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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN MATEO**

13 **Nikol Lockett**, an individual;
14 Plaintiff,
15 vs.
16 **Stanford Park Hotel, LLC**, a Delaware
17 Limited Liability Company; **Avi Haksar**, an
18 individual; and **Does 1-10**, inclusive;
19 Defendants.

CASE NO. 24-CIV-01940
[Assigned to Hon. Nancy Fineman]
**JOINT STIPULATION OF SETTLEMENT OF
PAGA REPRESENTATIVE ACTION**
Case Filed: March 28, 2024
Trial Date: None Set

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STANFORD PARK HOTEL, LLC and
AVI HAKSAR

JOINT STIPULATION OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

This Joint Stipulation of Settlement and Release of PAGA Representative Action (“Agreement” or “Settlement Agreement” or “Stipulation”) is made and entered into by and between Plaintiff Nikol Lockett (“Plaintiff” or “Ms. Lockett”), individually and as the authorized proxy for the State of California and the Labor and Workforce Development Agency, and Defendant Stanford Park Hotel, LLC (“Defendant” or “Stanford Park”) (with Plaintiff, the “Parties”).

This Agreement is subject to the approval of the Court pursuant to Cal. Lab. Code § 2699(1)(2) and is made for the sole purpose of attempting to consummate settlement of the lawsuit entitled *Lockett v. Stanford Park Hotel, LLC, et al.*, San Mateo Superior Court Case No. 24-CIV-01940 (the “Lawsuit”) on the following terms and conditions.

RECITALS

1. On March 28, 2024, Plaintiff Nikol Lockett sent a PAGA letter to the LWDA regarding alleged violations of the Labor Code, and incorporated by reference a draft Complaint alleging violations of Labor Code §§ 226, 226.3, 226.7, 512, 1174, 201-204, 210, 1198, and 2802 and the applicable Wage Orders.

2. On March 28, 2024, Plaintiff filed a Complaint for civil penalties pursuant to PAGA in San Mateo County Superior Court alleging violations of Labor Code §§ 226, 226.3, 226.7, 512, 1174, 201-204, 210, 1198, and 2802 and the applicable Wage Orders against Defendants Stanford Park and Avi Haksar (“Haksar”).

3. Defendants deny all of the allegations in the Lawsuit, and specifically the PAGA Representative Claims, and deny that it or any Released Parties committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

4. In the interest of avoiding further litigation, the Parties desire to fully and finally settle all actual or potential PAGA claims as pleaded in the operative Complaint or that could have been pleaded in the operative Complaint and this Action.

5. This Settlement Agreement is made and entered into by and between Plaintiff individually and on behalf of all other allegedly similarly situated Aggrieved Employees, the State of California through Plaintiff as a proxy, and Defendant on the other hand. This Settlement

1 Agreement is subject to the terms and conditions hereof, as well as the Court's approval. The Parties
2 expressly acknowledge that this Agreement is entered into solely for the purpose of compromising
3 disputed claims and that nothing herein is an admission of any liability or wrongdoing by Defendant.
4 If, for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the
5 Parties shall be returned to their original respective positions.

6 6. Because this is not a settlement of a class action but a PAGA settlement on behalf of
7 the State of California, no person can (a) object to the settlement after the Court's Approval Order
8 is made, or (b) opt out from being covered by the release of PAGA claims at any time before or after
9 the Approval Order is made.

10 7. The Parties agree to abide by the terms of the Settlement Agreement in good faith
11 and to support the Settlement Agreement fully and to use their best efforts to defend this Settlement
12 Agreement from any legal challenge, whether by appeal or collateral attack.

13 8. On August 13, 2024, the Parties participated in a mediation with Jeffrey Fuchsman
14 Esq. (the "Mediator"), a well-respected mediator in the field of employment law and wage-and-
15 hour class actions. With the assistance of the Mediator, the Parties were able to reach agreement on
16 the principal terms of a PAGA settlement, which have now been expanded upon in this Stipulation.

17 9. Plaintiff's Counsel conducted a significant investigation during the prosecution of
18 the Action. This investigation included, among other things, (a) numerous telephonic calls and
19 written communications with Plaintiff; (b) inspection and analysis of numerous payroll and
20 timekeeping documents for 50% of the Aggrieved Employees, and other information produced by
21 Plaintiff and Defendant, including all relevant policy documents, photograph images of the property
22 and seating options, and representative wage statements; (c) analysis of the legal positions taken by
23 Defendant; (d) investigation into the viability of collective treatment of the claims asserted in the
24 Action; (e) analysis of potential civil penalties, including information sufficient to understand
25 Defendant's potential defenses to Plaintiff's claims; (f) research of the applicable law with respect
26 to the claims asserted in the Action and the potential defenses thereto; (g) assembling and analyzing
27 of data for calculating damages; and (h) preparing an expert analysis and accounting of Defendant's
28 exposure for civil penalties.

