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Attorneys for Plaintiff ERIC CARDENAS

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

ERIC CARDENAS, on behalf of himself and
all others similarly situated, and the general
public,

Plaintiff,

v.

LOEWS HOLLYWOOD HOTEL, LLC, a
Delaware limited liability company; LOEWS
HOTELS & CO, a business entity of unknown
form; LOEWS CORPORATION, a business
entity of unknown form; and DOES 1 through
50, inclusive,

Defendants.

Case No. 24STCV15653

CLASS ACTION

Assigned for All Purposes To:
Hon. Elihu M. Berle
Dept.: 6

**DECLARATION OF MARTA MANUS IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARILY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

*[filed concurrently with Notice of Motion and
Motion for Preliminary Approval of Class Action
and PAGA Settlement; Declaration of Eric
Cardenas; and [Proposed] Order]*

Date: August 27, 2026
Time: 11:00 a.m.
Dept.: 6

Action filed: June 21, 2024
Trial date: None Set

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26, 2024, after filing a notice of removal, Defendants removed the Class Action to the United States District Court for the Central District of California, Case No. 2:24-cv-0634GW(MARx).

On September 5, 2024, Plaintiff filed a complaint in Los Angeles Superior Court, Case No. 24STCV22767, alleging claims for civil penalties under Labor Code § 2698, et seq. (the “PAGA Action”).

4. On December 12, 2024, the Parties participated in private mediation before Lonnie Giamela, Esq., but were unable to reach an agreement on general terms. After further settlement discussions, the Parties agreed to settle the Class Action and the PAGA Action. Thereafter, the Parties stipulated to remand the Class Action, which was remanded on March 16, 2026. On April 27, 2026, Plaintiff filed a First Amended Complaint consolidating the Class Action and the PAGA Action. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”).

Plaintiff’s Claims and Defendants’ Denials

5. Plaintiff’s claims are based on Defendants’ alleged failure to provide all compliant meal and rest periods, failure to pay all wages including overtime wages, failure to reimburse all business expenses, failure to provide compliant wage statements under Labor Code § 226, and failure to timely pay all wages due under Labor Code §§ 201-203. Plaintiff further alleged that Defendants owe penalties under the PAGA, Labor Code §§ 2698, et seq., and engaged in unlawful, unfair, and/or fraudulent business acts and practices in violation of Business & Professions Code §§ 17200, *et seq.*

6. Specifically, Plaintiff alleged that Class Members were required to perform work, off-the-clock, during meal and rest periods as well as before and after their shifts, for which they were not paid wages. Specifically, Plaintiff alleged that Class Members were required to wait in line to clock in for work for the day. Plaintiff alleged that there was only one machine for clocking in, and the wait times could exceed 10 minutes when the machine was functional (the second machine was on the second floor, near the cafeteria, and could only be used for meal period clock ins). Additionally, at the end of their shifts, Class Members had to wait in the same line to clock out for the day. As there were Class Members who were clocking in for the night shift while the Class

1 Members working during the day shift were leaving, there was frequently a long line and waiting
2 periods after the end of the first shift which were even greater than those encountered during clock
3 in.

4 7. Plaintiff also alleged that Class Members were, at times, deprived of meal and rest
5 periods, or those meal and rest periods were systemically interrupted because of sustained flow of
6 guests and the need to take care of them, including greeting them to the hotel, taking their bags to
7 the rooms, or answering their questions. Despite doing this off-the-clock work, Class Members were
8 not paid wages for the foregoing and uncompensated working time, which was under the direction
9 and control of Defendants.

10 8. Additionally, Plaintiff contended that Defendants failed to maintain a proper
11 electronic clock-in and clock-out system to contemporaneously record the employees' time,
12 particularly when it came to the tracking of meal periods. Plaintiff contends that Defendants
13 implemented an unlawful time-rounding policy and practice which rounded down and reduced the
14 actual working hours recorded by Class Members. As such, these records do not comport with
15 Plaintiff's and Class Members' reports about the actual hours they worked, the actual times when
16 they took their meal periods, the interruptions of meal periods to complete assigned tasks, and the
17 off-the-clock work that delayed meal periods or prevent Plaintiff and Class Members from taking
18 all compliant meal periods. In practice, too, Plaintiff and Class members were allegedly not provided
19 the opportunity to take their meal periods prior to the completion of their fifth hour of work due to
20 heavy workloads due to a sustained flow of guests and the need to take care of them, including
21 greeting them to the hotel, taking their bags to the rooms, or answering their questions. Similarly,
22 Class Members were allegedly denied the opportunity to take rest periods since they were not
23 relieved of their duties and were consistently required to work through their rest breaks, performing
24 the duties described above.

25 9. Plaintiff also alleged Defendants failed to reimburse Class Members for all necessary
26 expenditures incurred to perform their duties under Defendants' employ. Class Members were
27 required to download an application on their phones in order to access their schedules and to use
28 their personal cell phones to communicate with their managers, after work hours off-the-clock.

10. Plaintiff also alleged that Defendant had a common policy and practice of failing to pay Plaintiff and Class Members accrued vacation wages, at the proper rates of pay, resulting in a failure to pay all accrued vacation wages upon termination of employment. Defendants contended that they paid all accrued vacation wages in compliance with California law.

11. Lastly, Plaintiff's claim for failure to provide accurate wage statements under Labor Code § 226 and failure to timely pay all wages due upon separation of employment under Labor Code §§ 201-203 are derivative of the underlying claims for failure to pay all wages.

12. Defendants generally deny all claims alleged in the Action and further deny class and/or representative treatment is appropriate for any purpose other than this Settlement and that it complied with all applicable laws.

Investigation

13. Before filing the lawsuit, Class Counsel conducted a thorough investigation and researched the facts and circumstances underlying the pertinent issues and applicable law. This required thorough discussions and interviews between Class Counsel and Plaintiff, in addition to the above-described research into the various legal issues involved in the case. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including (1) conducting informal discovery and meeting and conferring with defense counsel about same; (2) reviewing and analyzing records and data, as well as employment-related policies; (3) reviewing Plaintiff's personnel file and other documentation; (4) interviewing Plaintiff regarding potential Class Members; (5) researching the applicable law and potential defenses; (6) constructing damage models based on interpretations of California law and the facts and numbers provided by Defendants; and (7) reviewing information provided by Defendants in response to informal discovery and in advance of the mediation. The Parties conducted their own evaluations of the potential recoveries based on the claims alleged in the Action. Plaintiff hired an expert damages consultant to analyze class data and formulate a damages model for mediation.

14. Defendants, for their part, vigorously contested liability, the amount of claimed damages, and the propriety of class certification. After analyzing the relevant documents and other gathered data, Class Counsel believed that this case was appropriate for resolution via mediation.

1 Given the high level of risk present for both sides, the Parties elected to mediate Plaintiff's claims
2 and explore the possibility of settlement.

3 **Settlement Efforts**

4 15. In advance of mediation, Class Counsel conducted a thorough investigation into the
5 facts of, and applicable law to, the Action, including reviewing documents and data regarding
6 Defendants' employment policies and practices. Plaintiff's counsel provided Defendants' counsel
7 with a comprehensive listing of informal discovery items required to constructively mediate.
8 Defendants responded by producing timekeeping and corresponding payroll records for
9 approximately 175 Class Members (30%) along with policy documents. (See Declaration of
10 Kenneth Creal ¶ 7, **Exhibit 2** hereto). Prior to mediation, Plaintiff therefore obtained and analyzed
11 the production of time and payroll data for Class Members and Aggrieved Employees and the
12 necessary policy documents through informal discovery to properly evaluate the strengths and
13 weaknesses of their claims and engage in meaningful settlement discussions. Plaintiff's
14 investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker*
15 *Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168
16 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

17 16. On December 12, 2024, the Parties participated in a mediation presided over by
18 respected wage and hour mediator Lonnie Giamela, Esq., but were unable to reach an agreement.
19 After further settlement discussions, the Parties agreed to settle this matter. During mediation,
20 counsel for Plaintiff and Defendants discussed all aspects of the case, including the risks of litigation
21 and the risks to both parties as well as the law and how it applied to the facts of this case. Following
22 a full day of mediation, the Parties agreed to general settlement terms to resolve the lawsuit. The
23 Parties continued to work together negotiating the long form settlement terms following mediation,
24 as set forth in the Settlement Agreement.

25 17. Class Counsel is of the opinion that the Settlement with Defendants for the
26 consideration and terms set forth herein, considering the representative and class claims and the risk
27 of loss, is fair, reasonable, and adequate considering all known facts and circumstances, and is in
28 the best interests of the Class. Class Counsel is also of the opinion that the total consideration and

1 payment set forth in this Settlement Agreement is adequate in light of the uncertainties surrounding
2 the risk of further litigation, the possibility of losing class certification, that the PAGA claim could
3 be deemed unmanageable, and the defenses that Defendants asserted and/or could assert as to the
4 substantive merit of the claims. Based on the settlement negotiations, which were extensive and
5 conducted in good faith and at arm's length between attorneys with substantial experience litigating
6 wage and hour class action cases, the Settlement was the product of a non-collusive settlement
7 process and compromises in the interest of reaching a full and complete settlement. As a result,
8 Class Counsel has determined that the settlement set forth in the Settlement Agreement is in the best
9 interests of the Class.

10 **Summary of the Settlement**

11 18. Under the terms of the proposed Settlement Agreement, the Defendants will pay
12 \$1,000,000.00 ("Gross Settlement Amount" or "GSA") on a non-reversionary basis to settle and
13 release all claims asserted by Plaintiff in the operative complaint on behalf of the proposed Class.
14 (Ex. 1, p. 2). The Settlement Agreement defines "Class" as "all current and former hourly-paid or
15 non-exempt employees of Defendants in California employed during the Class Period" (defined as
16 June 21, 2020, through January 15, 2025). (*Id.*, at p. 1).

