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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
PLAINTIFF'S EX PARTE
APPLICATION RE:**

(1) **UNOPPOSED PAGA SETTLEMENT
APPROVAL, or in the alternative,**

(2) **ORDER SHORTENING TIME TO
HEAR A MOTION FOR PAGA
SETTLEMENT APPROVAL**

Date: September 17, 2026

Time: 8:30 a.m.

Dept: C-74

Judge: Hon. Blaine K. Bowman

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

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

6 2. I make this declaration in support of Plaintiffs' Ex Parte Application. I am personally familiar
7 with the facts set forth in this declaration and I make this declaration based on my personal
8 knowledge. If called to testify, I could and would do so competently.

9 **Background, Investigation and Settlement**

10 3. As this is a "PAGA" action only, the Limitations Period begins on December 26, 2022 and
11 runs through September 22, 2026. Plaintiffs' has independently verified, that there are
12 approximately 1,300 employees who worked a total of 64,210 pay periods from December 26,
13 2022 to September 22, 2026.

14 4. Following the exchange of discovery, analysis of numerous sets of time and wage data, a
15 mediation and direct settlement negotiations between the Parties, the Parties reached a
16 proposed settlement that includes a payment of penalties to the LWDA. Attached hereto as
17 **Exhibit 1** is a true and correct copy of the parties Settlement Agreement.

18 5. On **September 10, 2026**, Plaintiffs' counsel gave notice of the settlement and hearing date via
19 uploading to the LWDA's electronic filing portal the Plaintiffs' proposed settlement terms. To
20 date, Plaintiffs' counsel has not received notice that the LWDA would intervene.

21 6. On **September 10, 2026**, Plaintiffs' counsel uploaded via the LWDA's electronic filing portal
22 copies of this entire *ex parte* application, including the Notice, this supporting Memorandum,
23 Declaration, and Proposed Order & Judgment. To date, Plaintiff has not received a response
24 from the LWDA regarding the proposed settlement. If the LWDA contacts Plaintiff's counsel
25 at any time prior to the hearing, Plaintiffs' counsel will provide an updated declaration to the
26 Court.

27 7. The Total Value of the proposed Settlement is **\$935,000.00** which is broken down as follows:

28 * **\$311,666.67** Attorneys' Fees (1/3 of total settlement value);

* **\$24,045.89** Costs of Litigation

Declaration

- * **\$20,000.00** Plaintiffs' Representative Enhancement
- * **\$7,919.20** Administration Expenses
- * Sub-Total of **\$571,368.24**. 75% (**\$428,526.18**) shall be assigned/paid to the LWDA as penalties.
- * The remaining 25% (**\$142,842.06**) in cash will be disbursed among all employees based on work weeks employed during the PAGA period.

Given the above, the average payment to each of the approximately 1,300 individual employees will be approximately **\$109.87**.

8. There are no restrictions for any of the **1,300** employees to file individual actions, as the settlement agreement only covers PAGA claims.

Experience of Plaintiff's Counsel

9. 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.
10. I am co-lead trial counsel. 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 our law firm in 2020.
11. 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.
12. Our office is lead counsel on at least 50 employment "wage and hour" claims with class action,

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

6 13. In the last ten years, Sullivan & Yaeckel Law Group has successfully tried three “Wage and
7 Hour” Representative (PAGA) cases.

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

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

17 **The Basis For the *Ex Parte* Request**

18 16. The request to expedite this matter on an *ex parte* basis is proper for several separate reasons.
19 The primary reason for this requests is due to the fact that Mr. Sullivan (Plaintiffs’ Trial
20 counsel, the principal client contact) was recently scheduled (ordered) to proceed to an
21 extended medical leave, and Plaintiffs have specifically requested that this matter be finalized
22 *before* that occurs, in case further involvement by Mr. Sullivan is necessary. If requested by
23 the Court, Mr. Sullivan is willing to share additional information about his ongoing medical
24 issues. Neither Plaintiffs nor their counsel have *ever* requested an “expedited approval” before
25 this time period, and do so here only because of Mr. Sullivan’s current medical condition.

