Settlement Administrator if it discovers that the PAGA Employee Data omitted employee identifying information and to provide corrected or updated PAGA Employee Data to the Settlement Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the PAGA Employee Data to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted PAGA Employee Data.

36. Settlement Payments to PAGA Employees. The Settlement Administrator will issue each PAGA Employee one check for their Individual PAGA Payment along with the explanatory letter attached as **Exhibit A** ("Notice of PAGA Settlement"). Prior to mailing, the Settlement Administrator investigate and search for current PAGA 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 Settlement Administrator with PAGA Employees to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent via regular First-Class U.S. Mail to the forwarding address affixed thereto within seven (7) calendar days of receiving the returned check. If no forwarding address is provided, the Settlement Administrator will within seven (7) calendar days of receiving a returned check attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the PAGA Employee involved, and will then perform a single re-mailing.

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Checks will remain negotiable for 180 days. The Settlement Administrator shall promptly send a replacement check to any PAGA Employee whose original check was lost or misplaced, requested by the PAGA Employee prior to the void date. Those funds represented by un-cashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be tendered to the California Controller's Unclaimed Property Fund in the name of the PAGA Employee thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b). All settlement payments to PAGA Employees will be treated as miscellaneous income for which a 1099 will be issued by the Settlement Administrator.

37. Releases of Claims. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs, the PAGA Employees, and Plaintiffs' Counsel will release claims against all Released Parties as follows:

a. Release by Plaintiffs, on behalf of Plaintiffs and the State of California: Plaintiffs, on behalf of Plaintiffs and the State of California, release all claims arising under PAGA based on the facts alleged in Plaintiffs' pre-filing PAGA Notice to the LWDA and/or alleged in the Action, including but not limited to claims under California Labor Code §§ 201, 202, 202, 203, 204, 226, 226.7, 510, 511, 512, 1194, 1197, 1198, 2802, and the applicable Industrial Welfare Commission Wage Order(s).

b. Release by PAGA Employees. In exchange for the consideration set forth in this Settlement Agreement, the PAGA Employees release all claims arising under PAGA based on the facts alleged in the PAGA Notice and/or alleged in the Action, including but not limited to claims under California Labor Code §§ 201, 202, 202, 203, 204, 226, 226.7, 510, 511, 512, 1194, 1197, 1198, 2802, and the applicable Industrial Welfare Commission Wage Order(s).

c. Release of Additional Fees and Expenses by Plaintiffs' Counsel: Other than those Plaintiffs' Counsel Fees Payment and Plaintiff's Counsel's Litigation Costs Payment awarded by the Court pursuant to this Settlement Agreement, Plaintiffs' Counsel release, on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for attorney fees and expenses incurred in connection with the

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Action and the PAGA Period facts stated in the Action and the PAGA Notice. Plaintiffs' Counsel will receive only those fees and expenses awarded by the Court pursuant to this Settlement Agreement.

38. Upon entry of the Order and Judgment, Plaintiffs and all PAGA Employees, including by the Court's approval of this Settlement Agreement, the State of California to the extent represented in this Action by Plaintiffs as proxies of the State of California and the LWDA, will be forever barred from pursuing against Defendants and/or Defendant's past or present parents, subsidiaries, affliated companies, officers, directors, owners, employees, partners, agents or insurers, any and all Settled Claims during the Settlement Period.

39. No Right to Exclusion or Objections by Representative Action Members. Because this Settlement Agreement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Employee has the right to exclude himself or herself from the Settlement Agreement. PAGA Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any payment received as a result of this Settlement Agreement. The Parties also agree that no PAGA Employee has the right to object to the terms of the Settlement Agreement.

40. No Credit Toward Benefit Plans. Payments to PAGA Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any PAGA Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any PAGA Employee may be entitled under any benefit plans.

41. Motion or Application for Approval of Settlement Agreement. Plaintiffs shall file a PAGA Approval Motion.

a. Responsibilities of Plaintiffs' Counsel.