17 19. The "Net Settlement Amount," available to Class Members, is the Gross Settlement
18 Amount, less the following payments in the amounts approved by the Court: Individual PAGA
19 Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees
20 Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The Net
21 Settlement Amount is to be paid to Participating Class Members as Individual Class Payments. (Ex.
22 1, p. 1). These amounts are detailed as follows:

- 23 • Up to one-third (1/3) of the GSA, or \$333,333.33, to Class Counsel for attorneys' fees
24 ("Class Counsel Fees Payment"), and reimbursement of reasonable actual litigation
25 expenses (not to exceed \$25,000.00), incurred by Class Counsel to prosecute the Action.
26 (Ex. 1, p. 6);
- 27 • Up to \$10,000.00 to Plaintiff as a service payment for service as the class representative
28 ("Class Representative Service Payment"). (Ex. 1, p. 6);

- Up to \$10,000.00 to the Administrator for its fees and costs to administer the Settlement (“Administrator Expenses Payment”). (Ex. 1, p. 7);
- \$150,000.00 for settlement of claims for civil penalties under PAGA, with 35% allocated to the Aggrieved Employees (\$52,500.00) and 65% allocated to the LWDA (\$97,500.00) will be paid to the LWDA (“LWDA PAGA Payment”). (Ex. 1, p. 7).

20. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount is estimated to be \$471,666.67. Each Class Member’s share of the Net Settlement Amount will be calculated based on the number of workweeks the Class Member worked during the Class Period. (Ex. 1, p. 3). For the approximately 499 Class Members (if no exclusions), the average gross individual settlement payment share, using a straight average, is \$945.22 ($\$471,666.67/499$). If the Court approves a lesser amount for any of the above requested allocations from the Net Settlement Amount, the remainder will be added to the Net Settlement Amount to be distributed to Participating Class Members. (Ex. 1, pp. 6-8).

21. The Class Notice is attached to the Settlement Agreement as Exhibit A. (Ex. 1, p. 2). The Administrator will mail the Class Notice to all Class Members no later than seven (7) days after receiving the Class Data from the Defendants. (Ex. 1, ¶ 7.4.2, p. 13). The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of workweeks and/or pay periods attributed to each Class Member per Defendant’s records. Class Members will have sixty (60) days from the mailing of the Class Notice to opt out of or object to the Settlement or to dispute the number of work weeks and/or pay periods; Class Members will have an additional fifteen (15) days if they receive a re-mailed Notice. (Ex. 1, ¶ 7.4.4., p. 14).

22. The Parties have agreed upon Apex Class Action LLC (“Apex”) as the Administrator and request that this Court appoint Apex to handle the Class Notice and claims administration procedures, including posting the Judgment on its website. (Ex. 1, p. 1; Declaration of Kimberly Sutherland of Apex, attached hereto as **Exhibit 3**).

Certification for Settlement Purposes Only is Appropriate

23. Plaintiff alleges that the proposed Class satisfies the criteria for certification of a

1 settlement class under California law, as embodied in California Code of Civil Procedure § 382.
2 Defendants have agreed to the conditional certification of the class for settlement purposes only.
3 Defendants do not concede that certification is appropriate outside of this Settlement and preserves
4 all rights to oppose certification if, for any reason, the settlement does not become effective. In
5 general, courts may take a proposed settlement into account in evaluating the propriety of class
6 certification. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a “lesser
7 standard” of scrutiny applies in certifying classes for settlement purposes. *Id.* Therefore, the Court
8 should take into consideration the fact that the Parties have settled their claims and stipulated to
9 certification for settlement purposes when assessing whether the Settlement is fair and reasonable.

10 24. Numerosity and Ascertainability. The putative Class is so numerous that joinder of
11 all members is impractical. Class Members are all current and former non-exempt, hourly employees
12 of Defendants employed in California during the Class Period. (Ex. 1, p. 1). Defendants have
13 identified approximately 499 Class Members based on review of its payroll and personnel records
14 (Ex. 1, p. 17). Thus, there is numerosity and ascertainability.

15 25. Well-Defined Community of Interest. Plaintiff contends, and Defendants do not
16 dispute for settlement purposes only, that common issues of fact and law predominate as to each of
17 the claims alleged by Plaintiff, and the Class is united in its proof. This action involves, *inter alia*,
18 a determination about Defendants’ alleged failure to provide all meal and rest periods, failure to pay
19 all wages and overtime due to allegedly common off-the-clock work, failure to correctly calculate
20 the regular rate of pay, failure to reimburse business expenses; the resulting failure to pay final
21 wages when required and to provide accurate wage statements; and largely derivative claims under
22 the UCL and PAGA. Plaintiff contends Defendants’ practices affected Class Members in the same
23 way and present questions that are suitable for common adjudication because all Class Members
24 were subject to the same employment policies and practices. The outcome of litigation in this matter
25 depends upon questions that are common to Class Members.

26 26. Typicality. The class representative’s claims are typical when they arise from the
27 same event, practice, or course of conduct that gives rise to the claims of other putative Class
28 Members, and if their claims rest on the same legal theories. Here, Plaintiff alleges that his claims

are typical of Class Members' claims because they arose from the same factual basis and are based on the same legal theories. Plaintiff and Class Members were employed by Defendant during the Class Period and subject to the allegedly unlawful policies and pay practices at issue in this litigation. Plaintiff contends, and Defendants do not dispute for settlement purposes only, that Plaintiff's claims are typical of Class Members' claims because they arose from the same factual basis and are based on the same legal theories. Thus, the typicality requirement is satisfied.

27. Adequacy. Plaintiff's interests are aligned with those of the Class Members, as he has suffered the same injuries as the Class Members and has no conflicts of interest. Plaintiff has not shrunk from this responsibility. Indeed, Plaintiff has devoted a substantial amount of time and energy to litigating this action and effectuating a settlement. Furthermore, as set forth below, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and have zealously represented the interests of the class in litigating this case and have no conflicts of interest. Accordingly, the adequacy requirement is satisfied.

28. Predominance and Superiority. Plaintiff contends that individualized issues do not predominate over the issues of law and fact that are common to the Class as a whole. As explained, *supra*, Plaintiff alleges there are common issues of law and fact given that Plaintiff and all Class Members were subjected to the same policies and pay practices during the relevant time period. Plaintiff and Class Members seek meal and rest premiums, unpaid wages and overtime, and penalties for work performed as non-exempt employees for Defendants. Plaintiff alleges that these issues are suitable for common adjudication because all Class Members were allegedly subject to the same employment policies, and Plaintiff contends the practices applied uniformly to all Class Members.

29. Plaintiff contends that class resolution is superior to other available methods for the fair and efficient adjudication of the controversy as there is little interest or incentive for Class Members to individually control the prosecution of separate actions. Although the alleged injury resulting from Defendants' policies and practices are allegedly real and significant, the cost of individually litigating each such case against Defendants would easily exceed the value of any relief that could be obtained by any one Class Member individually. If Class Members are forced to litigate

1 their claims individually this would result in 499 individual actions against Defendants. Here, the
2 alternative methods of resolution are individual suits for relatively small amounts. Hence, individual
3 suits would prove uneconomical for potential plaintiffs because litigation costs would dwarf a
4 potential recovery.

5 **The Settlement is Fair, Adequate and Reasonable**

6 30. In deciding whether to approve a proposed class action settlement, the Court must
7 find that a proposed settlement is “fair, adequate, and reasonable” and falls within the “range of
8 approval.” *Dunk*, 48 Cal.App.4th at 1801-02. The trial court considers all relevant factors, such as
9 “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
10 litigation, the risk of maintaining class action status through trial, the amount offered in settlement,
11 the extent of discovery completed and the stage of the proceedings, the experience and views of
12 counsel, the presence of a governmental participant, and the reaction of the Class Members to the
13 proposed settlement.” *Id.* The Settlement satisfies all of these requirements.

14 **A. The Settlement is the Result of Serious, Informed, Non-Collusive Negotiations.**

15 31. The proposed settlement was reached as a result of arm’s length negotiations after
16 the completion of pertinent discovery and the exchange of necessary class data. The negotiations
17 have been, at all times, adversarial and non-collusive in nature. *See*, 4 Newberg on Class Actions §
18 13:45 (5th ed.) (due to the preference of settlement over litigation, “a court will presume that a
19 proposed class action settlement is fair when certain factors are present, particularly evidence that
20 the settlement is the product of arms-length negotiation, untainted by collusion.”). Although
21 Plaintiff steadfastly maintains that the claims are meritorious, Plaintiff acknowledges that there were
22 substantial risks and uncertainty in proceeding with litigation. As described above, Defendants
23 presented multiple defenses to Plaintiff’s claims, both on the merits and with respect to class
24 certification. Thus, while Plaintiff was prepared to litigate these claims through class certification,
25 and ultimately trial, success was far from certain. Assistance from a well-respected mediator ensured
26 negotiations were non-collusive and well-informed.

27 **B. Extent of Discovery and Stage of Proceedings.**

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1 32. As stated above, the Parties engaged in substantial informal discovery before the
2 Settlement was reached to allow them to fully evaluate the class claims and Defendants' defenses.
3 This litigation has reached the stage where the Parties have a clear view of their respective strengths
4 and weaknesses.

5 **C. Strength of Plaintiff's Case and the Risk, Expense, Complexity and Likely Duration of**
6 **Any Litigation.**

7 33. While Plaintiff and Class Counsel contend the claims asserted in the Action have
8 merit, they also acknowledge the expense and delay of continued litigation. Although the Parties
9 engaged in significant informal discovery in advance of mediation, the Parties still had significant
10 discovery to complete had the matter not settled. This would have required expenditure of
11 substantial time and resources by both Parties that would have very likely spanned several years.
12 Even if Plaintiff were to certify the classes, the Parties would incur considerably more attorney fees
13 and costs through a possible decertification motion, trial, and possible appeal. This Settlement
14 avoids those risks and the accompanying expense.

15 **D. The Risk of Maintaining Class Action Status Through Trial.**

16 34. Plaintiff has not yet filed the motion for class certification, and as such, the extent to
17 which Plaintiff's proposed classes were certifiable is somewhat speculative. Absent settlement,
18 there was a risk that there would not be a certified class at the time of trial, or if there were, it could
19 consist of a significantly smaller group of employees than the proposed Settlement Class resulting
20 in less overall recovery.