26 17. Notice to certain ex-employees may be adversely impacted by further delay (*i.e.* ex-employees
27 may change their mailing address without filing a proper “forwarding address”).

28 18. An expedient approval of this settlement will provide a direct benefit to the impacted
employees at issue. The “fixes” provide a guarantee of future Labor Code compliance, and an

1 immediate monetary benefit. It also allows Defendants the opportunity to move on, and focus
2 on future business.

- 3 19. Finally, this is an un-opposed request. Based on counsel's experience, this Superior Court
4 (including Hon. Katherine Bacal, Hon. Evan P. Kirvin, Hon. Gregory Pollack and several other
5 since retired Superior Court Judges) have encouraged PAGA settlement approvals on an
6 *ex-parte* basis, so as not to overburden the Court's already impacted "noticed motion" calendar.

7 **The Nature of the Claims and Exposure Analysis**

- 8 20. Plaintiffs allege that they - and other employees - received "interrupted," "short," "late," or
9 "missing" Meal Periods, including those documented within Defendant's Time Records.
10 Plaintiffs also challenged whether Defendant maintained lawful meal and rest periods.
11 Plaintiffs alleged they- and other employees -were not properly compensated due to
12 Defendant's failure to maintain accurate time records, which included an alleged failure to pay
13 overtime worked.

- 14 21. Our office maintained that investigations completed by Plaintiffs' counsel support Plaintiffs'
15 allegations that Defendant's timekeeping policies and employee records were not in compliance
16 with California law. Defendant disputes this allegation. However, Plaintiffs concede these
17 investigations also revealed that the "rate of violation" by Defendant was significantly less than
18 100%. On many of those occasions, it appears that Defendant did comply with the law.

- 19 22. Plaintiffs' expert forensic analyzed the records. Plaintiffs calculated the estimated maximum
20 scope of liability as being between \$4,000,000 and \$3,500,000. Defendant disputed this
21 calculation.

- 22 23. However, as is set forth more fully below, all counsel are aware that "maximum" awards in
23 PAGA only cases are exceedingly rare. Moreover, most trial Courts (including this Trial Court,
24 in the Carrington matter) decline to "stack" PAGA penalties. "Stacking" refers to imposing
25 multiple penalties for one alleged "harm" (e.g. one single late meal period could arguably
26 violate at least four Labor Code provisions that allow for separate penalties pursuant to
27 PAGA).

- 28 24. 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**.

25. 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. Plaintiffs 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.

26. 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.

27. 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.

28. 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.

29. 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.

30. I am aware of the Court's discretion to mitigate penalties pursuant to California Labor Code

1 section 2699(e)(2). To confirm, Plaintiffs' counsel experienced the mitigation of "PAGA"
2 penalties in *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504. In *Carrington*, Judge
3 Bacal significantly mitigated PAGA penalties (\$5 per violation), due to the efforts made by the
4 employer to comply with the law and to avoid "stacking." "Stacking" refers to imposing
5 multiple penalties for one alleged "harm" (e.g. one single late meal period could arguably
6 violate at least four Labor Code provisions that allow for separate penalties pursuant to
7 PAGA).

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

11 32. As the above factors exist in this case, it is the opinion of Plaintiffs' counsel that the settlement
12 is fair, adequate, and reasonable.