1 10. The informal discovery conducted in this matter, as well as discussions between
2 counsel, have been adequate to give the Named Plaintiff and Plaintiff's Counsel a sound
3 understanding of the merits of the Parties' positions and to evaluate the risks of continued litigation
4 and the value of the Aggrieved Employees' claims. The informal discovery and investigation
5 conducted in this Action and the information exchanged by the Parties through discovery and
6 settlement discussions are sufficient to reliably assess the merits of the Parties' respective positions
7 and to compromise the issues on a fair and equitable basis.

8 11. The settlement discussions before and during mediation were conducted at arm's
9 length and the settlement of the Action is the result of an informed and detailed analysis of
10 Defendant's potential liability in relation to the costs and risks associated with continued litigation.

11 12. Plaintiff and Plaintiff's Counsel believe that the claims, causes of action, allegations,
12 and contentions asserted in the Action have merit. However, Plaintiff and Plaintiff's Counsel
13 recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to
14 prosecute the Action against Defendant through trial and appeals. Plaintiff's Counsel has taken into
15 account: 1) the uncertain outcome of the litigation; 2) the risk of continued litigation in complex
16 actions such as this lawsuit; 3) the difficulties and delays inherent in such litigation; and 4) the
17 potential risk of trying the claims of the Aggrieved Employees. Plaintiff's Counsel is mindful of the
18 potential problems of proof under, and possible defenses to, the claims alleged in the Action and
19 litigation of those claims on a representative basis.

20 13. Plaintiff's Counsel believes that the Settlement set forth in this Settlement
21 Agreement confers substantial benefits upon Plaintiff and the PAGA Settlement Members, and that
22 an independent review of this Settlement Agreement by the Court will confirm this conclusion.

23 14. Based on their own independent investigation and evaluation, Plaintiff's Counsel has
24 determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the
25 PAGA Settlement Members.

26 15. Based on the data and documents produced during informal discovery and in
27 response to Plaintiff's Labor Code sections 226 and 1198.5 records request, and Plaintiff's Counsel's
28 own independent investigation and evaluation, and the Mediator's efforts, Plaintiff's Counsel

believes that Plaintiff's settlement with Defendant for the consideration provided and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of the PAGA Settlement Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, the contested legal and factual issues involved, and potential appellate issues.

DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

16. "PAGA Settlement Member List" shall mean a complete list of all PAGA Settlement Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator no later than 10 calendar days after the entry of a Court Order approving the Settlement. The List will be formatted in a readable Microsoft Office Excel spreadsheet and will include, to the extent in the possession of Defendant or its agents, PAGA Settlement Members' names; last-known addresses; last-known telephone numbers; last-known email address; social security numbers; start dates of employment; end dates of employment; and Defendant's best estimates of the number of weeks worked by each PAGA Settlement Member during the PAGA Period.

17. "Effective Date" means the date on which the settlement embodied in this Settlement Agreement shall become effective and is the date after all of the following events have occurred: (i) this Settlement Agreement has been executed by Plaintiff and Defendant; and (ii) the Court has granted approval of the Settlement.

18. "Approval Order" means the signed order of the Superior Court approving the Settlement and entering Judgment.

19. "Eligible Pay Period" means any pay period from March 28, 2023, through the earlier of (1) the date the Court has granted approval of the settlement or (2) October 12, 2024. Pay periods are biweekly.

20. "Funding Date" means 30 calendar days from the Effective Date.

1 21. “LWDA” means the California Labor and Workforce Development Agency, the
2 agency entitled, under Labor Code section 2699, subdivision (i).

3 22. “PAGA Representative Claims” means Plaintiff’s individual and non-individual
4 PAGA claims for civil penalties based on alleged predicate violations of California Labor Code §§
5 226, 226.3, 226.7, 512, 1174, 201-204, 210, 1198, and 2802 as set forth in the operative Complaint.

6 23. “PAGA Release Period” means March 28, 2023, through the date the Court has
7 granted approval of the settlement or October 12, 2024, whichever comes first.