21 35. Finally, in class actions, decertification is always a possibility, and there is always a
22 risk that a trial of this magnitude can become unmanageable. Cases like *Duran v. U.S. Bank Nat.*
23 *Assn.* (2014) 59 Cal. 4th 1, 34 address the complexity of using statistical samples in class actions
24 and demonstrate that decertification is a real risk that Class Counsel must consider. A class trial
25 would have also required expert witnesses, the accrual of extensive litigation costs, and the
26 commitment of extensive further time and financial resources. Finally, given the complexity and
27 unsettled nature of the issues, it is likely that any outcome at trial would have resulted in a lengthy
28 and costly appeal. An appeal would result in further delay for the Class Members who have already

waited years for resolution in this matter. Risk and legal uncertainty must be dealt with in any litigation, and this Settlement was the product of compromise accounting for those risks and that uncertainty.

E. The Presence of a Governmental Participant.

36. Class Counsel will be submitting the Settlement Agreement to the LWDA concurrently with the filing of this motion pursuant to Labor Code § 2699(l)(2).

F. The Amount Offered in Settlement is Fair Given the Potential Value of the Claims.

37. Because the class consists of numerous employees, it was unlikely that the potential monetary claims of individual Class Members would have proved viable without the class-action mechanism. The Settlement Agreement should be approved in light of two California appellate decisions: *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

38. The strength of the Plaintiff's case in light of the settlement amount is deemed by courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleged that Defendants failed to provide meal and rest breaks, failed to pay all wages and overtime due to allegedly common off-the-clock work, failed to correctly calculate the regular rate of pay, failed to reimburse business expenses, failed to provide accurate wage statements, and failed to pay all wages upon termination, all in violation of California law. Plaintiff seeks related violations of California's Business & Professions Code, penalties pursuant to Labor Code § 2699 *et seq.* Summary calculations for estimated liability for each of these claims follow.

Failure to Pay Regular Wages and Overtime for Off-the-Clock Work:

39. Plaintiff alleged that Defendants failed to pay all wages owed, including by requiring off-the-clock work, violating California Labor Code § 1197, which prohibits "Pay of Less Than Minimum Wage" and states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." Labor Code §§ 510 and 1194 require employers to pay applicable wages for all hours worked. "Hours worked" means the time during which an employee is subject to the control of an

1 employer and includes all the time during which the employee is suffered or permitted to work,
2 whether or not required to do so.” (8 C.C.R. §11010(2)(K); *Morillion v. Royal Packing Co.* (2000)
3 22 Cal.4th 575, 582.)

4 40. Plaintiff alleged that Class Members were required to perform work, off-the-clock,
5 during meal and rest periods as well as before and after their shifts, for which they were not paid
6 wages. Specifically, upon arrival at the hotel, Plaintiff alleged that Class Members were required to
7 wait in line to clock in for work for the day. There was only one machine for clocking in, and the
8 wait times could exceed 10 minutes when the machine was functional (the second machine was on
9 the second floor, near the cafeteria, and could only be used for meal period clock ins). Additionally,
10 at the end of their shifts, Class Members had to wait in the same line to clock out for the day. As
11 there were Class Members who were clocking in for the night shift while the Class Members
12 working during the day shift were leaving, there was frequently a long line and waiting periods after
13 the end of the first shift which were even greater than those encountered during clock in.

14 41. Defendants argued they did not require off-the-clock work, and correctly calculated
15 and paid all wages, including overtime wages under California law.

16 42. Plaintiff estimated the Class Members endured approximately five (5) minutes of
17 off-the-clock work per shift (95% attributed to overtime based on the data) based on anecdotal
18 evidence and analysis of timekeeping recordings. Based on this, Plaintiff’s expert calculated unpaid
19 wages owed in the amount of \$291,324 for unpaid off-the-clock work and \$104,785 unpaid hours
20 due to rounding (84% attributed to overtime based on the data) for unpaid wages equal to \$369,109.
21 However, given Defendants’ defenses, the lack of time records showing work performed off-the-
22 clock, the need to rely solely on anecdotal evidence, and the potential hurdles facing certification of
23 the off-the-clock claim, Plaintiff applied an 80% discount making for an adjusted estimated
24 exposure of \$79,221.80.

25 **Meal Periods and Rest Breaks:**

26 43. Plaintiff also alleged that Class Members were, at times, deprived of meal and rest
27 periods, or those meal and rest periods were systemically interrupted because of sustained flow of
28 guests and the need to take care of them, including greeting them to the hotel, taking their bags to

1 the rooms, or answering their questions. Despite doing this off-the-clock work, Class Members were
2 not paid wages for the foregoing and uncompensated working time, which was under the direction
3 and control of Defendants.

4 44. For each meal period allegedly missed, of less than 30 minutes, or taken late for
5 which the employee was not provided a reasonable opportunity to take a complete and timely meal
6 period, an employer must pay the employee an additional one hour of compensation. Labor Code
7 §226.7. This additional hour of compensation is referred to as “premium pay.” To comply with these
8 laws, every employer must keep, for each employee, accurate time records showing when the
9 employee begins and ends each work period and takes his or her meal periods.

10 45. Defendants disagreed with Plaintiff’s contentions regarding meal breaks. Defendants
11 argued that in practice all employees were authorized and did in fact take timely uninterrupted meal
12 breaks. Defendants also argued that their written policies were valid and disseminated to all
13 employees. Defendants contended that Class Members were given a reasonable opportunity to take
14 their meal periods, and in fact received their meal periods most of the time. Defendants also
15 contended that differences in how the various employees performed their daily duties would have
16 led to individualized issues predominating and would have defeated class certification.

17 46. Based on the timekeeping records, Plaintiff’s expert calculated Defendants’ exposure
18 on the meal break claim at approximately \$6,771 based on a detailed analysis of meal period records
19 showing facial violation equal to only 4.2% violation rate.

20 47. Rest Breaks: The same argument applied to rest breaks. Plaintiff contended that
21 Defendants did not provide Class Members with the opportunity to take all timely paid 10-minute
22 rest breaks for every four hours or major fraction thereof. Plaintiff contended that Class Members
23 were required to work through their rest breaks in part due to work demands.

24 48. Defendants maintained that it provided the reasonable opportunity for Class
25 Members to take duty-free rest breaks. Defendants also pointed out that, unlike meal periods, rest
26 breaks need not be recorded. As these considerations would likely depress the damages *vel non*
27 ultimately awarded, Plaintiff applied significant and appropriate discounts to the rest break claim.
28 Plaintiff’s expert estimated Defendants’ exposure on the rest break claim at approximately

1 \$3,394,410 (assuming 100% violation rate for shifts greater than 3.5 hours based on Plaintiff's
2 estimates and anecdotal evidence). Owing to the arguments above and the fact that recording of rest
3 periods is not required, this claim was substantially discounted and was not a major driver of
4 exposure in this case. Plaintiff therefore applied a 90% discount, making the adjusted realistic
5 exposure \$339,441.

6 **Unreimbursed Business Expenses:**

7 49. Under Labor Code § 2802, employers such as Defendants, are required to reimburse
8 employees for all necessary expenditures or losses incurred by the employees during their job for
9 the employer. This includes expenses related to the use of personal cell phones and other work-
10 related costs.

11 50. Plaintiff also alleged Defendants failed to reimburse Class Members for all necessary
12 expenditures incurred to perform their duties under Defendants' employ. Class Members were
13 required to download an application on their phones in order to access their schedules and to use
14 their personal cell phones to communicate with their managers, after work hours off-the-clock.
15 Defendants did not reimburse for the work-related use of personal cell phones.

16 51. Using anecdotal evidence, Class Counsel's expert estimated the exposure on the
17 unreimbursed business expenses to be \$240,214 for cell phone (assuming \$25/month). Plaintiff's
18 claim for unpaid business expenses under Labor Code section 2802 was appropriately discounted
19 due to the speculative nature of the evidence and the significant risks inherent in pursuing the claim
20 on a class wide basis. Plaintiff's anticipated proof largely relied on anecdotal accounts and estimates,
21 without documentary evidence sufficient to establish the precise scope, frequency, and amount of
22 reimbursable expenses incurred by the Class. Thus, posing potential obstacles to class certification.
23 Considering these challenges—and the risk that individualized inquiries would predominate over
24 common issues, Plaintiff reduced settlement value to this claim by 50% to \$120,017.

25 **Inaccurate Wage Statement Violations:**

26 52. Under Labor Code § 226(a), Plaintiff and the Class are entitled to recover \$50 for initial
27 violations for inaccurate wage statements and \$100 for subsequent violations, up to a maximum of
28 \$4,000 per employee. Plaintiff alleged Defendants issued wage statements to Plaintiff and the Class

Members that did not accurately list all hours worked by omitting off-the-clock work, using the incorrect regular rate for calculating overtime wages owed, and not accurately including meal and rest break premiums.

53. Defendants challenged Plaintiff's claim for Labor Code § 226(e) penalties, including by arguing they were merely derivative of the other claims that lacked merit, and Plaintiff's failure to prove the underlying claims could result in the dismissal of these derivative claims. Defendants also argued that it did not knowingly and intentionally commit these alleged violations. *See, e.g.*, Labor Code § 226(e) (recovery of penalties requires showing there was "a knowing and intentional failure by an employer").

54. Plaintiff's expert estimated the maximum total exposure on the section 226 claim at approximately \$1,371,030. The Parties discussed these issues, and in light of these and other considerations, Class Counsel factored in a reduction of 75% discount for this cause of action, making the adjusted calculated exposure equal to approximately \$342,757.50.

Failure to Pay Proper Vacation Wages

55. Plaintiff alleged that Defendant had a common policy and practice of failing to pay Plaintiff and Class Members accrued vacation wages, at the proper rates of pay, resulting in a failure to pay all accrued vacation wages upon termination of employment.

56. Defendants contended that they paid all accrued vacation wages in compliance with California law.

57. The records produced for mediation did not show underpayment of vacation wages. Thus, Plaintiffs' expert did not calculate a liability exposure for the vacation pay claim for mediation as it would have required speculative assumptions and would not contribute to meaningful negotiations.