13 **The Requested Attorneys' Fees and Costs**

14 33. For purposes of a lodestar cross-check the S & Y's attorneys' fees incurred (to date) are
15 estimated to amount to approximately **\$223,602.50**. The Attorney's fees are broken down as
16 follows:

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

27 b. I was the partner primarily assigned to oversee the "day to day" activity of the primary
28 associates assigned to this case. My billing rate is \$700.00 per hour. I have currently
expended approximately **139.9** hours in the service of this action. **90.9** hours times

1 **\$700.00** equals **\$97,930**. Aside from supervising the Associate Attorneys, this work
2 includes attending hearings, drafting and reviewing correspondence and motions, and
3 much of the day to day communication with opposing counsel. The Plaintiffs and I
4 were required to jointly review hundreds of pages of documents produced that were
5 directly applicable to Plaintiffs' employment. Moreover, I spent significant time
6 reviewing the hundreds of pages of document produced for use in Mediation. I also
7 primarily handled the settlement discussions. After a full day of mediation, this matter
8 did not settle. Additional litigation, discovery, and trial preparations followed. All the
9 while, the mediator continued to go back and forth regarding potential settlement. I was
10 involved in numerous exchanges between the mediator and Defense counsel to help
11 negotiate and finalize the settlement.

12 c. Ryan T. Kuhn, then after he left the firm, Mr. Cody Archer served as the primary
13 Associate Attorneys assigned to the case. The billing rate for both Associate Attorneys
14 is **\$475.00** per hour. Mr. Archer expended approximately **148.7** hours in the service of
15 this action. **148.7** hours times **\$475.00** equals **\$70,632.50**. The work performed
16 consisted of, for the most part, analysis of Defendants' documents and records, in
17 preparation for mediation, a class certification motion, and to analyze liability and
18 damages for purposes of trial. Hundreds of pages of documents and a large electronic
19 sampling of time and wage records were produced over time throughout the litigation.
20 The Associate Attorneys were also assigned to discovery creation/review, assisting
21 with all discovery responses, the preparation of "meet and confer" letters and other
22 contact with defense counsel. The Associate Attorneys also provided a detailed analysis
23 of all employment records to determine "commonality" and damages. Mr. Archer also
24 expended time preparing settlement documents and this Application for Approval.

25
26 34. Counsel advanced **\$24,045.89** in out-of-pocket costs to the State for, among other things, filing
27 fees, expert fees and mediation fees. A true and correct copied of a contemporaneously updated
28 cost sheet prepared by our office manager is attached as **Exhibit 2**.

35. I submit our fees are reasonable and in line with (or lower) than rates charged in the
community by attorneys with similar experience.

Declaration

- 1 36. We have researched this issue and are not aware of any binding authority requiring a lodestar
2 analysis in a PAGA only settlement, which is why Plaintiff has relied upon the Class Action
3 authority cited in the memorandum. Moreover, the results obtained here, including the average
4 net recovery per PAGA Member exceed those normally observed in PAGA only settlements.
- 5 37. Given the attorneys fees incurred – in the approximate amount of **\$223,602.50** – a multiplier
6 of approximately **1.39** is necessary for the full award requested (and undisputed) by Plaintiff.
- 7 38. Here, the multiplier requested is within the range of what California and federal courts often
8 apply in class action or representative action cases. Moreover, the results obtained here, versus
9 the risk of a zero recovery, given the numerous asserted defenses, support this modest
10 multiplier request.

11 **Request for PAGA Representative Enhancement**

- 12 39. The named Plaintiffs requests an enhancement payment of **\$10,000** each for their service as
13 the PAGA representatives and for recognition that they were also required to release all of their
14 underlying Labor Code claims via a full section 1542 release. There is no such restriction on
15 the other alleged aggrieved employees.
- 16 40. An enhancement is justified in light of the “reputational risk” that Plaintiffs assumed by
17 litigating claims against a former employer.
- 18 41. The named Plaintiffs contributed extensive time and resources to the prosecution of this cases.
19 Plaintiffs were able to provide information instrumental to the prosecution of this matter
20 including identifying numerous witnesses that could corroborate the claims. Plaintiffs also
21 assisted with reviewing and providing insight on Defendant's documents produced. Plaintiffs
22 claimed numerous Labor Code violations that formed the basis of the allegations in the
23 litigation and assisted counsel with finalizing the settlement.
- 24 42. I know (from experience) that any company who does a detailed background check, will be
25 able to determine that Plaintiffs are serving as PAGA and/or class representatives in a lawsuit
26 against their former employer.
- 27 43. An entire industry exists that allows employers to run extensive background searches on
28 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