8 24. “PAGA Released Claims” shall mean the *limited* release being given by the State of
9 California and PAGA Release Members for those claims for civil penalties under PAGA that were
10 alleged, or reasonably could have been alleged, based on the facts stated in the Complaint or the
11 PAGA Notice Letter, which are claims under PAGA for civil penalties arising under Labor Code §§
12 226, 226.3, 226.7, 512, 1174, 201-204, 210, 1198, and 2802 and the applicable Wage Orders.

13 25. “PAGA Settlement” or “Settlement” means the settlement of the Lawsuit as
14 memorialized in this Agreement.

15 26. “PAGA Settlement Members” shall mean all non-exempt employees of Defendant
16 who worked at least one shift in California from March 28, 2023, through the date the Court has
17 granted approval of the settlement or October 12, 2024, whichever comes first. Defendant
18 represents that there are approximately 182 PAGA Settlement Members as of August 13, 2024.

19 27. “Plaintiff’s Counsel” means Elliot J. Siegel and Lawrence W. Beall of King & Siegel
20 LLP.

21 28. “Released Parties” shall mean Avi Haksar, Defendant, and its former and present
22 officers, directors, employees, shareholders, members, attorneys, insurers, predecessors,
23 successors, assigns, subsidiaries, affiliates, and agents.

24 29. “Settlement Administrator” means Apex Class Action LLC.

25 30. “Notice” means the Notice of PAGA Payment, substantially in the form attached
26 as **Exhibit A**.

27 31. “Order and Judgment” means the Court order granting approval of the Settlement
28 in an order in substantially the same form as the order attached as **Exhibit B**.

1 **TERMS OF AGREEMENT**

2 NOW, THEREFORE, in consideration of the mutual covenants, promises, and
3 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

4 32. Gross Settlement Amount. In consideration for the covenants, promises, waivers,
5 and releases contained in this Agreement, and subject to Court approval, Defendant shall pay the
6 sum of \$135,000.00 ("Gross Settlement Amount") in full and final settlement of the PAGA
7 Representative Claims and the Lawsuit on or before the Funding Date. The Gross Settlement
8 Amount is non-reversionary.

9 33. Escalator Clause. Defendant represented that there are 3,574 pay periods worked by
10 the Aggrieved Employees from the beginning of the PAGA Release Period through August 13, 2024.
11 Should the actual number of pay periods worked by the Aggrieved Employees from the beginning of
12 the PAGA Release Period through August 13, 2024 increase by more than 10% (*i.e.*, more than 3,931
13 pay periods), then, at Defendant's option, the settlement will either (1) increase by 1% for every 1%
14 over the 10% threshold, or (2) the PAGA Period will end when the number of pay periods equals
15 3,931. For the avoidance of doubt, if the Escalator Clause is triggered and the Gross Settlement
16 Amount increases, Class Counsel shall have the right to seek attorney's fees up to one-third of the
17 increased Gross Settlement Amount.

18 34. Attorney's Fees and Costs. Subject to Court approval, Defendant will not oppose
19 Plaintiff's Counsel's request for fees up to one-third (1/3) of the Gross Settlement Amount, and for
20 costs not to exceed \$10,000, to be paid out of the Gross Settlement Amount.

21 35. Plaintiff's Incentive Award. In recognition of her efforts and work in prosecuting the
22 Action on behalf of the PAGA Settlement Members and in negotiating the Settlement, Defendant
23 agrees not to oppose or impede any application or motion for a PAGA Representative Enhancement
24 Payment of up to a total of \$10,000.00 to the Named Plaintiff, Nikol Lockett, subject to the Court's
25 approval. The PAGA Representative Enhancement Payment, which will be paid from the Gross
26 Settlement Amount, is in addition to the payment to which she is entitled as PAGA Settlement
27 Member. The Named Plaintiff agrees to execute a general release of all claims, including a waiver of
28 California Civil Code § 1542, against Defendant in exchange for her Enhancement Payment, which

1 this Stipulation includes. The Settlement Administrator will issue an IRS Form 1099 for the
 2 Enhancement Payment to the Named Plaintiff, and the Named Plaintiff shall be solely and legally
 3 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
 4 on the amount received. Should the Court reduce the Named Plaintiff Enhancement Payment, any
 5 such reduction shall revert to the Net Settlement distributed to PAGA Settlement Members. In the
 6 event that the Court reduces or does not approve the requested Plaintiff's Counsel Fee Award and
 7 costs, Plaintiff and Plaintiff's Counsel shall not have the right to revoke this settlement, and it will
 8 remain binding, and Plaintiff shall not appeal any judgment or order on that basis.