Failure to Pay Final Wages at Termination or Separation:

58. In allegedly failing to pay Class Members their minimum wages, overtime wages, and premium pay for deficiently provided meal periods and rest breaks, all discussed above, Plaintiff alleged that Defendants willfully failed to pay Class Members all wages due and certain at the time of termination or within seventy-two (72) hours of resignation, as required under Labor Code § 203.

59. Section 203 further provides that if an employer willfully fails to pay an employee all

1 wages due at termination or within 72 hours of resignation, then that employee's wages will continue
2 as a penalty until paid for a period of up to 30 days from the date they were due. Because Class
3 Members stopped working for Defendants but were allegedly not paid their full compensation for
4 the reasons discussed above, Class Members did not receive all wages due upon termination of
5 employment.

6 60. Defendants challenged this claim under Labor Code § 203 with several arguments,
7 including that under Labor Code § 203, employers are only obligated to pay waiting-time penalties
8 if they "willfully" fail to pay wages due and owing at the time of termination or resignation. As Title
9 8, California Code of Regulations, § 13520 states: "A willful failure to pay wages within the
10 meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an
11 employee when those wages are due. However, a good faith dispute that any wages are due will
12 preclude imposition of waiting time penalties under Section 203." Defendants argued that their good
13 faith disputes and lack of willfulness would excuse its violations. Defendants maintained that
14 because they had viable defenses in both law and fact, such penalties were subject to a three-year
15 limitations period under Labor Code § 203(b). Defendants also argued that there is no liability under
16 Labor Code § 203 for violations of meal and rest break requirements alone.

17 61. Plaintiff's expert estimated the maximum total exposure on the section 203 claim at
18 approximately \$1,384,377.75 (249 terminated employees during the relevant period x 30 days x
19 average hourly of \$24.71 x 7.5 hours per shift). Given the foregoing arguments, this claim had to
20 be steeply discounted. Therefore, Plaintiff applied an 80% discount making the adjusted calculated
21 exposure of \$276,875.55.

22 **PAGA Penalties**

23 62. The Labor Code Private Attorneys General Act, Labor Code § 2698 *et seq.*, allows
24 Plaintiff to obtain civil penalties on behalf of herself and other aggrieved employees for Defendants'
25 violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil
26 penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties
27 are recoverable, Labor Code § 2699(f) establishes civil penalties of one (\$100) for each aggrieved
28 employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved

1 employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), sixty-
2 five (65) percent of the penalties recovered must be allocated to the Labor and Workforce
3 Development Agency (LWDA), with the remaining thirty-five (35) percent allocated to the affected
4 employees. The limitations period as for all penalties is one year prior to the filing of the complaint.

5 63. The provisions of the Labor Code potentially triggering PAGA penalties in this case
6 include but are not limited to Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3,
7 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698,
8 2699 *et seq.*, and 2802. PAGA penalties are not mandatory and are instead permissive. Labor Code
9 § 2699(e)(2) states that “a court may award a lesser amount than the maximum civil penalty amount
10 specified by this part if, based on the facts and circumstances of the particular case, to do otherwise
11 would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” *See Thurman v.*
12 *Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this
13 provision). Defendants contested Plaintiff’s claim for PAGA penalties.

14 64. PAGA penalties are also derivative of each and every other claim, and Defendants argued
15 the PAGA claims would be subject to the same defenses as the underlying claims, as well as
16 additional equitable defenses, including substantial compliance. Finally, under *Amaral v. Cintas*
17 *Corp.* (2008) 163 Cal.App.4th 1157, Defendants asserted that penalties under PAGA could, at best,
18 be awarded only at the rates obtainable for initial violations under the applicable statutes, because
19 Defendants had never been notified of the alleged violations. *Id.* at 1208-1209.

20 65. Plaintiff’s expert estimated Defendants’ maximum total exposure on PAGA claims at
21 approximately \$1,446,900 (14,469 PAGA Pay Periods). However, Class Counsel also estimated any
22 PAGA recovery would be substantially reduced and applied discounts in light of the countervailing
23 arguments with regard to the other causes of action and the Court’s power to award “a lesser amount
24 than the maximum civil liability.” Therefore, Plaintiff applied an 80% discount for an adjusted
25 exposure of \$289,380 in PAGA penalties. Given the Gross Settlement Amount of \$1,000,000, the
26 PAGA allocation agreed upon by the Parties therefore was \$150,000.00, subject to the Court’s final
27 approval. 65% of that amount (\$97,500) will be paid to the LWDA out of the Gross Settlement
28 Amount, and the remaining 35% (\$52,500) will remain in the Net Settlement Fund for distribution

1 to the Aggrieved Employees.

2 **Unfair Business Practices**

3 66. Plaintiff pled this cause of action to augment their other causes of action and aid in their
4 prosecution. Business & Professions Code § 17208 extends the statute of limitations on Plaintiff's
5 wage claims, which qualify as unfair business practices, to four years rather than the three years
6 provided by statute.

7 **Summary**

8 67. The foregoing discussion establishes the adequacy of the Settlement amount in light of
9 the merits of Plaintiff's case and establishes the fairness of the class-action settlement in the
10 instant case, including by analyzing it in light of the *Clark* and *Kullar* decisions. It does so by
11 explaining the legal basis for each of Plaintiffs' causes of action, summarizing the evidence that
12 Class Counsel gathered in support of those causes of action, and relating to Defendants' legal and
13 factual arguments that worked to detract from the strength of Plaintiff's case.

14 68. Class Counsel had to apply appropriate discounts in light of the facts and law as
15 discussed above. In addition, Defendants argued that said employees were dissimilarly situated co-
16 workers, making the certification of all Class Members less than a certainty. This Settlement, like
17 most others, was the product of compromise. As addressed above and by adding up numbers,
18 Plaintiff estimated that Defendants faced approximately \$1,165,083.85 in exposure on Plaintiff's
19 main claims and PAGA penalties of \$289,380, for a total liability exposure of \$1,454,463.85. The
20 discounts applied take into consideration the difficulties of proof, the Defendants' defenses, and
21 other attendant risks of each claim. The Gross Settlement Amount of \$1,000,000.00 therefore
22 represents a recovery for the Class Members of approximately 68% of the estimated liability
23 exposure. Plaintiff and Class Counsel submit that this is an excellent result in the face of
24 uncertainty and the prospects of protracted and contested litigation through class certification,
25 summary judgment, and trial.

26 **Class Representative Service Payment is Fair and Reasonable**

27 69. Plaintiff spent significant time better apprising themselves of their rights, deciding
28 whether remedial action should be taken, how it should be taken, searching for attorneys, and

1 contacting Class Counsel, who spent many hours with Plaintiff discussing the case and the law.
2 Plaintiff provided Class Counsel with information about Defendants, reviewed documents,
3 consulted Class Counsel throughout the litigation, participated in the mediation process, and
4 reviewed and signed the settlement agreement. Plaintiff has diligently, adequately, and fairly
5 represented the Class Members, and has not placed his interests above any member of the putative
6 Class. Plaintiff's courage in proceeding with his class-wide claims should not be underestimated.
7 By suing Defendants, Plaintiff increased his risk of retaliation by prospective employers, who must
8 choose between an applicant who has never sued a prior employer and one who has. This sort of
9 payment to a class representative is a common feature of settlements negotiated by Class Counsel
10 and routinely approved by courts. In light of the foregoing, Class Counsel believes that the incentive
11 award in the amount of \$10,000 to the Class Representative is fair and reasonable.

12 **Proposed Class Notice Provides Adequate Notice**

13 70. The notification procedure set out in the Settlement Agreement provides the greatest
14 likelihood that every Class Member will receive the Class Notice, attached to the Settlement as
15 Exhibit A. Under the Settlement, the Administrator will mail the Class Notice to the Class Members
16 via first-class mail no later than 7 days after receiving the Class Data Defendants. (Ex. 1, p. 13). If
17 any Notices Packets are returned undeliverable, the Administrator will forward them to any address
18 appearing on the returned envelope within three (3) calendar days or, if there is no forwarding
19 address, will perform a skip trace before mailing them to any addresses thereby identified. (*Id.*) This
20 is the best and most practicable way to ensure the greatest possible number of Class Members will
21 receive the Notice.

22 71. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the
23 claims involved, the terms of the settlement, and their options thereunder. It provides for a specific
24 procedure to seek exclusion from the Class, disputing payments and Class data, and for lodging
25 objections to the settlement. In the Class Notice, Class Members will also receive Class Counsel's
26 contact information so they can speak to attorneys conversant with the legal and factual issues
27 involved in this case, as well as the contact information for the Settlement Administrator. The efforts

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1 taken to ensure that Class Members receive the Class Notice and are well informed about the
2 settlement are reasonable and provide the best notice practicable under the facts.

3 **Qualifications and Adequacy of Class Counsel**

4 72. D.Law (formerly known as Davtayan Law Firm) prosecutes wage and hour cases,
5 including class actions and PAGA actions on behalf of employees and others who have had their
6 rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs'
7 counsel of record in numerous wage and hour and employment class action and PAGA action cases
8 pending in both state and federal court.

9 73. D.Law is well-qualified and has ample experience, knowledge, and resources to act as
10 counsel and represent Plaintiff and the putative Class and aggrieved employees in this action. Our
11 practice is exclusively focused on employment matters and representing plaintiffs in wage and hour
12 actions with the same or similar causes of actions brought forth in the matter pending before this
13 Court.