1. Drafting of the PAGA Approval Motion. Plaintiffs' Counsel will

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prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement Agreement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order and Judgment; (ii) a signed declaration from the Settlement Administrator attaching its "not to exceed" bid for administering the Settlement Agreement and attesting to its willingness to serve; competency; operative procedures for protecting the security of PAGA Employee Data; 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 PAGA Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, Plaintiffs' Counsel or Defense Counsel; (iii) a signed declaration from Plaintiffs' Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents; and (iv) all facts relevant to any actual or potential conflict of interest with PAGA Employees and/or the Settlement Administrator.

2. Filing the PAGA Approval Motion. Plaintiffs' Counsel is responsible for expeditiously finalizing and filing the PAGA Approval Motion no later than sixty (60) calendar days after the full execution of this Settlement Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. Plaintiffs' Counsel shall provide Defense Counsel with a draft of the motion for approval of this Settlement Agreement for review and comment at least five (5) business days before filing, and incorporate Defense Counsel's reasonable comments.

3. Notice of Settlement Agreement to LWDA. In connection with the PAGA Approval Motion, Plaintiffs' Counsel shall submit this Settlement Agreement to the LWDA pursuant to California Labor Code section 2699(l)(2). Plaintiffs' Counsel shall within ten (10) days after the entry of the Order and Judgment approving this Settlement Agreement, submit the order approving the Settlement Agreement to the LWDA pursuant to California Labor Code section 2699(l)(3).

4. Delivery of the Approval Order to the Settlement Administrator. Plaintiffs' Counsel is responsible for delivering the Approval Order to the Settlement Administrator.

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b. Duty to Cooperate. If the Parties disagree on any aspect of the proposed PAGA Approval Motion and/or the supporting declarations and documents, Plaintiffs' Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the PAGA Approval Motion of this Settlement Agreement or conditions its approval on any material change to this Settlement Agreement, Plaintiffs' Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Settlement Agreement and otherwise satisfy the Court's concerns.

42. No Tax Advice. Neither Plaintiffs, Plaintiffs' Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

43. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

44. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve the Settlement Agreement as provided herein; or (ii) the Settlement Agreement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

45. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) enforcement of the terms of the Settlement Agreement, (ii) settlement administration matters, and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

46. Entire Settlement Agreement. Upon execution by all Parties and their counsel, this Settlement Agreement, together with all its attached exhibits, constitutes the entirety of the

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Parties' settlement terms with regard to the claims being released herein, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

47. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties, and approved by the Court.

48. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

50. California Law Governs. All terms of this Settlement Agreement will be governed by and interpreted according to the laws of the State of California, without regard to conflict of law principles.

51. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and scanned copies of the signature pages, will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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52. Waiver of Certain Appeals. Provided the Order and Judgment is consistent with the terms and conditions of this Agreement, the Parties agree to waive appeals, 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; except, however, that Parties may appeal any modification to the Plaintiffs' Counsel Fees Payment and/or Plaintiffs' Counsel's Litigation Costs Payment requested from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms. If another party appeals the Order and Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Order and Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

53. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

54. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

55. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

56. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

57. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms

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and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

58. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

59. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Agreement that may become necessary to implement the Settlement Agreement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

60. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

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

62. Limited Disclosure. Plaintiffs and Plaintiffs' Counsel will not make any public disclosure of the Settlement Agreement or the terms of this Settlement Agreement until after the Settlement Agreement is approved by the Court. Plaintiffs' Counsel will take all steps necessary to ensure Plaintiffs are aware of and will encourage Plaintiffs to adhere to, the restriction against any public disclosure of the Settlement Agreement the contents of this Agreement and exhibits

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thereto until after the Settlement Agreement is approved by the Court. Following approval of the Settlement Agreement, Plaintiffs and Plaintiffs' Counsel will not have any communications with the media other than to direct the media to the public records of the actions on file with the Court. Plaintiffs' Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will encourage Plaintiffs to adhere to, the restriction against any media comment on the Settlement Agreement and its terms. Plaintiffs' Counsel further agree to not use the Settlement Agreement or any of its terms for any marketing purposes. Nothing herein will restrict (i) Plaintiffs from discussing this Settlement Agreement with Plaintiffs' spouse, attorneys, or tax advisors; (ii) Plaintiffs' Counsel from citing the Settlement Agreement or including publicly available information regarding this Settlement Agreement in future judicial submissions regarding Plaintiffs' Counsel's qualifications and experience in public court filings; or (iii) Plaintiffs' Counsel from communicating with Plaintiffs in this case, or discussions with the LWDA, or with the Court in which this action is pending. Further, the Parties understand and agree that Plaintiffs' Counsel may disclose this Settlement Agreement if ordered to do so by the Court.