9 36. Settlement Costs. The Settlement Administrator will be paid for the reasonable costs
 10 of administration of the Settlement and distribution of payments from the Gross Settlement
 11 Amount, which is capped at no more than \$15,000.00. Any unused amounts will revert to the Gross
 12 Settlement Amount.

13 37. Net Settlement Amount. "Net Settlement Amount" shall mean the Gross
 14 Settlement Amount *minus* Settlement Administration Costs, Plaintiff's Counsel's Fees and Costs,
 15 and the PAGA Representative Enhancement Payment. The remaining amount shall be referred to
 16 as the Net Settlement Amount and shall be allocated for payment of PAGA civil penalties as follows:
 17 (i) 75% of the Net Settlement Amount shall be distributed to the LWDA; and (ii) 25% of the Net
 18 Settlement Amount shall be distributed to the PAGA Settlement Members, as set forth in the
 19 version of Labor Code section 2699(i) effective as of the date of filing of the Lawsuit.

20 38. Non-Admission of Liability, Wrongdoing, or Standing. This Agreement shall not in
 21 any way be construed as an admission by Defendant and/or any of the Released Parties that they
 22 acted wrongfully with respect to Plaintiff or any other allegedly Aggrieved Employees. Defendant
 23 specifically disclaim any liability to, or wrongful acts against Plaintiff, on the part of itself, and/or
 24 any respective parents, subsidiaries, affiliates, predecessors, successors, officers, directors,
 25 employees, or agents. Defendant denies that there is any factual evidence or legal basis to support
 26 any claims or Labor Code violations that Plaintiff alleges on behalf of alleged aggrieved employees,
 27 or by Plaintiff on her own behalf.

1 39. Release by PAGA Settlement Members and the LWDA. Effective as of the date that
2 Defendant fully funds the Gross Settlement Amount, for and in consideration of the mutual
3 promises and consideration set forth in this Agreement, Plaintiff, the PAGA Settlement Members,
4 and the LWDA are deemed to release against the Released Parties *only* claims for civil penalties,
5 interest, fees or costs under PAGA that were alleged, or reasonably could have been alleged, based
6 on the facts stated in the Complaint or the PAGA Notice Letter, specifically claims for penalties
7 under PAGA based on predicate violations of Labor Code §§ 226, 226.3, 226.7, 512, 1174, 201-204,
8 210, 1198, and 2802 and the applicable Wage Orders (collectively, the “PAGA Released Claims”).
9 The PAGA Released Claims are expressly limited to claims for PAGA penalties and not any
10 underlying predicate claims or causes of action.

11 40. Plaintiff’s Release and Obligations. In exchange for the service payment referenced
12 above, and in addition to Plaintiff’s release of the PAGA Released Claims, Plaintiff and her heirs,
13 family members, executors, administrators, successors, attorneys, agents, representatives, and
14 assigns hereby irrevocably and unconditionally remises, releases, and forever discharges Defendant
15 and the Released Parties from any and all claims, wages, demands, rights, liens, agreements,
16 contracts, covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys’
17 fees, damages, judgments, orders, liabilities, demands, charges, complaints, and promises of any
18 nature whatsoever, in law or equity, known or unknown, suspected or unsuspected, and whether or
19 not concealed or hidden, which Plaintiff may have, or have ever had, against the Released Parties,
20 or any of them, arising out of, or in any way related to Plaintiff’s hire, benefits, employment,
21 termination, or separation from employment with Defendant by reason of any actual or alleged act,
22 omission, transaction, practice, conduct, occurrence, or other matter from the beginning of time up
23 to and including the date Plaintiff signs this Agreement including, without limiting the generality of
24 the foregoing: (a) any and all claims under Title VII of the Civil Rights Act of 1964, as amended
25 (“Title VII”), the Americans with Disabilities Act (“ADA”), the Employee Retirement Income
26 Security Act, as amended (“ERISA”) (regarding unvested benefits), the Family and Medical Leave
27 Act (“FMLA”) (regarding existing but not prospective claims), the Fair Labor Standards Act
28 (“FLSA”), the Equal Pay Act, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair

1 Credit Reporting Act (“FCRA”), the Worker Adjustment and Retraining Notification Act
 2 (“WARN Act”), the National Labor Relations act (“NLRA”), the Uniform Services Employment
 3 and Reemployment Rights Act (“USERRA”), the Genetic Information Nondiscrimination Act
 4 (“GINA”), the Immigration Reform and Control Act (“IRCA”), the Fair Employment and
 5 Housing Act (“FEHA”), the California Constitution, the California Family Rights Act (“CFRA”),
 6 the California Labor Code (including PAGA) and applicable Wage Order(s), the Unfair Competition
 7 Law, all as amended by their respective implementing regulations, and any other federal, state or
 8 local law, (statutory, regulatory, or otherwise) that may be legally waived and released; however the
 9 identification of specific statutes or law shall not limit the scope of this general release in any manner;
 10 and (b) any and all claims for backpay, regular pay, minimum wages, premium pay, overtime pay,
 11 other wages, expenses, penalties, failure to provide meal and/or rest periods, failure to reimburse
 12 business expenses, compensatory damages, special damages, interest, commissions, bonuses, sick
 13 leave, holiday pay, vacation pay, restitution, tort claims, contract claims, equitable claims, hostile
 14 work environment claims, workplace harassment claims, wrongful termination claims,
 15 discrimination claims, public policy claims, retaliation claims, whistleblower retaliation claims,
 16 failure to provide reasonable accommodation claims, failure to engage in the interactive process
 17 claims, failure to prevent discrimination claims, failure to prevent retaliation claims, statutory
 18 claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation
 19 claims, fraud claims, quantum meruit claims, and/or attorneys’ fees and costs either individually or
 20 as part of a class action, collective action, and/or representative action (collectively, “Plaintiff’s
 21 Released Claims”).

22 Plaintiff further agrees and expressly waives and relinquishes to the fullest extent permitted
 23 by law, the rights and benefits of California Civil Code section 1542, which provides:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
 25 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
 26 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
 27 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
 28

1 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
2 DEBTOR OR RELEASED PARTY.

3 Notwithstanding the provisions set forth herein, and for the purpose of implementing a full
4 and complete release, Plaintiff expressly acknowledges that this Agreement is intended to include
5 and does include its effect without limitation all claims which Plaintiff does not know or suspect to
6 exist in her favor against Defendant and/or the Released Parties, and that this Agreement
7 contemplates extinguishment of any such claim or claims. Plaintiff has been given at least 21 days
8 from the date of receipt of this AGREEMENT to consider the terms of this Agreement and
9 consult with counsel before signing it (Consideration Period). In the event Plaintiff chooses
10 to sign this Agreement prior to the expiration of the Consideration Period, Plaintiff
11 represents that she knowingly and voluntarily is waiving the remainder of the Consideration
12 Period. Plaintiff understands that having waived some portion of the Consideration Period,
13 Defendant may expedite the processing of benefits provided to her in exchange for signing
14 this Release. Plaintiff agrees with Defendant that changes, whether material or immaterial,
15 do not restart the running of the Consideration Period. Plaintiff acknowledges that she has
16 seven (7) days after she signs this Agreement to revoke his agreement to it by sending a
17 written revocation notice to Defendant through their counsel. Notwithstanding any other
18 provision of this Agreement, if Plaintiff revokes this Agreement pursuant to this section, the
19 Agreement will not be effective or enforceable.

20 41. Plaintiff agrees that her counsel will take all necessary steps to dismiss Haksar from
21 the Action within five (5) calendar days from receiving a copy of the Settlement Agreement signed
22 by Defendant. Plaintiff agrees that she will not file her motion for approval of this Agreement until
23 Haksar has been dismissed from this Action.

24 42. PAGA Settlement Administrator and Distribution Method. The Parties agree that
25 Apex Class Action LLC shall serve as the PAGA Settlement Administrator to process and distribute
26 the Gross and Net Settlement Amounts in accordance with this Agreement.

27 43. The Parties agree that the Settlement Administrator shall establish a Qualified
28 Settlement Fund ("QSF") that is intended to be pursuant to Section 468B of the Code and Treas.

1 Reg. §1.468B-1, 26 CFR § 1.468B-1et seq., and will be administered by the Settlement Administrator
 2 as such. With respect to the QSF, the Settlement Administrator shall: (1) open and administer a
 3 settlement account in such a manner as to qualify and maintain the qualification of the QSF as a
 4 “Qualified Settlement Fund” under Section 468B of the Code and Treas. Reg. §1.468B-1; (2) satisfy
 5 all federal, state and local income and other tax reporting, return, and filing requirements with
 6 respect to the QSF (if any is required); and (3) satisfy out of the QSF all fees, expenses, and costs
 7 incurred in connection with the opening and administration of the QSF and the performance of its
 8 duties and functions as described in this Agreement. The aforementioned fees, costs, and expenses
 9 shall be treated as and included in the costs of administering the QSF by the Settlement
 10 Administration.

