

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
jlapuyade@jcl-lawfirm.com
Sydney Castillo-Johnson (State Bar #343881)
scastillo@jcl-lawfirm.com
John L. Nitti (State Bar #330752)
jnitti@jcl-lawfirm.com
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
shani@zakaylaw.com
Nicole Noursamadi (State Bar #357246)
nicole@zakaylaw.com
Jaclyn Joyce (State Bar #285124)
jaclyn@zakaylaw.com
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047

Attorneys for PLAINTIFF

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

SIXTO ALEGRIA FERNANDEZ, an
individual, on behalf of himself, and on behalf
of all persons similarly situated,

Plaintiff,

v.

HILTON GRAND VACATIONS COMPANY,
LLC, a Delaware limited liability company,
HILTON RESORTS CORPORATION dba
HILTON GRAND VACATIONS, a Delaware
stock corporation, HILTON GRAND
VACATIONS CLUB, LLC, a Delaware limited
liability company; and DOES 1-50, Inclusive,

Defendants.

Case No. CVRI2402069

**DECLARATION OF SYDNEY CASTILLO-
JOHNSON, ESQ. IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: July 28, 2025

Time: 8:30 a.m.

Judge: Hon. Harold W. Hopp

Dept.: 1

1 I, Sydney Castillo-Johnson, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law at the law firm
4 of JCL LAW FIRM, APC (hereinafter “Class Counsel”). I am co-counsel of record for Plaintiff SIXTO
5 ALEGRIA FERNANDEZ (hereafter “Plaintiff”) in this wage and hour class action filed against Hilton
6 Grand Vacations Company, LLC, Hilton Resorts Corporation dba Hilton Grand Vacations, and Hilton
7 Grand Vacations Club, LLC (hereinafter collectively “Defendants”).

8 2. This declaration is being submitted in support of Plaintiff’s motion for Preliminary
9 Approval of Class and PAGA Action Settlement.

10 I. EXHIBITS

11 3. Attached hereto as **Exhibit “1”** is a true and correct copy of the fully executed Stipulation
12 of Settlement of Class and PAGA Action Claims and Release of Claims (“Agreement” or “Settlement
13 Agreement”). Attached as **Exhibit “A”** to the Agreement is a true and correct copy of the proposed
14 Notice Packet.

15 4. Attached hereto as **Exhibit “2”** is a true and correct copy of the proof of filing with the
16 Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement
17 and Motion for Preliminary Approval of Class Action and PAGA Action Settlement evidencing Class
18 Counsel’s compliance with California Labor Code Section 2699(l)(2).

19 II. INTRODUCTION

20 5. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of
21 the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm’s length.
22 The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement
23 is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage
24 and hour cases (see *infra*). Indeed, by settling now rather than proceeding to trial, Class Members will
25 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being
26 denied or of Defendants prevailing at trial. Given that there are approximately 144 Settlement Class
27 Members, **the average gross recovery is approximately \$599.54** (Net Settlement Amount divided by
28

1 Settlement Class Members). The range of settlement awards will be provided when Plaintiff moves for
2 final approval of the Settlement.

3 6. As discussed below, the proposed Settlement satisfies all criteria for preliminary
4 settlement approval and falls within the range of reasonableness. The average Individual Class Payment
5 to the Settlement Class meets awards in similar wage and hour class actions. Moreover, the proposed
6 Settlement Class is appropriate for provisional certification. Accordingly, Plaintiff respectfully requests
7 the Court grant preliminary approval of the Settlement.

8 **III. FACTS AND PROCEDURE**

9 **A. Overview of the Litigation and Mediated Settlement**

10 7. Defendants own and operate hotels throughout the world, including hotels in the state of
11 California, including the county of Riverside, where Plaintiff worked. Plaintiff worked for Defendants
12 in California from March 2023 to October 2023. During his employment, Plaintiff claims that he was
13 denied legally compliant meal and rest periods, and minimum wages and overtime compensation.
14 Throughout his employment, Plaintiff was subject to Defendants' written policies and procedures
15 contained in, among other documents, "Team Member Handbook".

16 8. Generally, Plaintiff claims that Defendants failed to provide compliant meal and rest
17 periods, failed to pay for all time worked, failed to reimburse necessary business expenses, and failed
18 to furnish accurate, itemized wage statements. Defendants deny liability for each of Plaintiff's claims.
19 Further, Defendants assert that it fully complied with all applicable employment laws and raised several
20 other significant defenses to Plaintiff's claims, including but not limited to, asserting that they
21 maintained facially compliant meal and rest period policies, paid their employees for all hours worked,
22 and properly reimbursed all necessary business expenses.

23 9. On February 5, 2024, Plaintiff served Defendants and the Labor and Workforce
24 Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiff's PAGA
25 Notice set forth the facts and theories supporting Defendants' alleged violations of various provisions
26 of the California Labor Code and applicable Industrial Welfare Commissions ("IWC") Wage Order and
27 of his intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab.
28 Code Sections 2698 *et seq* ("PAGA").