1 outlines ways that employers can "get a sense of whether a prospective employee is likely to
2 sue" the employer, through background checks and other means, to screen out these employees.
3 www.reliableplant.com/Read/6959/a-solution-to-fear-of-hiring-litigious-employees. Onicra
4 Credit Rating Agency of India states: "Background screening has become a necessity in today's
5 litigious society." Back Track Screening also represents: "In today's litigious culture, employers
6 simply cannot afford to hire employees who will put their company at risk."
7 <http://www.btscreening.com/wp-content/uploads/2012/09/Screening-101.pdf>.

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

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

13 46. Despite all the risks, Plaintiffs at all times remained committed to securing a monetary
14 recovery on behalf of the entire group of aggrieved employees.

15 47. A true and correct copy of the parties proposed notice, to accompany the settlement checks
16 following approval, is attached as **Exhibit 3**.

17 **Ex Parte Notice**

18 48. I timely notified Defendant's counsel of our intent to seek the Court's approval on an *ex parte*
19 basis. Defendant's counsel has reviewed this application and confirmed Defendant does **not**
20 oppose the request.

21 49. In order to streamline this matter for the Court, we prepared one *Ex Parte* Memorandum,
22 which shortly summarizes the relevant settlement terms. However, should the Court wish to
23 review additional information to support the settlement (i.e. value of the claims, controlling
24 law, reasonableness of fees, etc.) we have attached that additional analysis as a **Exhibit A** to
25 the current *Ex Parte* Memorandum.

26 **Third-Party Administrator**

27 50. The parties have agreed to engage CAC Services Group, LLC ("CAC") as the Settlement
28 Administrator. CAC has agreed to carry out all Administration duties for an amount not to
exceed **\$7,919.20**.

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

4 **The Longform Agreement**

5 52. **Please Note:** that the terms of the Agreement were only recently finalized and agreed upon by
6 the parties. Accordingly, the copy of the Agreement attached as Exhibit 1 to the Declaration
7 of Eric K. Yaeckel is not yet fully executed and currently lacks the signatures of the parties.
8 A fully executed copy of the Agreement will be provided to the Court prior to the hearing date.

9
10 I declare under penalty of perjury, under the laws of the State of California , that the foregoing
11 is true and correct. Executed on this 10th day of September 2026, at San Diego, California.

12 *Eric Yaeckel*
13 _____

14 Eric K. Yaeckel
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Exhibit 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
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ARACELY ANDRADE and SEBASTIAN
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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”) 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 Complaint filed in 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 San Diego County Superior Court.
- 2. “Approval Order” means the Court Order Granting Approval of the Settlement.
- 3. “Court” means the Superior Court for the State of California, County of San Diego.
- 4. “Defense Counsel” means Jackson Lewis P.C., the attorneys representing Defendant in the Action.
- 5. “Effective Date” means the date by when all of the following have occurred: (a) the date the Court enters an Order approving the Settlement 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 Order of the court approving the Settlement 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 is upheld, and the Approval Order is no longer subject to further judicial review.
- 6. “Gross Settlement Amount” means the settlement amount of Nine Hundred Thirty-Five Thousand Dollars (\$935,000), 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,

1 Plaintiffs' Counsel's Litigation Costs Payment, Service Awards, and the Settlement
2 Administration Costs.

3 7. "Individual PAGA Payment" means each PAGA Employee's individual pro rata
4 share of 25% of the PAGA Penalties Fund calculated according to the number of Pay Periods the
5 PAGA Employee worked during the PAGA Period.

6 8. "LWDA" means the California Labor and Workforce Development Agency.

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

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

15 11. "PAGA Approval Motion" means any motion filed with the Court that seeks
16 approval of this Settlement.