11 a. The Net Settlement Amount shall be available for distribution to the PAGA
 12 Settlement Members and the LWDA consistent with Labor Code section 2699(i) and
 13 shall be allocated as follows: 75% to the LWDA (“LWDA Payment”) and 25% to the
 14 PAGA Settlement Members (“PAGA Settlement Members Payment”). Each
 15 PAGA Settlement Member will receive a pro rata share of the PAGA Settlement
 16 Members Payment based on their Eligible Pay Periods relative to the total Eligible
 17 Pay Periods of all PAGA Settlement Members (“Individual PAGA Settlement
 18 Member Payment”). The Settlement Administrator will calculate each PAGA
 19 Settlement Member’s pro rata share of the PAGA Settlement Members Payment.

20 b. After 10 calendar days from the entry of a Court order approving the Settlement,
 21 Defendant will send to the Settlement Administrator the PAGA Settlement Member
 22 List. This information shall be treated as and remain confidential by the Settlement
 23 Administrator and shall be used solely to manage the notice and payment process
 24 described herein, shall not be disclosed to Plaintiff’s Counsel or to anyone other than
 25 the necessary staff of the Settlement Administrator, except as needed to effectuate
 26 the Settlement, including to resolve any dispute over the amount of a PAGA
 27 Settlement Member’s pro rata share of the PAGA Settlement Members Payment.
 28

- 1 c. By the Funding Date, Defendant shall wire the Gross Settlement Amount using the
2 wiring instructions provided by the PAGA Settlement Administrator.
- 3 d. Within five (5) business days of the Funding Date, the PAGA Settlement
4 Administrator shall distribute the amounts for the Plaintiff's service payment and
5 attorneys' fees and costs to Plaintiff's counsel, and the Net Settlement Amount to
6 the LWDA and PAGA Settlement Members.
- 7 e. Because the Individual PAGA Settlement Member Payments are in compromise and
8 settlement of claims for civil penalties, the entirety of these payments will be treated
9 as non-wage income that is not subject to any withholdings or deductions. The
10 service payment to Plaintiff is not wages, will not be subject to deductions or
11 withholdings, and will be reported as 1099 income. The PAGA Settlement
12 Administrator shall be responsible, to the extent necessary based on the amount of a
13 payment, for all tax reporting and documentation related to the PAGA Settlement
14 Member Payments, as well as all other payments made under the Agreement.
15 Plaintiff and Plaintiff's Counsel each agree to hold Defendant and the Released
16 Parties harmless from and against any damage or penalty incurred by Plaintiff and/or
17 Plaintiff's Counsel as a result of any taxing authority assessing any tax or penalty
18 upon Defendant as a consequence of any tax being due and unpaid on each of their
19 portions of the Settlement. Plaintiff, Plaintiff's counsel, Defendant, and Defendant's
20 counsel shall not bear any responsibility for errors or omissions in the calculation or
21 distribution of the settlement payments or development of the list of recipients of
22 settlement payments or any increase in the fees of the Settlement Administrator that
23 may result from such errors or omissions. Defendant nor their counsel shall have any
24 liability for any tax implications related to the receipt of settlement funds herein,
25 including by the settlement administrator. Any and all such liability and/or
26 obligations shall be borne solely by the recipients of any funds to be paid by Defendant
27 herein, except that in no case shall any PAGA Member be required to pay, reimburse,
28 or indemnify Defendant for any amounts characterized or recharacterized as

1 employer-side tax liabilities. The Parties acknowledge neither Defendant's nor
2 Plaintiff's counsel have provided any tax-related advice whatsoever.

3 f. Because this is a PAGA settlement and not a class action settlement, and because
4 there is no claims procedure and no ability to "opt out," there will be no prior notice
5 to the PAGA Settlement Members advising them of the Settlement or any procedure
6 by which the PAGA Members must submit claims in order to receive a settlement
7 payment. However, the Individual PAGA Settlement Member Payment will be
8 accompanied by a Notice informing PAGA Settlement Member why they are
9 receiving payment substantially in the form of **Exhibit A**.