14 74. D.Law has litigated and successfully resolved many wage and hour class action cases
15 involving failure to pay wages and derivative Labor Code claims and penalties. *See e.g. De La Rosa*
16 *v. The Coca Cola Company et al.* (Superior Court of California in Napa, 17CV000787), *Harvey v.*
17 *Bed Bath & Beyond of California Limited Liability Company* (Superior Court of California in
18 Alameda, RG17885153), *Paredes v. Bottling Group LLC et. al.* (Superior Court of California in
19 Kern), *Ramirez v. Harris Ranch Beef Company* (Superior Court of California in Fresno,
20 16CECG04103), *Gates v. Gate Gourmet, Inc. et. al.* (Southern District of California, 16-cv-01084-
21 L-AGS), *Hargrave v. Antelope Valley Hospital* (Superior Court of California in Los Angeles,
22 BC663252), *Ramirez v. Milton Roy et. al.* (Superior Court of California in Los Angeles, BC 632
23 276), *Hawkins v. AvalonBay Communities* (Superior Court of California in Santa Clara,
24 17CV316492), *Jones Tharpe et al. v. Sprint Corporation et al.* (Superior Court of California in Los
25 Angeles, BC644645), *Ortega et al. v. Nestle Waters North America, Inc. et al.* (Superior Court of
26 California in Los Angeles, BC623610), *Schultz v. Jimbo's Natural Family, Inc.* (Superior Court of
27 California in San Diego, 37-2017-00022348-CUE-OE-CTL), *Ambrose v. Victor Valley Global et*
28 *al.* (Superior Court of California in San Bernardino, CIVDS1709289), *Puerta-Gildardo v. Real Time*

1 *Staffing Services LLC et. al.* (Superior Court of California in Los Angeles, BC565445), *Vargo v.*
2 *Pregis Innovative Packaging LLC* (Superior Court of California in Tulare, 270836), *Conlin v. Aegis*
3 *Senior Communities LLC* (Northern District of California, 17-cv-05534-LHK), *Galarza v.*
4 *Kloeckner Metals Corporation* (Central District of California, 2:17-cv-04910-FMO), *Estes v. L3*
5 *Technologies, Inc. et al.* (Southern District of California, 3:17-cv-02356-H-JMA), *Rowser v. Trunk*
6 *Club, Inc.* (Central District of California, 2:17-cv-05064-DSF-RAO), *Leach v. The Claremont*
7 *Colleges, Inc.* (Superior Court of California in Los Angeles, BC686451), *Vaesau v. PCT*
8 *Enterprises, Inc. dba Precision Cabinets* (Superior Court of California, County of Contra Costa
9 MSC18-02404), *Terry v. TF Louderback, Inc. dba Bay Area Beverage Company* (Superior Court of
10 the State of California, County of Contra Costa, MSC18-00859), *Roach v. Westcare California, Inc.*
11 (Superior Court of California in Kern County, BCV-17-102367-SDS), *Patton v. Church & Dwight*
12 *Co., Inc.* (Central District of California, EDCV 18-903-MWF (KKx)), *Juarez v. ISL Employees, Inc.*
13 (Superior Court of California in Madera, MCV074787), *Ferraro v. USC Verdugo Hill s Hospital,*
14 *et al.* (Superior Court of California in Los Angeles, 18STCV09463), *Ford v. Account Control*
15 *Technology, Inc., et al.* (Superior Court of California in Los Angeles, 19STCV09369), *Ornelas v.*
16 *iStorage, et al.* (Superior Court of California in San Francisco, CGC-18-571421), *Martinez v.*
17 *Ronpak, Inc.* (Superior Court of California in Riverside, RIC1901307), *Barrera et al. v. Exclusive*
18 *Wireless, Inc.* (Superior Court of California in Stanislaus, 9000687), *Barajas v. Mancha*
19 *Development Company LLC* (Superior Court of California in Orange County, 30-2018-00974707-
20 CU-OE-CXC), *Prado v. IMAX Corporation dba IMAC Worldwide Home* (Superior Court of
21 California in San Bernardino, CIVDS1820265), *Rodriguez v. ND Industries, Inc.* (Superior Court
22 of California in Los Angeles, 19STCV38096), *Singletary v. Motel 6 Operating LP, et al.* (Southern
23 District of California, 3:20-cv-0270-LAB-AHG), *Quizon v. CF Watsonville East, LLC, et al.*
24 (Superior Court of California in Santa Cruz, 20CV01868), *Stephenson v. Bakersfield Dodge, Inc.*
25 (Superior Court of California in Kern, BCV-20-102693), *Bacerra v. Hugo Boss Retail, Inc.*
26 (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), *Walker v. Ariat*
27 *International, Inc.* (Superior Court of California in Alameda, HG19026439), *Orr v. Petvet Care*
28 *Centers (California) Inc.* (Superior Court of California in Santa Clara, 19CV354063), *Jimenez v.*

1 *OEC Distribution Services, Inc.* (Superior Court of California in San Bernardino, CIVDS1915743),
2 *Virdi v. Absolute Security International* (Superior Court of California in San Bernardino, CIVDS
3 1909589), *Raj v. First Transit, Inc.* (Superior Court of California in Sacramento, 34-2021-
4 00295895-CU-OE-GDS), *Marchbanks v. Torrid Administration, Inc.* (Superior Court of California
5 in San Diego, 37-2020-00008179-CU-OE-NC), among others.

6 75. I am a 2008 California Western School of Law graduate and was admitted to the
7 California State Bar in December 2008. Since graduating from law school, I have dedicated my
8 entire career to litigating employment class and PAGA actions. I have litigated and settled
9 hundreds of wage and hour class actions and have obtained numerous six and seven figure
10 settlements. As such, I have significant experience specifically working on wage and hour class
11 actions from the plaintiff's side.

12 76. The collective experience of the D.Law attorneys in litigating employment wage and hour
13 matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a
14 case, and generally negotiating fair and reasonable class and representative action settlements.
15 Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the
16 constantly evolving substantive law (state and federal), as well as the procedural law of class and
17 representative action litigation. In this action, the attorneys at D.Law are fully equipped to use the
18 skills and knowledge developed over decades of prosecuting and defending wage and hour class
19 actions to fairly and adequately represent the interests of the Class Members and aggrieved
20 employees. Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law
21 are well-qualified to act as class counsel and represent the Plaintiff and the putative Class Members
22 and aggrieved employees in this action.

23 77. We understand the responsibilities owed as counsel to the Settlement Class Members
24 and aggrieved employees we represent. The attorneys at D.Law thoroughly investigated the claims
25 asserted in this action and have remained committed to dedicating the resources necessary to
26 represent the Settlement Class and vigorously pursue their claims. Based upon my experience and
27 understanding of the claims and defenses in this action, I believe the settlement is fair, adequate,
28 and reasonable for the Class Members and aggrieved employees and all involved, and that the

1 Settlement is well within the range of reasonableness that would permit it to be finally approved. I
2 am not aware of any conflict of interest with Plaintiff or any other Class Member that would
3 interfere with the duties as Class Counsel.

4 **The Stipulated Award of Attorneys' Fees and Costs**

5 78. Under the Settlement, Class Counsel requests, without opposition from Defendants, an
6 award of Attorneys' Fees and Costs consisting of: Three Hundred Thirty-Three Thousand Three
7 Hundred Thirty-Three Dollars and Thirty-Three cents (\$333,333.33), one-third of the Gross
8 Settlement Amount, and actual reasonable litigation costs in an amount not to exceed Twenty-Five
9 Thousand Dollars and Zero Cents (\$25,000) for reimbursement of actual reasonable litigation
10 costs. (Ex. 1, p. 6). This request is fair, reasonable, and adequate to compensate Class Counsel for
11 the substantial work they have put into this case and, moreover, the risk they assumed by taking it
12 in the first place. The attorneys' fees award is intended to reimburse Class Counsel for all
13 uncompensated work that they have already done and for all the work they will continue to do in
14 carrying out and overseeing the notification to Class Members, communicating with Class
15 Members regarding their claims, and assisting in the administration of the settlement if it is
16 preliminarily approved. Defendant will not oppose Class Counsel's above fees and cost request.

17 79. On the date of filing the Motion for Preliminary Approval, Plaintiff submitted the
18 Motion and the Settlement Agreement to the LWDA. Attached hereto as **Exhibit 4** is the LWDA
19 confirmation.

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

22 Executed this June 1, 2026, at San Diego, California

23 

24 _____
Marta Manus, Esq.

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Eric Cardenas (“Plaintiff”) and defendants Loews Hollywood Hotel, LLC (“Defendant Loews Hollywood”), Loews Hotels & CO (“Defendant Loews Hotels”), and Loews Corporation (“Defendant Loews Corp”) (together “Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendants captioned *Eric Cardenas v. Loews Hollywood Hotel, et al.*, filed in Los Angeles Superior Court (“Class Action”), Case No. 24STCV15653 removed to the United States District Court for the Central District of California, Case No. 2:24-cv-06342GW(MARx) and *Eric Cardenas, et al. v. Loews Hollywood Hotel, et al.* (“PAGA Action”), Los Angeles Superior Court, Case No. 24STCV22767, and each operative complaint in the respective cases and any PAGA Notices submitted to the LWDA.
- 1.2. “Administrator” means Apex Class Action LLC (“Apex”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all current and former hourly-paid or non-exempt employees of Defendants in the State of California at any time during the PAGA Period.
- 1.5. “Class” means all current and former hourly-paid or non-exempt employees of Defendants in California employed during the Class Period.
- 1.6. “Class Counsel” means D.Law, Inc. Class Counsel represents that no other counsel has been involved in or has any claim for fees or costs associated with the Action, or has represented Plaintiffs in connection with this Action or any other contemplated action against Defendant concerning the subject matter of this Action.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts authorized by the Court to be paid to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, number of workweeks worked during the Class Period, and number of PAGA Pay Periods (if any) worked during the PAGA period.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the Court Approved Notice of Class and PAGA Action Settlement and hearing date for Final Court Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12. “Class Period” or “Class Settlement Period” means the period from June 21, 2020, through January 15, 2025.
- 1.13. “Class Representative” means the named Plaintiff in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendants” mean the named Defendants Loews Hollywood Hotel, LLC, Loews Hotels & Co, and Loews Corporation.
- 1.17. “Defense Counsel” means Greenberg Traurig, LLP.
- 1.18. “Effective Date” means the later of: (a) the 61st day (unless the last such date is a weekend or holiday, in which case the next business day shall be used) after the Court enters an order granting final approval of the Settlement, as long as no timely appeal is taken of the order of final approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution and entry of remittitur (or withdrawal) of any such appeal in a way that does not alter the terms of the Settlement.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Gross Settlement Amount” means \$1,000,000.00 (One Million Dollars and Zero Cents), which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below.