63. Denial of Liability. The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. If, for any reason the Court does not approve this Settlement Agreement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement Agreement, 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 Agreement).

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64. Use and Return of PAGA Employee Data. Information provided to Plaintiffs' Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the PAGA Data provided to Plaintiffs' Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement Agreement, may be used only with respect to this Settlement Agreement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) calendar days after the Settlement Administrator discharges its obligation to pay out of all PAGA Penalties Fund, Plaintiffs shall destroy all paper and electronic versions of PAGA Employee Data received from Defendant, if any, unless, prior to the Settlement Administrator's payment of all PAGA Penalties Fund, Defendant makes a written request to Plaintiffs' Counsel for the return, rather than the destructions, of PAGA Employee Data.

65. 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.

66. 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 Plaintiffs:

Eric K. Yaeckel, Esq.
Cody D. Archer, Esq.
Sullivan & Yaeckel Law Group, APC
2330 Third Avenue
San Diego, CA 92101
Telephone: (619) 702-6760
Facsimile: (619) 702-6761
Email: yaeckel@sullivanlawgroupapc.com / cody@sullivanlawgroupapc.com

To Defendant:

Connie L. Chen, Esq.
Sehreen Ladak, Esq.
JACKSON LEWIS PC
725 South Figueroa Street, Suite 2800
Los Angeles, CA 90017
Telephone: (213) 689-0404

Doc ID: 00917d638744587813ea16473cdeec77421f6542

Facsimile: (213) 689-0430
Email: Connie.Chen@jacksonlewis.com / Sehreen.Ladak@jacksonsonlewis.com

67. Stay of Litigation. The Parties agree that upon the execution of this Agreement the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 10 / 15 / 2026

Aracely Andrade

PLAINTIFF

Dated: _____

Sebastian Magnarelli

DEFENDANT

Dated: 10/09/2026

W. Steven STandefer (Oct 9, 2026 12:48:35 EDT)

Authorized Signatory for HLT Conrad Domestic Employer LLC

Plaintiffs' Counsel: **SULLIVAN & YAECKEL**

Dated: 10/9/26

By: _____

Eric K. Yaeckel
Cody D. Archer

Attorneys for Plaintiffs Aracely Andrade and Sebastian Magnarelli

Defendant's Counsel: **JACKSON LEWIS P.C.**

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Facsimile: (213) 689-0430
Email: Connie.Chen@jacksonlewis.com / Sehreen.Ladak@jacksonsonlewis.com

67. Stay of Litigation. The Parties agree that upon the execution of this Agreement the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Aracely Andrade

PLAINTIFF

Dated: 10 / 15 / 2026

Sebastian Magnarelli

Sebastian Magnarelli

DEFENDANT

Dated: 10/09/2026

W. Steven STandefer

W. Steven STandefer (Oct 9, 2026 12:48:35 EDT)

Authorized Signatory for HLT Conrad Domestic Employer LLC

Plaintiffs' Counsel:

SULLIVAN & YAECKEL

Dated: 10/9/26

By: Cody Archer

Eric K. Yaeckel
Cody D. Archer

Attorneys for Plaintiffs Aracely Andrade and Sebastian Magnarelli

Defendant's Counsel:

JACKSON LEWIS P.C.

Doc ID: eaef6a548b98015099263e8693778d757e2fcf8d

Dated: October 9, 2026

By: _____
Connie L. Chen

Attorneys for Defendant HLT Conrad Domestic Employer LLC

Doc ID: 00917d638744587813ea16473cdeec77421f6542

Exhibit A

Doc ID: 00917d638744587813ea16473cdeec77421f6542

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Aracely Andrade, et al. v. HLT Conrad Domestic Employer LLC, et al.