10 g. No later than five (5) business days after the Funding Date, the Settlement
11 Administrator will mail a notice ("PAGA Notice") approved by the Court (in
12 substantially the form attached as Exhibit A) along with the Individual PAGA
13 Settlement Member Payment to the individuals in the PAGA Data. For any mailings
14 returned as undeliverable or notifying the Settlement Administrator that the PAGA
15 Settlement Member is no longer at the address provided in the PAGA Settlement
16 Member List, the PAGA Settlement Administrator shall perform a skip-trace on that
17 individual using the National Change of Address database and other source(s) as
18 necessary and will have fourteen (14) calendar days to re-mail the Notice and
19 payment to the new address found in the skip-trace.

20 h. PAGA Settlement Members shall have one-hundred and eighty (180) calendar days
21 to cash their Individual PAGA Settlement Member Payment checks under this
22 Agreement. Any checks not negotiated within the one-hundred and eighty (180) days
23 will be voided and will not be reissued. Any funds from voided checks to PAGA
24 Settlement Members will be sent by the Settlement Administrator to the State of
25 California Unclaimed Property Fund through the State Controller's Office in the
26 name of the PAGA Settlement Member within thirty (30) calendar days after the
27 check-cashing deadline prescribed herein.
28

- i. Upon completion of administration of the Settlement, the Settlement Administrator will provide written certification of such completion to the Court and counsel for the Parties that shall be filed with the Court five (5) court days before the non-appearance compliance hearing to be set by the Court.

44. Impact of Non-Approval by the Court. Should the Court deny approval of this Agreement, the Parties shall work jointly to make reasonable efforts to attempt to address the Court's concerns in order to obtain the Court's approval, except that Defendant will not be required under any circumstances to increase the Gross Settlement Amount, other than provided under Paragraph 33. If the Parties cannot obtain court approval, the Parties shall be restored to their respective litigation positions before they entered into this Agreement. If the Court ultimately denies approval of the Agreement, or if the Court's approval is reversed on appellate review, this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

45. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

46. Judgment in this Action. Within thirty (30) calendar days after the Parties execute this Agreement, Plaintiff's Counsel shall prepare, file, and serve a motion for approval of this Agreement pursuant to California Labor Code § 2699(1)(2), advocating that the terms of the Settlement are fair, adequate, and reasonable, and Defendant shall not oppose such a motion provided that it is consistent with the terms of this Agreement. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by this Agreement or by law.

1 47. Confidentiality. Plaintiff agrees to maintain the terms and conditions of this
2 Agreement as confidential and agrees not to disclose the terms of this Agreement until the motion
3 for approval is filed with the Court and/or submitted to the LWDA, after which time Plaintiff shall
4 refer any questions or comments about the Settlement or this Agreement from PAGA Settlement
5 Members to Plaintiff's Counsel. Nothing in this Agreement shall limit Plaintiff's right to
6 communicate with her spouse(s), legal counsel retained by Plaintiff, personal certified accountant,
7 financial adviser, or tax consultant, or as required or compelled by legal authority before or after the
8 motion for approval is filed with the Court.

9 48. The Parties agree not to issue press releases, communicate with, or respond to, any
10 media or publication entities concerning the Settlement, including the fact of the Settlement, its
11 terms or contents, and the negotiations underlying the Settlement prior to approval and Entry of
12 Judgment, except as required by law or as shall be contractually required to effectuate the terms of
13 the Settlement as set forth herein. Nothing stated herein shall prohibit Plaintiff's Counsel from
14 discussing the Settlement, the fact of Settlement, and its terms and conditions: (i) with PAGA
15 Settlement Members, (ii) in court filings, including in their respective firm resumes, and/or (iii) in
16 all necessary motions and supporting memoranda related to approval of the Settlement or for other
17 PAGA settlements. This provision also does not limit Plaintiff's Counsel (i) from complying with
18 ethical obligations; or (ii) from posting a neutral description of publicly available facts regarding the
19 Settlement, provided that such posting does not expressly identify Defendant by name.

20 49. No Admission of Wrongdoing. Except for the purposes of effectuating and enforcing
21 the terms of this Agreement which include barring claims that are released pursuant to this
22 Agreement, neither this Agreement nor any of its terms nor the settlement itself shall be: (a)
23 construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any
24 purpose adverse to Defendant and/or any of the Released Parties, including but not limited to,
25 evidence of any violation of the Labor Code, presumption, concession, indication, or admission by
26 any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or
27 (b) disclosed, referred to, or offered in evidence against Defendant and/or any of the Released
28 Parties in any other civil, criminal, or administrative action or proceeding.