- 1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.25. “LWDA” means the California Labor and Workforce Development Agency.
- 1.26. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (m).
- 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, the Administration Expenses Payment, Individual PAGA Payments, and the LWDA PAGA Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.29. “Operative Complaint” means the operative Consolidated First Amended Complaint, which will be filed in the Class Action as part of effectuating this Settlement, and which will consolidate the claims alleged in the Class Action and PAGA Action into a single Complaint. The Parties agree to remand the Class Action case to Los Angeles Superior Court for settlement purposes.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from June 21, 2023, through January 15, 2025.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.)
- 1.33. “PAGA Notice” means Plaintiff’s June 21, 2024, letter, July 29, 2024 amended letter, and August 24, 2024 second amended letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.34. “PAGA Penalties” means the total amount of One-Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) allocated to PAGA civil penalties and to be paid from the

Gross Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to the LWDA in settlement of PAGA Claims.

- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Eric Cardenas, the named plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41. “Released Parties” means Defendants and any of their respective owners, members, shareholders, managers, insurers, parents, subsidiaries, affiliates, successors, assigns, and any of their respective directors, officers, agents, or employees.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 60 days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. “Workweek” means any week during which a Class Member worked for Defendants for at least one day during the Class Period.

2. RECITALS.

- 2.1. On June 21, 2024, Plaintiff commenced this Action by filing a Complaint in Los Angeles Superior Court, Case No. 24STCV15653, alleging causes of action against Defendants for (1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7, and 1198); (3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and

1198); (4) Failure to Pay Proper Vacation Wages (Lab. Code § 227.3); (5) Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a)); (6) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); (7) Failure to Indemnify (Lab. Code § 2802); and (8) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*) Simultaneously, on June 21, 2024, Plaintiff gave timely notice to the LWDA and Defendants that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1035793-24) pursuant to Labor Code § 2699.3, subd.(a). On July 26, 2024, after filing a notice of removal, Defendants removed the Class Action to the United States District Court for the Central District of California, Case No. 2:24-cv-06342GW(MARx).

2.2. On September 5, 2024, Plaintiff filed a complaint in Los Angeles Superior Court, Case No. 24STCV22767, alleging claims for civil penalties under Labor Code § 2698, *et seq.*

2.3. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.

2.4. On December 12, 2024, the Parties participated in private mediation before Lonnie Giamela but were unable to reach an agreement on general terms. After further settlement discussions, the Parties agreed to settle this matter. The Parties memorialized their agreement in a Memorandum of Understanding.

2.5. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiff also obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strength and weaknesses of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116 (2008) ("*Dunk/Kullar*").

2.6. The Court has not granted class certification because the Parties engaged in mediation before any class certification.

2.7. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants will pay the Gross Settlement Amount of One Million Dollars and Zero Cents (\$1,000,000.00) on a non-reversionary basis. The Gross Settlement Amount does not

include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendants will pay separately.

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

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Parties agree that a decision by the Court to award Plaintiff an amount less than the requested Class Representative Service Payments shall not be a basis for Plaintiffs to void this Agreement. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$333,333.33, and a Class Counsel Litigation Expenses Payment of actual and reasonable litigation costs and expenses incurred to prosecute the Action, which is currently estimated not to exceed \$25,000.00. Defendants will not oppose requests for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Parties agree that a decision by the Court to award Class Counsel an amount less than the requested Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment shall not be a basis for Plaintiffs to void this Agreement. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability

for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$10,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$150,000.00 to be paid from the Gross Settlement Amount, with 65% (\$97,500.00) allocated to the LWDA PAGA Payment and 35% (\$52,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$52,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay

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

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and PAGA Pay Periods. Defendants estimate that there are approximately 499 Class Members who collectively worked a total of 44,279 Workweeks during the Class Period, and 382 Aggrieved Employees who worked a total of 19,661 PAGA Pay Periods during the PAGA Period.

4.2. Class Data. Not later than 14 days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the 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 Class Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and/or Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by

the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 3 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff and Class Members will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, releases and discharges Released Parties from all claims arising up to the date of Plaintiff's execution of this Agreement, including, but not limited to: (a) all claims that were, or reasonably could have been or still could be, alleged, based on or in any way related to the facts contained, in the Operative Complaint; (b) all PAGA claims that were, or reasonably

could have been or still could be, alleged based on or in any way related to the facts contained in Plaintiff's PAGA Notice; and (c) any and all known or unknown liabilities, claims, demands for damages, costs, attorneys' fees, indemnification, contribution, or any other thing for which Plaintiff has or may have, including known or unknown causes of action, claims, or demands for damages, costs, attorneys' fees indemnification, or contribution, whether certain or speculative, class or individualized, which may have come into existence at any time prior to the time of execution of this Agreement, or that may be brought in the future in connection with any acts or omissions that have arisen at any time prior to execution of this Agreement, including, but not limited to, any and all claims that Plaintiff has actually alleged or could have alleged to date, any and all claims arising out of Plaintiff's work for Defendants and/or employment status, any claims related to FMLA or CFRA leave, any claims that Plaintiff was wrongfully terminated or has been discriminated against or retaliated against in any way, or that Plaintiff's privacy rights have been violated in any way, any and all claims arising under a "whistleblower" statute (including any claims arising under Labor Code §§ 6310, 1102.5), any and all claims for wage and hour violations, any and all claims for tortious conduct resulting in personal injuries or intentional infliction of emotional distress, any and all claims for violations under the California Business and Professions Code Section 17200, and any and all claims for or related to harassment, discrimination or retaliation on the basis of race, color, national origin, religion, gender, age, sexual orientation, ancestry, medical condition, marital status, pregnancy, physical or mental disability, associational disability, or other protected class, discharge in violation of public policy and/or violation of any state and federal laws, regulations, or constitutions, including without limitation, the *Age Discrimination in Employment Act* ("ADEA") and its amendment, the *Older Workers Benefit Protection Act* ("OWBPA"), the *California Fair Employment and Housing Act* ("FEHA"), the *Americans with Disabilities Act*, Title VII of the *Civil Rights Act of 1964*, as amended, Secs. 503 and 504 of the *Rehabilitation Act of 1973*, as amended, *The Fair Labor Standards Act*, as amended, *the National Labor Relations Act*, as amended, *the Labor – Management Relations Act*, as amended, *the Worker Adjustment and Retraining Notification Act of 1988*, as amended, *the Pregnancy Discrimination Act*, *the Employee Retirement Income Security Act of 1974*, as amended, *the Family Medical Leave Act of 1993*, as amended, *the California Family Rights Act*, as amended, and *the California Labor Code*, including divisible individual claims under the Private Attorneys General Act, Labor Code § 2698, et seq, and *the California Wage Orders* ("Plaintiff's Release."). Plaintiff's Release does not extend to any claims alleged, or relief sought by Plaintiff in the disability discrimination/wrongful termination matter titled *Eric Cardenas v. Loews Hollywood Hotel, LLC et al.*, and currently pending in Los Angeles County Superior Court, Case No. 24STCV23504. Plaintiff's Release also does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or

based on occurrences after his execution of this Agreement. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For Purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged or reasonably could have been alleged based on the facts asserted in the Operative Complaint, including claims for: (1) failure to provide meal periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) failure to provide rest periods (Lab. Code §§ 204, 223, 226.7, and 1198); (3) failure to pay hourly wages and overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and 1198); (4) failure to pay proper vacation wages (Lab. Code § 227.3); (5) failure to provide accurate written wage statements (Lab. Code §§ 226(a)); (6) failure to timely pay all final wages (Lab. Code §§ 201, 202 and 203); (7) failure to indemnify (Lab. Code § 2802); violation of California's unfair competition law (Business and Professions Code §§ 17200, *et seq.*), and any other claims for restitution or equitable relief, statutory penalties available for any of the foregoing, and attorneys' fees and costs ("Released Class Claims").

5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims for civil penalties under PAGA based on the claims and theories that were alleged or reasonably could have been alleged based on the facts stated in the Operative Complaint and PAGA Notice, including the claims and theories identified in paragraph 5.2, above; California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699 *et seq.*, and 2802; applicable Industrial Welfare Commission (IWC) Wage Orders ("Released PAGA Claims").

6. **MOTION FOR PRELIMINARY APPROVAL.** Class Counsel shall prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the

Court's current checklist for Preliminary Approvals, subject to review by Defense Counsel. Class Counsel shall provide drafts of Plaintiff's Motion for Preliminary Approval to Defense Counsel with reasonably sufficient time to review prior to its filing.

6.1. Defendants' Statement of Non-Opposition in Support of Preliminary Approval.

Defendants may file a Statement of non-opposition in support of preliminary approval to be filed with or after the motion for preliminary approval documents.

6.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval of the Settlement and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (s)(1)), this Agreement (Labor Code section 2699, subd. (s)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. The Parties agree that Defense Counsel must approve the proposed Class Notice and Order Granting Preliminary Approval before it is submitted to the Court.

6.3. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Apex to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Notice to Class Members.
 - 7.4.1 No later than seven (7) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class

Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination

of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Requests for Exclusion do not apply to Aggrieved Employees; Aggrieved Employees will be bound by the Released PAGA Claims irrespective of whether they made a Request for Exclusion. For the avoidance of doubt, no Aggrieved Employee may opt out of the Settlement with respect to the Released PAGA Claims.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge (although Defendants shall retain the right to correct erroneous Class Data if subsequently discovered). The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- 7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). The information provided to Class Counsel in this paragraph is for settlement purposes only and must be held and kept as confidential by Class Counsel and shall not be shared outside Class Counsel's firm. Class Counsel shall not knowingly initiate contact with any individual identified as having submitted a valid Request for Exclusion.
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received,

challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received. In addition to the Weekly Reports, the Administrator shall report to the Parties when it has completed the initial distribution of the Individual Class Payments and the Individual PAGA Payments to all individuals with valid addresses.

- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge (although Defendants shall retain the right to correct erroneous Class Data if subsequently discovered).
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), and the number of written objections. The declaration shall include an anonymized version of the Exclusion List providing only the first and last initials of any individual who opted out, along with his or her employee identification number. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Defendants represented that there are approximately 499 Class Members who collectively

worked a total of 44,279 Workweeks during the Class Period. If the number of Workweeks during the Class Period increases by more than 10% (i.e. 4,428 or more), the Gross Settlement Amount shall increase on a pro rata basis equal to the percentage increase exceeding 10% (e.g., if the number of Workweeks increases by 11% to 49,150 Workweeks, the Gross Settlement Amount will increase by one percent (1%)). If this escalator clause is triggered, the Parties agree that the portion of the Gross Settlement Amount allocated to Class Counsel Fees Payment will increase proportionally such that the total amount of Class Counsel Fees Payment remains one-third of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. The Parties will work together with the Administrator to determine whether the escalator clause is triggered prior to filing the preliminary approval motion.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than fifteen (15) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (s), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel shall provide drafts of these documents to Defense Counsel not later than seven (7) court days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1. **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2. **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation

Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. REMANDING TO STATE COURT AND CONSOLIDATION.

12.1. The Parties agree that within 15 days from the execution of this Agreement, the Parties will submit a joint stipulation in the United States District Court for the Central District, for an order remanding the Class Action currently pending in the United States

District Court for the Central District of California, Case No. 2:24-cv-0634GW(MARx) to Los Angeles County Superior Court for settlement purposes only. Once the Class Action is remanded, the Parties shall cooperate to take all such actions as are necessary to ensure that the Class Action and the PAGA Action are resolved jointly as part of the Settlement approval process in the Los Angeles County Superior Court.

- 12.2. For the sole and exclusive purpose of effectuating this Settlement Agreement, the Parties agree that Plaintiff will file the Consolidated First Amended Complaint, which shall become the “Operative Complaint,” as defined above, in connection with their joint request for consolidation of the Class Action and the PAGA Action. Upon consolidation of the Class Action and the PAGA Action, the Consolidated First Amended Complaint shall be deemed the Operative Complaint for settlement purposes and shall supersede all prior pleadings in both actions for settlement purposes only. Plaintiff will provide the draft Consolidated First Amended Complaint to Defendant for review and approval prior to filing it.

Defendant shall not be required to answer, move, or otherwise respond to the Operative Complaint at any time, unless and until expressly ordered by the court following a failure of this Settlement to receive Final Approval or a denial of consolidation, as provided herein. Plaintiff shall provide timely notice of the filing of the Consolidated Complaint to the LWDA in accordance with the requirements of the California Labor Code and any other applicable law or regulation.

- 12.3. In the event that (i) the Settlement does not receive Final Approval from the Superior Court of the State of California for the County of Los Angeles, or (ii) the petition for consolidation or coordination of the Class Action and the PAGA Action is denied, not granted, or not effectuated for any reason by the California Judicial Council or any court of competent jurisdiction, then, except as otherwise expressly agreed in writing by the Parties, the Settlement Agreement and all related negotiations, terms, and proceedings shall be null and void and of no force or effect. The Parties shall revert to their respective positions as of the date and time immediately prior to the execution of any settlement papers, including, without limitation, that the Class Action shall be removed once again by stipulation to the United States District Court for the Central District of California.

In such event, the Parties agree that neither this Settlement Agreement, the fact of its existence, the Consolidated Complaint, nor any of their terms or exhibits (including any drafts or proposals exchanged in connection therewith) shall be offered, received, or construed as an admission, concession, or evidence of any liability or wrongdoing by Defendant, or as a waiver of any claims, defenses, or procedural rights of either Party in either the Class Action or the PAGA Action. The Parties expressly reserve all rights, claims, and defenses, and further agree that neither the Settlement Agreement, the Consolidated Complaint, nor any act performed or document executed pursuant to or in

furtherance of this Settlement shall be admissible in any proceeding for any purpose other than to enforce the terms of this clause or as otherwise required by law.

13. ADDITIONAL PROVISIONS.

- 13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or (6) as necessary to obtain approval of this settlement or enforce the terms of this settlement. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Plaintiff and Class Counsel further agree not to publicize the Settlement. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,

or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants 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.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff and Plaintiff's Counsel shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

D.Law, Inc.

Emil Davtyan

Emil@d.law

David Yeremian

d.yeremian@d.law

David Keledjian

d.keledjian@d.law

Enoch J. Kim

e.kim@d.law

David Arakelyan

d.arakelyan@d.law
Norayr Zakaryan
n.zakaryan@d.law

450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465
Fax: (818) 962-6469

To Defendant:

Greenberg Traurig, LLP

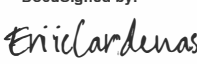
Ryan C. Bykerk
bykerkr@gtlaw.com
Joseph M. Dietrich
joe.dietrich@grlaw.com

18565 Jamboree Road, Suite 500
Irvine, CA 92612
Telephone: (949) 732-6500
Fax: (949) 732-6501

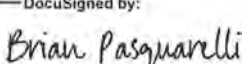
13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument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

13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement all litigation in Plaintiff's pending actions 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 CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

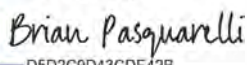
DATED: 12/26/2025

DocuSigned by:

BY: _____
Eric Cardenas

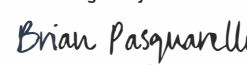
DATED: 02/12/2026

DocuSigned by:

BY: _____
Loews Hollywood Hotel, LLC

DATED: 02/12/2026

DocuSigned by:

BY: D5D2C9D43CDE42B
Loews Hotels & Co

DATED: 02/12/2026

DocuSigned by:

BY: D5D2C9D43CDE42B
Loews Corporation

DATED: 1/5/2026

D.LAW, INC.

BY: 
David Yeremian
David Keledjian
Enoch J. Kim
David Arakelyan
Norayr Zakaryan
Counsel for Plaintiff Eric Cardenas

DATED: 02/13/2026

Greenberg Traurig, LLP

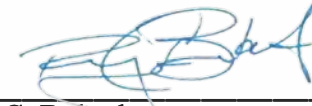
BY: 
Ryan C. Bykerk
Joseph M. Dietrich
Counsel for Defendants

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

Eric Cardenas v. Loews Hollywood Hotel, et al.

The Superior Court for the State of California authorized this Notice. Read it carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Loews Hollywood Hotel, LLC (“Loews Hollywood”), Loews Hotels & CO (“Loews Hotels”), and Loews Corporation (“Loews Corp”) (together “Defendants”) for alleged wage and hour violations. The Action was filed by former Loews Hollywood employee Eric Cardenas (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former hourly-paid or non-exempt employees (“Class Members”) of Defendants in California employed during the Class Period (June 21, 2020 to January 15, 2025); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all current and former hourly-paid or non-exempt employees of Defendants in the State of California at any time during the PAGA Period (June 21, 2023 to January 15, 2025) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work for Defendants in California during the PAGA Period.)

The above estimates are based on Defendants’ records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether or not you act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Do Not Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Defendants that are covered by this Settlement (defined below).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you do not want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue the Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks and pay periods you worked for Defendants in California during the Class Period and PAGA Period, respectively. The number of workweeks and pay periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these

	numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.
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1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Loews Hollywood employee. The Action accuses Defendants of violating California labor laws by failing to provide meal and rest periods, failing to pay hourly wages and overtime, failing to pay proper vacation wages, failing to provide accurate written wage statements, failing to timely pay all final wages, and failing to reimburse for necessary business expenses. Plaintiff also alleges claims for unfair competition. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiff is represented by the attorneys of D.Law, Inc. (“Class Counsel”) in the Action.

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Defendants hired an experienced mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The Parties reached a settlement after extensive negotiations. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$1,000,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the 61st day (unless the last such date is a weekend or holiday, in which case the next business day shall be used) after the Court enters an order granting final approval of the

Settlement, as long as no timely appeal is taken of the order of final approval, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Up to \$333,333.33 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and reimbursement of their litigation expenses, which is currently estimated not to exceed \$25,000.00. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b. Up to \$10,000.00 to the Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - c. Up to \$10,000.00 to the Administrator for services administering the Settlement.
 - d. Up to \$150,000.00 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees.
3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties under the Settlement rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendants have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should

consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, email address or telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue the Released Class Claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert the Released PAGA Claims against Defendants.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.
8. Administrator. The Court has appointed a neutral company, [ADMIN] Administrations (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice. 9.

9. Released Class Claims. After the Judgment is final and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged or reasonably could have been alleged based on the facts asserted in the Operative Complaint, including claims for: (1) failure to provide meal periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) failure to provide rest periods (Lab. Code §§ 204, 223, 226.7, and 1198); (3) failure to pay hourly wages and overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and 1198); (4) failure to pay proper vacation wages (Lab. Code § 227.3); (5) failure to provide accurate written wage statements (Lab. Code §§ 226(a)); (6) failure to timely pay all final wages (Lab. Code §§ 201, 202 and 203); (7) failure to indemnify (Lab. Code § 2802); violation of California's unfair competition law (Business and Professions Code §§ 17200, *et seq.*), and any other claims for restitution or equitable relief, statutory penalties available for any of the foregoing, and attorneys' fees and costs ("Released Class Claims").

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendants have paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be bound by the following release:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims for civil penalties under PAGA based on the claims and theories that were alleged or reasonably could have been alleged based on the facts stated in the Operative Complaint and PAGA Notice, including the claims and theories identified in paragraph 9, above; California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699 *et seq.*, and 2802; applicable Industrial Welfare Commission (IWC) Wage Orders ("Released PAGA Claims").

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$52,500 by the total number of PAGA Pay Periods worked

by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, email address or telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Eric Cardenas v. Loews Hollywood Hotel, et al.*, and include your identifying information (full name, address, email address or telephone number **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to approve. At least [REDACTED] days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [REDACTED] or the Court's website <https://www.lacourt.ca.gov/home>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff is too high or too low. **The deadline for sending written objections to the Administrator is [REDACTED].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Eric Cardenas v. Loews Hollywood Hotel, et al.* and include your name, current address, email address or telephone number, and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 6 of the Los Angeles Superior Court, located at 312 N Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually ([REDACTED]). Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<https://www.lacourt.ca.gov/home>) and entering the Case Number for the Action, Case No. 24STCV15653.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

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d.keledjian@d.law

Enoch J. Kim

e.kim@d.law

David Arakelyan

d.arakelyan@d.law

Marta Manus

m.manus@d.law

D.Law, Inc.