(Superior Court of California, County of San Diego, Case No. 37-2024-00009775-CU-OE-CTL)

CAC Services Group, LLC
6420 Flying Cloud Dr, Suite 101
Eden Prairie, MN 55344
Telephone: (866)-602-2260

«Barcode» «BarcodeString»
SIMID «SIMID»
«FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

You are receiving this notice as a result of a lawsuit brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA") ("the Action"). The plaintiffs are Aracely Andrade and Sebastian Magnarelli ("Plaintiffs"), and the Defendant is HLT Conrad Domestic Employer LLC ("Defendant"). The Action seeks civil penalties for alleged violations of the California Labor Code on behalf of all non-exempt individuals who worked for Defendant in California who were employed during the PAGA Period ("PAGA Group Employees"). The PAGA Period is December 26, 2022 through September 22, 2026.

Defendant strongly denies all claims and allegations in the Action and denies that it owes any penalties. Defendant asserts that it has fully complied with all applicable laws in connection with respect to the payment of any type of wages (including, without limitation, hourly wages, minimum wages, overtime wages, and meal and rest break premium payments), the provision of meal and rest breaks, wage statement requirements, pay timing and final pay requirements, reimbursement of business expenses, making deductions from wages, and the maintaining of true and accurate records, and Defendant asserts that the PAGA Group Employees were properly treated at all times in compliance with applicable laws. Defendant therefore dispute that any amounts are owed. In agreeing to enter into a settlement of the Action in order to avoid incurring further time and expense in litigation, Defendant does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code, or for any penalties, and has denied and disputed all of the contentions in the Action. The Court has approved the settlement and release of the PAGA claims (the "Settlement"). However, by approving the Settlement, the Court has not ruled on the merits of Plaintiffs' claims and has not suggested which side would win or lose this case at trial.

All PAGA Group Employees are deemed to waive and release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, Defendant HLT Conrad Domestic Employer LLC, Hilton Hotel Employer LLC, and Hilton Resorts Corporation, and their respective present and former parent companies, subsidiaries, divisions, related or affiliated companies, predecessors, insurers, hotel ownership entities, shareholders, successors and assigns, and their current and former officers, directors, employees, agents, and attorneys thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs from any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged based on the facts alleged Plaintiffs' notice to the State of California's Labor and Workforce Development Agency ("LWDA") (the "LWDA Notice") and/or alleged in the Action during the PAGA Period, including but not limited to claims under California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 511, 512, 1194, 1197, 1198, 2802, and the applicable Industrial Welfare Commission Wage Order(s). You will be bound by the release of PAGA claims even if you do not cash your settlement check.

The Settlement resolves all PAGA claims alleged in the Action and the LWDA Notice, including but not limited to remedies available under Labor Code section 2699, for violations of the California Labor Code governing: meal and rest breaks, unpaid wages, minimum wage, overtime pay, wage statements, business expense reimbursement, and final pay. You will retain your right to bring claims, if any, against Defendant in your

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individual capacity . While you were not a party to the Action, you and the State of California have been bound by the judgment that has been approved by the Court, including the release contained in the Settlement. Seventy five percent (75%) of the civil penalty settlement amount goes to the LWDA. Twenty-five percent (25%) of the civil penalty settlement amount goes to the PAGA Group Employees.

By Order dated Date of Court Approval, the Superior Court approved the Settlement and the release of the PAGA claims. According to the Defendant's records, you are a PAGA Group Employee and therefore entitled to a share of the settlement based upon the Court approved allocation. Pursuant to the settlement, enclosed is a check in the amount of $____ for your share of a portion of the Settlement. The Settlement – and the amount you are receiving – represents a compromise resolution of disputed claims. This check will remain valid for 180 days from the date of issuance. If you are still employed by Defendant, your decision to cash the check will not affect your employment in any way.

Any valid and enforceable arbitration agreement entered into between you and Defendant remains in full force and effect and is not waived or limited as a result of this Settlement.

Please Note: One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your Individual PAGA Payment. Neither Plaintiffs nor Defendant have made any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THIS PROCEEDING.

DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT OR TO ASK QUESTIONS ABOUT THE CLAIMS PROCESS. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR USING THE CONTACT INFORMATION AT THE TOP OF THIS CORRESPONDENCE.

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Exhibit 2

LAFFEY MATRIX

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			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/25- 5/31/26	1.075336	$277	$508	$625	$902	$1,019	$1,227
6/01/24- 5/31/25	1.080182	$258	$473	$581	$839	$948	$1,141
6/01/23- 5/31/24	1.059295	$239	$437	$538	$777	$878	$1,057
6/01/22- 5/31/23	1.085091	$225	$413	$508	$733	$829	$997
6/01/21- 5/31/22	1.006053	$208	$381	$468	$676	$764	$919
6/01/20- 5/31/21	1.015894	$206	$378	$465	$672	$759	$914
6/01/19- 5/31/20	1.0049	$203	$372	$458	$661	$747	$899
6/01/18- 5/31/19	1.0350	$202	$371	$455	$658	$742	$894
6/01/17- 5/31/18	1.0463	$196	$359	$440	$636	$717	$864
6/01/16- 5/31/17	1.0369	$187	$343	$421	$608	$685	$826
6/01/15- 5/31/16	1.0089	$180	$331	$406	$586	$661	$796
6/01/14- 5/31/15	1.0235	$179	$328	$402	$581	$655	$789
6/01/13- 5/31/14	1.0244	$175	$320	$393	$567	$640	$771
6/01/12- 5/31/13	1.0258	$170	$312	$383	$554	$625	$753
6/01/11- 5/31/12	1.0352	$166	$305	$374	$540	$609	$734
6/01/10- 5/31/11	1.0337	$161	$294	$361	$522	$589	$709
6/01/09- 5/31/10	1.0220	$155	$285	$349	$505	$569	$686
6/01/08- 5/31/09	1.0399	$152	$279	$342	$494	$557	$671
6/01/07-5/31/08	1.0516	$146	$268	$329	$475	$536	$645
6/01/06-5/31/07	1.0256	$139	$255	$313	$452	$509	$614
6/1/05-5/31/06	1.0427	$136	$249	$305	$441	$497	$598
6/1/04-5/31/05	1.0455	$130	$239	$293	$423	$476	$574
6/1/03-6/1/04	1.0507	$124	$228	$280	$405	$456	$549
6/1/02-5/31/03	1.0727	$118	$217	$267	$385	$434	$522
6/1/01-5/31/02	1.0407	$110	$203	$249	$359	$404	$487
6/1/00-5/31/01	1.0529	$106	$195	$239	$345	$388	$468
6/1/99-5/31/00	1.0491	$101	$185	$227	$328	$369	$444
6/1/98-5/31/99	1.0439	$96	$176	$216	$312	$352	$424
6/1/97-5/31/98	1.0419	$92	$169	$207	$299	$337	$406

6/1/96-5/31/97	1.0396	$88	$162	$198	$287	$323	$389
6/1/95-5/31/96	1.032	$85	$155	$191	$276	$311	$375
6/1/94-5/31/95	1.0237	$82	$151	$185	$267	$301	$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g.,DL v. District of Columbia, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* ï¿½Years Out of Law Schoolï¿½ is calculated from June 1 of each year, when most law students graduate. ï¿½1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). ï¿½4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier ï¿½1-3" from June 1, 1996 until May 31, 1999, would move into tier ï¿½4-7" on June 1, 1999, and tier ï¿½8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

Exhibit 3

LWDA	$75.00	
Transportation	$365.55	
One Legal	$555.30	
Copies	$425.55	
Postage	$44.00	
Serratore Law (Mediation fees)	$15,000.00	
Knox	$233.45	
Employment Research Corp.	$6,715.00	
Superior Court San Diego	$35.00	
Los Angeles Superior Court	$24.80	
Research	$555.00	
Superior Court Orange County	$17.24	
Sub-Total	**$24,045.89**	7/29/2026
2nd Total	**$24,045.89**	7/29/2026

Exhibit 4

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Aracely Andrade, et al. v. HLT Conrad Domestic Employer LLC, et al.