1 50. Knowing and Voluntary Agreement. Each Party has carefully read, knows, and
2 understands the full contents of this Agreement and is voluntarily entering into this Agreement after
3 having received independent legal advice from her or its attorneys with respect to the advisability of
4 making the settlement provided for herein and the advisability of executing this Agreement.

5 51. Joint Drafting. Each of the Parties has participated in the drafting of all provisions of
6 this Agreement, has had an adequate opportunity to read, review, and consider the effect of the
7 language of this Agreement, and has agreed to its terms.

8 52. Severability. If any provision of this Agreement is held to be invalid by a court of
9 competent jurisdiction, that provision shall be deemed severed and deleted from this Agreement,
10 and neither that provision nor its severance and deletion shall affect the validity of the remaining
11 provisions, except that if the Court severs a provision that either of the Parties reasonably considers
12 to be a material term of this Agreement, that Party shall have the option to send a written notice to
13 the other Party no later than fourteen (14) calendar days after the Court severs the provision that it
14 wishes to void the entire Agreement and to restore the Parties to their litigation positions as of before
15 this Agreement was reached. If the Parties are thereafter unable to resolve the issue by reasonable
16 efforts, this Agreement in its entirety shall be deemed null and void, shall be of no force or effect
17 whatsoever, and shall not be referred to or used for any purpose whatsoever. In such case, the Party
18 seeking to void the agreement shall be liable for any costs incurred by the Administrator through
19 that date.

20 53. Counterparts. This Agreement may be signed in counterparts. Fax, scan, and/or
21 electronic copies of signatures shall be deemed effective as originals.

22 54. Entire Agreement. This Agreement sets forth the entire agreement between the
23 Parties hereto and fully supersedes any and all prior and/or supplemental understandings, whether
24 written or oral, between the Parties concerning the subject matter of this Agreement. Any
25 modification to this Agreement must be in writing and signed by Plaintiff and Plaintiff's Counsel
26 and Defendant and Defendant's counsel.

27 55. Waiver of right to appeal. Any Party may terminate this Settlement or appeal any
28 Court order which is not in substantially the form submitted by the Parties, except as follows:(i) in

1 the event that the Court reduces or does not approve the requested PAGA Representative
2 Enhancement Payment, Plaintiff shall not terminate this Settlement or appeal any judgment or order
3 on that basis; and/or (ii) in the event that the Court reduces or does not approve Plaintiff's
4 Counsel's requested fee award and costs, Plaintiff and Plaintiff's counsel shall not terminate this
5 Settlement and shall not appeal any judgment or order on that basis.

6 56. Cooperation. All Parties will cooperate in good faith and apply their best efforts to
7 implement this Settlement by, among other things, executing all documents to the extent reasonably
8 necessary to effectuate the terms of this Settlement Agreement, submitting supplemental evidence
9 and/or supplemental points and authorities if requested by the Court, or making changes to the
10 Settlement if requested by the Court that do not materially affect the essential settlement terms.

11 57. Enforcement Actions. In the event that one or more of the Parties institute any legal
12 action, motion, petition, or other proceeding against any other Party or Parties to enforce the
13 provisions of this Settlement or to declare rights and/or obligations under this Settlement, the
14 successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties
15 reasonable attorneys' fees and costs, including expert witness fees incurred.

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

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

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To Plaintiff:

ELLIOT J. SIEGEL
elliott@kingsiegel.com
LAWRENCE W. BEALL
lawrence@kingsiegel.com
KING & SIEGEL LLP
724 S. Spring Street, Suite 201
Los Angeles, California 90014
tel: (909) 287-4641
fax: (213) 465-4803

To Defendant:

MEGAN CHILDRESS
mchildress@ohaganmeyer.com
ELIZABETH M. MARTIN
emartin@ohaganmeyer.com
O'HAGAN MEYER LLP
550 S. Hope Street, Suite 2400
Los Angeles, California 90071
Telephone: 213-647-0005

King & Siegel LLP

1 IN WITNESS WHEREOF, the Parties knowingly and voluntarily executed this Joint Stipulation of
2 Settlement of PAGA Representative Action as of the date set forth below.

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4 DATED: _____

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9 DATED: 9/6/2024 _____

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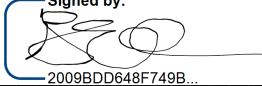
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By: _____

NIKOL LOCKETT

Individually and on behalf of the PAGA Settlement
Members

Signed by:

2009BDD648F749B...

By: _____

Name: Gregory E. Alden

Title: CEO of LLC Member

On behalf of Defendant Stanford Park Hotel, LLC