250 N. Madison Ave., 2nd Floor

Pasadena, CA 91101

Telephone: (818) 962-6465

Fax Number: (818) 962-6469

Loews' Counsel:

Ryan C. Bykerk

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Kevin May

Kevin.May@gtlaw.com

Joseph Dietrich

Joe.Dietrich@gtlaw.com

18565 Jamboree Road, Suite 500

Irvine, CA 92612

Telephone: (949) 732-6500

Fax Number: (949) 732-6501

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT 2

D.LAW, INC.
David Keledjian (SBN 309135)
David Arakelyan (SBN 337076)
Enoch J. Kim (SBN 261146)
Marta Manus (SBN 260132)
250 N Madison Avenue, 2nd Floor
Pasadena, CA 91101-1639
Telephone: (818) 962-6465
Facsimile: (818) 962-6469
Emails: d.keledjian@d.law; darakelyan@d.law;
e.kim@d.law; m.manus@d.law

Attorneys for Plaintiff ERIC CARDENAS

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

ERIC CARDENAS, on behalf of himself and
all others similarly situated, and the general
public,

Plaintiff,

v.

LOEWS HOLLYWOOD HOTEL, LLC, a
Delaware limited liability company; LOEWS
HOTELS & CO, a business entity of unknown
form; LOEWS CORPORATION, a business
entity of unknown form; and DOES 1 through
50, inclusive,

Defendants.

Case No. 24STCV15653

CLASS ACTION

Assigned for All Purposes To:

Hon. Elihu M. Berle

Dept.: 6

**DECLARATION OF KENNETH L. CREAL,
CPA**

DECLARATION OF KENNETH L. CREAL, CPA

I, Kenneth L. Creal, CPA declare as follows:

1. I am a Certified Public Accountant, licensed in the State of California, engaged in the full-time practice of public accounting since 1975 and licensed continuously as a Certified Public Accountant in the State of California since January 1978.
2. I have a Bachelor of Science Degree from the University of Southern California in business administration with a major in accounting. I passed all four parts of the Uniform CPA Exam at my first and only sitting in May 1975. I was a senior auditor at a Big-Eight auditing firm prior to establishing my own practice as a CPA in 1978. In total, I have spent over 50 years in public accounting as an auditor, advisor to business owners, and as preparer of thousands of financial statements and tax returns for business enterprises.
3. In more than 600 cases, I have offered forensic accounting expert testimony or reports on many economic topics including hundreds of wage & hour class-action damage models, numerous individual and multi-plaintiff wage & hour claims, as well as other employment law and business disputes.
4. I have been retained on more than 800 occasions to offer expert opinions as to various Defendants' affordability of proposed settlement amounts or to determine the maximum amount a Defendant could afford to pay in settling wage & hour class actions and/or PAGA claims. The wage & hour class actions for which I have been retained have involved employee groups working for many different commercial enterprises: construction industry, service industry, farm labor contractors, hospitals, and non-profit organizations.
5. Additionally, for the last thirteen years, I have served continuously as an expert for the Regional Director for the Office of General Counsel of the State of California's Agricultural Labor Relations Board (ALRB). I have testified before the Board on a number of occasions.
6. I have testified as an expert witness on more than 125 occasions in California Superior Courts in Southern and Central California as well as Federal Court in the California Southern District. I have testified as an economic expert in wage & hour class action litigation.
7. I was retained by class counsel to serve as the economics expert in this matter. I was asked to analyze time and payroll records based on a sampling of 30% of putative class employees. My

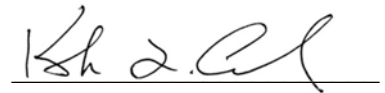
review disclosed 175 employees in the sample. It was represented by counsel that there are 576 total putative class members.

8. Based on the number of employees, this sample size provides a 95% confidence level with a 6.19% margin of error. Otherwise stated, this sample size provides a 5% margin of error with a confidence level of 88.68%.

9. Based on the number of Pay Periods analyzed in the sample, our analysis of 14,506 pay periods out of 41,605 pay periods we achieve a 95% confidence level with a 0.66% margin of error.

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

Executed this 13th day of May 2026 at Washington, Utah.



KENNETH L. CREAL, CPA

EXHIBIT 3

D.LAW, INC.
David Keledjian (SBN 309135)
David Arakelyan (SBN 337076)
Enoch J. Kim (SBN 261146)
Marta Manus (SBN 260132)
250 N Madison Avenue, 2nd Floor
Pasadena, CA 91101-1639
Telephone: (818) 962-6465
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Emails: d.keledjian@d.law; darakelyan@d.law;
e.kim@d.law; m.manus@d.law

Attorneys for Plaintiff ERIC CARDENAS

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

ERIC CARDENAS, on behalf of himself and
all others similarly situated, and the general
public,

Plaintiff,

v.

LOEWS HOLLYWOOD HOTEL, LLC, a
Delaware limited liability company; LOEWS
HOTELS & CO, a business entity of unknown
form; LOEWS CORPORATION, a business
entity of unknown form; and DOES 1 through
50, inclusive,

Defendants.

Case No. 24STCV15653

CLASS ACTION

Assigned for All Purposes To:

Hon. Elihu M. Berle

Dept.: 6

**DECLARATION OF KIMBERLY
SUTHERLAND IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

DECLARATION OF KIMBERLY SUTHERLAND

I, Kimberly Sutherland, declare as follows:

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

2. Apex Class Action's team has been directly involved with class action administration for a combined 75 years and has successfully managed numerous class action cases during that time. Our team comprises experienced professionals with extensive knowledge of class action settlement administration. In addition, Apex Class Action has the necessary technology and infrastructure to efficiently manage large-scale class action cases. We utilize state-of-the-art software and systems to ensure that all aspects of the administration process are executed accurately and efficiently.

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

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

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

evaluating the effectiveness of its security measures. Access to class member information is limited to employees, agents, or subcontractors who require it to perform their duties, and Apex Class Action conducts background checks on all personnel with access to sensitive personal information, to ensure they do not pose a threat to the security of client or class member information. To guarantee the security of the settlement administration process, Apex Class Action maintains \$1,000,000.00 in Professional Liability and \$5,000,000.00 in Cyber Liability Insurance coverage, as required by legal standards and best practices in the legal profession.

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

7. Based on the escalator provision, the escalator clause was not triggered, as the total workweeks did not exceed the applicable 10% threshold.

8. The administration fees for Apex Class Action's management of this settlement are calculated using a combination of per hour, per piece, and static rates, per person, and will not exceed \$9,590.00, as specified in **Exhibit B**. This document presents a comprehensive plan detailing the specific administration services that will be provided.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct. Executed this 1st day of May 2026, in Irvine, California.

Kimberly Sutthaland

Kimberly Sutherland

EXHIBIT A



CASE TYPES

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

SUMMARY

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

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

PRELIMINARY CONSULTATION

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

CASE MANAGEMENT

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

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



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

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

TAX COMPLIANCE & CASE RESOLUTION

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

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

CONTACT

Address

18 Technology Dr. Ste. 154
Irvine, CA 92618

Email

kimberly@apexclassaction.com
Info@apexclassaction.com

Phone

1.321.223.5065
1.800.355.0700

EXHIBIT B

**Quotation Request:**

Norayr Zakaryan
D.Law
n.zakaryan@d.law
818.962.6465

Case Name:

Cardenas v. Loews Hollywood Hotel, LLC

Date:

Thursday, October 9, 2025

RFP Number:

34910009

Prepared By:

Kimberly Sutherland
Apex Class Action LLC
kimberly@apexclassaction.com
321.223.5065

Settlement Specifications

Estimated Class Size:	510
Certified Language Translation:	Yes
Static Settlement Website	Yes
Percentage of Undeliverable Mail	10%

Professional Services**Fee Calculation****Rate(s)****Quantity****Estimated Cost****Data Analytics and Standardization**

Import and Standardize Data*	Per Hour	\$125.00	2	\$250.00
Data Analyst	Per Hour	\$150.00	2	\$300.00

*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.

Sub Total: \$550.00

Mailing of Class Notice

Form Set Up	Per Hour	\$120.00	1	\$120.00
Print & Mail Class Notice	Per Piece	\$1.50	510	\$765.00
USPS First Class Postage	Per Piece	\$0.78	510	\$397.80
Remail Undeliverable Mail (Skip-Trace)	Per Piece	\$2.00	51	\$102.00
Receive and Process Undeliverable Mail	Per Hour	\$75.00	1	\$75.00
Process Class Member Correspondence via mail, e-mail & fax	Per Piece	\$75.00	2	\$150.00
NCOA Address Update (USPS)	Static Rate	\$107.90	1	\$107.90
Certified Language Translation: Spanish	Static Rate	\$1,200.00	1	\$1,200.00

Sub Total: \$2,917.70

Project Management

Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	2	\$180.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00

Sub Total: \$620.00



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Toll-Free Contact Center, Website & Reporting				
Bilingual Toll-Free Contact Center	Static Rate	\$175.00	1	\$175.00
Settlement Website: Static Apex URL	Static Rate	\$500.00	1	\$500.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
			Sub Total:	\$675.00

Distribution & Settlement Fund Management				
Settlement Calculations (Preliminary and Final)	Per Hour	\$120.00	3	\$360.00
Account Management and Reconciliation	Per Hour	\$140.00	3	\$420.00
Print & Mail Distribution Settlement Check (W-2/1099)	Per Piece	\$1.25	510	\$637.50
USPS First Class Postage	Per Piece	\$0.78	510	\$397.80
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.00	51	\$102.00
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	5	\$500.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,200.00	1	\$1,200.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$500.00	1	\$500.00
			Sub Total:	\$4,117.30

Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	2	\$270.00
Project Management Reconciliation	Per Hour	\$100.00	2	\$200.00
Declarations	Per Hour	\$120.00	2	\$240.00
			Sub Total:	\$710.00

			WILL NOT EXCEED:	\$9,590.00
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Thank you for your business!



Terms & Conditions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT 4