17 12. "PAGA Employees" means all persons who were employed by Defendant in the
18 State of California in non-exempt positions at any time during the Settlement Period.

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

22 14. "PAGA Notice" means Plaintiff's original letter to Defendant and the LWDA
23 providing notice pursuant to Labor Code § 2699.3(a).

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

26 16. "PAGA Penalties" means the total amount of civil penalties allegedly due under
27 PAGA to be paid from the Net Settlement Amount, allocated 25% to the PAGA Employees and
28 75% to the LWDA in settlement of PAGA claims.

1 17. “PAGA Penalties Fund” constitutes the amount available from the Gross
2 Settlement Amount to distribute as PAGA Penalties. The PAGA Penalties Fund is equal to the
3 Gross Settlement Amount, less the Plaintiffs’ Counsel Fees and Costs Payments, Service Awards,
4 and Settlement Administrator Costs.

5 18. “Plaintiffs’ Counsel” means Sullivan & Yaeckel Law Group, APC.

6 19. “Plaintiffs’ Counsel Fees Payment” and “Plaintiffs’ Counsel’s Litigation Costs
7 Payment” mean the amounts allocated to Plaintiffs’ Counsel for reimbursement of reasonable
8 attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

9 20. “Service Awards” means the amounts to be paid to Plaintiffs, not to exceed
10 \$10,000 each, in addition to Plaintiffs’ Individual PAGA Payments, as payment for their service
11 on behalf of the LWDA and PAGA Employees and for general releases of all claims arising out
12 of their employment with Defendant.

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

17 22. “Settlement Administration Costs” means the amount the Settlement
18 Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees
19 and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court
20 in connection with approval of this Settlement.

21 23. “Settlement Period” means December 26, 2022 through September 22, 2026.

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

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25. 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.

26. 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.

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

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

29. 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 Agreement to settle the Action.

30. 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.

31. 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.

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32. 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 (\$935,000) ("Gross Settlement Amount") to settle the Action. The Gross Settlement Amount

1 includes Plaintiffs' attorneys' fees, litigation costs and expenses, consideration for Plaintiffs'
2 service on behalf of the LWDA and PAGA Employees, Settlement Administration Costs, and
3 payments to PAGA Employees and the LWDA for their share of the PAGA Penalties Fund. No
4 portion of the Gross Settlement Amount will be retained by, or revert to, Defendant. Defendant
5 has no obligation to pay the Gross Settlement Amount prior to the deadline stated in paragraph
6 35 of this Agreement. The Settlement Administrator will disburse the entire Gross Settlement
7 Amount without asking or requiring PAGA Employees to submit any claim as a condition of
8 payment.

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

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

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

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

25 iii. This Settlement is entered based on Defendant's estimate that PAGA
26 Employees worked during the Settlement Period a total of 64,210 biweekly pay periods. If the
27 total number of Pay Periods worked during the Settlement Period is greater than ten percent (10%)
28 of this estimate, Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal

1 to the percentage increase in the number of pay periods worked by the PAGA Employees (e.g., if
2 the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%).
3 Alternatively, Defendant can elect to decrease the Settlement Period to limit the number of pay
4 periods to no more than the total number stated above, plus 10%.

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

8 b. Plaintiffs' Counsel's Fees and Costs. Defendant agrees not to oppose or
9 impede any application or motion by Plaintiffs' Counsel for fees of not more than one third of the
10 Gross Settlement Amount which is Three Hundred Eleven Thousand Six Hundred Sixty Six
11 Dollars and Sixty-Seven Cents (\$311,666.67), plus the reimbursement of all out-of-pocket costs
12 and expenses associated with Plaintiffs' Counsel's litigation and settlement of the Action
13 (including mediation fees, investigations costs, etc.), not to exceed \$25,000.00 both of which will
14 be paid from the Gross Settlement Amount. If the Court approves a Plaintiffs' Counsel's Fees
15 Payment or Plaintiffs' Counsel's Litigation Costs Payment less than the amount requested the
16 Settlement Administrator will allocate the remainder to the PAGA Penalties Fund. Released
17 Parties shall have no liability to Plaintiffs' Counsel, or any other Plaintiffs' Counsel, arising from
18 any claim to any portion of any Plaintiffs' Counsel's Fee Payment and/or Plaintiffs' Counsel
19 Litigation Costs Payment. The Settlement Administrator will pay the Plaintiffs' Counsel Fees
20 Payment and Plaintiffs' Counsel Costs Payment using one or more IRS 1099 Forms. Plaintiffs'
21 Counsel assumes full responsibility and liability for any taxes owed on the Plaintiffs' Counsel
22 Fees Payment and the Plaintiffs' Counsel Litigation Costs Payment. Plaintiffs' Counsel holds
23 Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any
24 division or sharing of any of these Payments.