(Superior Court of California, County of San Diego, Case No. 37-2024-00009775-CU-OE-CTL)

CAC Services Group, LLC
6420 Flying Cloud Dr, Suite 101
Eden Prairie, MN 55344
Telephone: (866)-602-2260

«Barcode» «BarcodeString»
SIMID «SIMID»
«FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

You are receiving this notice as a result of a lawsuit brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA") ("the Action"). The plaintiffs are Aracely Andrade and Sebastian Magnarelli ("Plaintiffs"), and the Defendant is HLT Conrad Domestic Employer LLC ("Defendant"). The Action seeks civil penalties for alleged violations of the California Labor Code on behalf of all non-exempt individuals who worked for Defendant in California who were employed during the PAGA Period ("PAGA Group Employees"). The PAGA Period is December 26, 2022 through September 22, 2026.

Defendant strongly denies all claims and allegations in the Action and denies that it owes any penalties. Defendant asserts that it has fully complied with all applicable laws in connection with respect to the payment of any type of wages (including, without limitation, hourly wages, minimum wages, overtime wages, and meal and rest break premium payments), the provision of meal and rest breaks, wage statement requirements, pay timing and final pay requirements, reimbursement of business expenses, making deductions from wages, and the maintaining of true and accurate records, and Defendant asserts that the PAGA Group Employees were properly treated at all times in compliance with applicable laws. Defendant therefore dispute that any amounts are owed. In agreeing to enter into a settlement of the Action in order to avoid incurring further time and expense in litigation, Defendant does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code, or for any penalties, and has denied and disputed all of the contentions in the Action. The Court has approved the settlement and release of the PAGA claims (the "Settlement"). However, by approving the Settlement, the Court has not ruled on the merits of Plaintiffs' claims and has not suggested which side would win or lose this case at trial.

All PAGA Group Employees are deemed to waive and release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, Defendant HLT Conrad Domestic Employer LLC, Hilton Hotel Employer LLC, and Hilton Resorts Corporation, and their respective present and former parent companies, subsidiaries, divisions, related or affiliated companies, predecessors, insurers, hotel ownership entities, shareholders, successors and assigns, and their current and former officers, directors, employees, agents, and attorneys thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs from any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged based on the facts alleged Plaintiffs' notice to the State of California's Labor and Workforce Development Agency ("LWDA") (the "LWDA Notice") and/or alleged in the Action during the PAGA Period, including but not limited to claims under California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 511, 512, 1194, 1197, 1198, 2802, and the applicable Industrial Welfare Commission Wage Order(s). You will be bound by the release of PAGA claims even if you do not cash your settlement check.

The Settlement resolves all PAGA claims alleged in the Action and the LWDA Notice, including but not limited to remedies available under Labor Code section 2699, for violations of the California Labor Code governing: meal and rest breaks, unpaid wages, minimum wage, overtime pay, wage statements, business expense reimbursement, and final pay. You will retain your right to bring claims, if any, against Defendant in your

individual capacity . While you were not a party to the Action, you and the State of California have been bound by the judgment that has been approved by the Court, including the release contained in the Settlement. Seventy five percent (75%) of the civil penalty settlement amount goes to the LWDA. Twenty-five percent (25%) of the civil penalty settlement amount goes to the PAGA Group Employees.

By Order dated Date of Court Approval, the Superior Court approved the Settlement and the release of the PAGA claims. According to the Defendant's records, you are a PAGA Group Employee and therefore entitled to a share of the settlement based upon the Court approved allocation. Pursuant to the settlement, enclosed is a check in the amount of $____ for your share of a portion of the Settlement. The Settlement – and the amount you are receiving – represents a compromise resolution of disputed claims. This check will remain valid for 180 days from the date of issuance. If you are still employed by Defendant, your decision to cash the check will not affect your employment in any way.

Any valid and enforceable arbitration agreement entered into between you and Defendant remains in full force and effect and is not waived or limited as a result of this Settlement.

Please Note: One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your Individual PAGA Payment. Neither Plaintiffs nor Defendant have made any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

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