25 c. Service Awards. In exchange for executing general releases of all claims
26 Plaintiffs may have against the Released Parties, arising out of their employment as set forth in
27 paragraph 38, and for their service on behalf of the LWDA and PAGA Employees, Defendant
28 agrees not to oppose or impede any application or motion by Plaintiffs for a service award of up

1 to Ten Thousand Dollars (\$10,000), each. Upon receipt of the Service Awards, Plaintiffs will be
2 deemed to have fully released and discharged Defendants from any and all claims, demands,
3 obligations, causes of action, rights, or liabilities of any kind which have been or could have been
4 asserted against Defendants arising out of, or relating to, Plaintiffs' employment with Defendants
5 or termination thereof, including but not limited to claims for wages, restitution, penalties,
6 retaliation, defamation, discrimination, harassment or wrongful termination of employment. This
7 release specifically includes any and all claims, demands, obligations and/or causes of action for
8 damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the
9 Settlement) relating to or in any way connected with the matters referred to herein, whether or
10 not known or suspected to exist, and whether or not specifically or particularly described herein.
11 Specifically, Plaintiffs will be deemed to have waived all rights and benefits afforded by
12 California Civil Code Section 1542, which provides:

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

18 e. Plaintiffs understand and agree that this Settlement Agreement shall remain
19 in full force and effect even if the full amount of Service Awards sought by Plaintiffs are not
20 ultimately awarded by the Court.

21 f. Settlement Administration Costs. The Parties will retain CAC Services
22 Group, LLC, as the third-party settlement administrator ("Settlement Administrator" or
23 "Administrator"). The Settlement Administrator will be responsible for establishing a qualified
24 settlement fund ("QSF") and issuing payments and appropriate tax forms to PAGA Employees,
25 the LWDA, Plaintiffs, and Plaintiffs' Counsel. The Settlement Administration Costs will be paid
26 from the Gross Settlement Amount to the Settlement Administrator to reimburse its reasonable
27 fees and expenses in accordance with the Settlement Administrator's "not to exceed" bid
28 submitted to the Court in connection with approval of the Settlement. Based on the estimate that

1 there are approximately 1,300 PAGA Employees, Settlement Administration Costs are estimated
2 at Seven Thousand Nine Hundred Nineteen Dollars and Twenty Cents (\$7,919.20). The
3 Administrator has a duty to perform or observe all tasks to be performed or observed by the
4 Administrator contained in this Agreement or otherwise.

5 34. Court Approval of the Settlement and Distribution of Settlement Payments. The
6 Parties will present this Settlement Agreement to the Court and the LWDA. The Parties will
7 request that the Court issue an order and judgment approving and incorporating by reference the
8 terms and conditions of the Settlement Agreement (the “Order and Judgment”).

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

16 36. List of PAGA Employees. On or before the date of the funding of the Gross
17 Settlement, Defendant will provide the Settlement Administrator a complete list of all PAGA
18 Employees (“PAGA Employee List”). The PAGA Employee List will be formatted in Microsoft
19 Office Excel and will include each PAGA Employees full name; most recent mailing address and
20 telephone number; Social Security number; the respective number of pay periods during which
21 each PAGA Employee worked during the Settlement Period; and any other relevant information
22 needed to calculate settlement payments. To protect PAGA Employee’ privacy rights, the
23 Administrator must maintain the PAGA Employee Data in confidence, use the PAGA Employee
24 Data only for purposes of this Settlement and for no other purpose, and restrict access to the
25 PAGA Employee Data to Administrator employees who need access to the PAGA Employee Data
26 to effect and perform under this Agreement. The Administrator shall not disclose PAGA
27 Employee Data to Plaintiffs’ Counsel. Defendant has a continuing duty to immediately notify
28 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.

37. Settlement Payments to PAGA Employees. The Settlement Administrator will issue each PAGA Employee one check for his or her share of the PAGA Penalties Fund along with an explanatory letter (PAGA Notice), attached as **Exhibit A**. 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. Checks will remain negotiable for 180 days. The 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.

38. 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 that were described in Plaintiffs' pre-filing PAGA Notice to the LWDA, to the extent 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 Agreement, the PAGA Employees release all claims arising under PAGA that were described in Plaintiff's pre-filing PAGA Notice to the LWDA, to the extent 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 fees and expenses awarded by the Court pursuant to this Settlement, 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 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.

39. Upon entry of the Order and Judgment, Plaintiffs and all PAGA Employees, including by the Court's approval of this Settlement, the State of California to the extent represented in this Action by the 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, affiliated companies, officers, directors, owners, employees, partners, agents or insurers, any and all Settled Claims during the Settlement Period. PAGA Employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims by virtue of this Settlement.

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

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

16 42. Motion or Application for Approval of Settlement. Plaintiffs shall file a PAGA
17 Approval Motion.

18 a. Responsibilities of Plaintiffs' Counsel.

19 1. Drafting of the PAGA Approval Motion. Plaintiffs' Counsel will
20 prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this
21 Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order
22 Granting Approval of the Settlement; (ii) a signed declaration from the Settlement Administrator
23 attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness
24 to serve; competency; operative procedures for protecting the security of PAGA Employee Data;
25 amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all
26 facts relevant to any actual or potential conflicts of interest with PAGA Employees or the LWDA;
27 and the nature and extent of any financial relationship with Plaintiffs, Plaintiffs' Counsel or
28 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 Administrator.

2. Filing the PAGA Approval Motion. Plaintiffs' Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than sixty (60) calendar days after the full execution of this 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 for review and comment at least five (5) business days before filing, and incorporate Defense Counsel's reasonable comments.

3. Notice of Settlement to LWDA. In connection with the motion for settlement approval, Plaintiffs' Counsel shall submit this Agreement to the LWDA pursuant to California Labor Code section 2699(1)(2). Plaintiffs' Counsel shall within ten (10) days after the entry of the judgment or order approving this Settlement, submit the order approving the Settlement to the LWDA pursuant to California Labor Code section 2699(1)(3).

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

b. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement 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 or conditions its approval on any material change to this 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 Agreement and otherwise satisfy the Court's concerns.

43. 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 be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

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

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

13 47. Entire Agreement. Upon execution by all Parties and their counsel, this Settlement
14 Agreement, together with all its attached exhibits, constitutes the entirety of the Parties' settlement
15 terms, superseding any and all oral representations, warranties, covenants, or inducements made
16 to or by any Party. No other prior or contemporaneous written or oral agreements may be deemed
17 binding on the Parties.

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

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

1 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
2 of the Court to resolve such disagreement.

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

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

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

15 53. Waiver of Certain Appeals. Provided the Judgment is consistent with the terms
16 and conditions of this Agreement, the Parties agree to waive appeals, including all rights to post-
17 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
18 trial, extraordinary writs, and appeals; except, however, that Parties may appeal any modification
19 to the Attorneys' Fees and Costs requested from the Court, and either party may appeal any court
20 order that materially alters the Settlement's terms. . If another party appeals the Judgment, the
21 Parties' obligations to perform under this Agreement will be suspended until such time as the
22 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
23 the amount of the Net Settlement Amount.

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

28 55. Captions. The captions and section numbers in this Settlement Agreement are

1 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope
2 or intent of the provisions of this Settlement Agreement.

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

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

12 58. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
13 and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
14 construed more strictly against one party merely by virtue of the fact that it may have been
15 prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length
16 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
17 Agreement.

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

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

28 61. Binding Agreement. The Parties warrant that they understand and have full

1 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
2 fully enforceable and binding on all parties, and agree that it will be admissible and subject to
3 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
4 provisions that otherwise might apply under federal or state law.

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

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

26 64. Denial of Liability. The Parties expressly recognize that the making of this
27 agreement does not in any way constitute an admission or concession of wrongdoing on the part
28 of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any

1 statements, discussions or communications, nor any materials prepared, exchanged, issued or used
2 during the pendency of the Action, is intended by the Parties to, nor will any of the foregoing
3 constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral,
4 administrative, investigative or other forum or proceeding, as evidence of any violation of any
5 federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation
6 or duty at law or in equity. If, for any reason the Court does not approve this Settlement, Defendant
7 reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest
8 Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action
9 will have no bearing on, and will not be admissible in connection with, any litigation (except for
10 proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

25 67. Notice. All notices, demands or other communications between the Parties in
26 connection with this Agreement will be in writing and deemed to have been duly given as of the
27 third business day after mailing by United States mail, or the day sent by email or messenger,
28 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
Facsimile: (213) 689-0430
Email: Connie.Chen@jacksonlewis.com / Sehreen.Ladak@jacksonsonlewis.com

68. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to 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: _____

Sebastian Magnarelli

DEFENDANT

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Dated: _____

Authorized Signatory for HLT Conrad Domestic
Employer LLC

Plaintiffs' Counsel:

SULLIVAN & YAECKEL

Dated: _____

By: _____

Eric K. Yaeckel
Cody D. Archer

*Attorneys for Plaintiffs Aracely Andrade and
Sebastian Magnarelli*

Defendant's Counsel:

JACKSON LEWIS P.C.

Dated: _____

By: _____

Connie L. Chen

*Attorneys for Defendant HLT Conrad
Domestic Employer LLC*

Exhibit A

NOTICE OF PAGA SETTLEMENT

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 Defendants are HLT Conrad Domestic Employer LLC, Hilton Hotel Employer LLC, and Hilton Resorts Corporation (“Defendants”). The Action sought civil penalties for purported violations of the California Labor Code on behalf of all individuals who worked for Defendants in California who were employed during the PAGA Period (“PAGA Group Employees”). The PAGA Period is December 26, 2022, through September 22, 2026.

It is important to note that Defendants deny all claims and allegations in the Action, denies that it owes any penalties, asserts that it has fully complied with all applicable Labor Code provisions, further asserts that all employees were correctly and timely paid all wages and that meal periods and rest breaks were provided as and when required by applicable law. Nevertheless, without admitting any wrongdoing and to avoid further costs and business disruption in defending the Action, Defendants have settled the Action, and the Court has approved the settlement and release of the PAGA claims. 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 aggrieved 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, the Defendants from any and all claims for civil penalties pursuant to PAGA arising at any time during the PAGA period and alleged pleadings, alleged in the LWDA notice, prosecuted in this lawsuit, as well as claims for civil penalties arising at any time during the PAGA period that could have been alleged based on the facts alleged in the pleadings, stated in the LWDA notice, or raised in this case. 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, 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 against Defendant in your individual capacity.

By Order dated **Date of Court Approval**, the Superior Court approved the Settlement and the release of the Claims. According to the Defendants’ records, you are a PAGA Group Employee and therefore entitled to a share of the settlement based upon the Court approved allocation.

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 Defendants 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.

Exhibit 2

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 3

NOTICE OF PAGA SETTLEMENT

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»

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