1 10. On April 11, 2024, Plaintiff filed a class action complaint in the Riverside County
2 Superior Court, Case No. CVRI2402069 (“Class Action”). The Action alleged nine causes of action
3 against Defendants for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code § 17200 et seq;
4 (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure
5 to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, et seq; (4) Failure to Provide Required
6 Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5)
7 Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the
8 Applicable IWC Wage Order; (6) Failure to Reimburse Employees for Required Expenses in Violation
9 of Cal. Lab. Code § 2802; (7) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab.
10 Code § 226; (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202 and
11 203; and (9) Violation of the Private Attorneys General Act [Labor Code § § 2698 *et seq.*]

12 11. On February 13, 2025, the Parties participated in a full day mediation with Lou Marlin,
13 Esq., a mediator of wage and hour class and PAGA actions. The mediation concluded with a settlement
14 after both sides agreed to a Mediator’s proposal. Thereafter, the Parties drafted and negotiated a long-
15 form settlement agreement, which is the subject of the instant motion.

16 **B. Class Counsel Thoroughly Investigated the Factual and Legal Issues**

17 12. Months before filing the Action, Class Counsel began its pre-filing investigation into
18 Plaintiff’s complaints. Class Counsel’s investigation started with several lengthy interviews with
19 Plaintiff. As part of the interview process, the Plaintiff produced documents related to his employment,
20 including copies of Plaintiff’s paystubs. Class Counsel subsequently determined that Plaintiff’s
21 complaints justified further inquiry.

22 13. Class Counsel then requested Plaintiff’s employee files from Defendants. In response,
23 Defendants produced several documents, including but not limited to, copies of Plaintiff’s payroll
24 records, time records and various company policies. Class Counsel reviewed and analyzed the
25 documents and determined the documents appeared to substantiate Plaintiff’s claims that Defendants
26 failed to, among other things, provide compliant meal and rest periods, and failed to pay for all hours
27 worked, failed to reimburse necessary business expenses, and failure to furnish accurate itemized wage
28 statements.

1 14. To prepare for mediation, Defendants produced time and payroll records for the Class
2 Members, aggregate workweek and pay period data for the Class Members, aggregate meal premiums
3 paid to the Class Members, average hourly rate for the Class Members, average shift length for Class
4 Members, number of current Class Members, number of former Class Members who were employed
5 during the Class Period, and copies of applicable handbooks, policies, and agreements. In total, Class
6 Counsel reviewed dozens of policy documents and thousands of unique cells of time and payroll data.

7 15. Class Counsel analyzed Defendants' time and payroll data to assist in the development
8 of various damage models. Among other things, Class Counsel estimated the approximate amount of
9 unpaid wages, amount of unpaid overtime wages, number of workweeks, pay periods, average length
10 of shifts and average number of hours worked per week. Class Counsel also estimated the number of
11 missed, late, or truncated meal and rest periods, the amount of off-the-clock work, and the amount of
12 missed meal and rest period premiums paid during the Class Period.

13 16. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1)
14 determining Plaintiff's suitability as a putative class representative through interviews, background
15 investigations, and analysis of his employment files; (2) evaluating all of Plaintiff's potential claims;
16 (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions,
17 and the type of employer; (4) analyzing the Settlement Class's time and payroll records; (5) analyzing
18 Defendants' labor policies and practices; (6) researching settlements in similar cases as well as
19 outstanding issues which could affect settlement approval; (7) evaluating Plaintiff's claims and
20 estimating Defendants' liability for purposes of settlement; (8) drafting the mediation brief; and (9)
21 participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and
22 magnitude of the claims being settled, as well as the impediments to recovery, such as to make an
23 independent assessment of the reasonableness of the terms to which the Parties have agreed.

24 17. Class Counsel only agreed to enter the Settlement following this thorough investigation
25 and evaluation of Plaintiff's claims. Based on their investigation of the facts, applicable law, and
26 marketplace for similar settlements, and considering the risk of significant delay and uncertainty
27 associated with litigation, and the various defenses asserted by Defendants, Class Counsel firmly
28

1 believe this Agreement to be in the best interests of the Class Members. Because the Settlement's terms
2 are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

3 **C. The Proposed Settlement Fully Resolves Plaintiff's Claims**

4 18. For tax purposes, Individual Class Payments shall be allocated and treated as follows:
5 20% as wages ("Wage Portion"); 80% as penalties and interest ("Non-Wage Portion"). The Wage
6 Portion is subject to wage withholdings and shall be reported on IRS Form W-2. The Non-Wage Portion
7 shall not be subject to wage withholdings and shall be reported on IRS Form 1099.

8 **IV. ARGUMENT**

9 **A. The Court Should Preliminarily Approve the Proposed Class Action Settlement**

10 19. The Parties participated in mediation with mediator Lou Marlin, Esq. Mediator Marlin
11 managed the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both
12 sides. (*In re Apple Computer, Inc. Derivative Litig.*, No. C 06-4128 JF (HRL), 2008 U.S. Dist. LEXIS
13 108195 (N.D. Cal. Nov. 5, 2008) (mediator's participation weighs considerably against any inference
14 of a collusive settlement); *D'Amato v. Deutsche Bank* (2d. Cir. 2001) 236 F.3d 78, 85 (a "mediator's
15 involvement in pre-certification settlement negotiations helps to ensure that the proceedings were free
16 of collusion and undue pressure.")) The mediation concluded with a settlement after both sides agreed
17 to a Mediator's proposal.

18 20. Once the Parties reached a settlement, they engaged in protracted negotiations regarding
19 the written terms of the class action settlement. The Parties maintained the arm's length, non-collusive
20 and adversarial negotiations while arriving at the final terms of the Settlement. The Agreement is the
21 final product of these settlement negotiations. Objectively, the Settlement terms are fair, adequate and
22 represent a reasonable compromise of the claims at issue.

23 21. The Gross Settlement Amount of \$200,000.00 is fair and reasonable considering the
24 nature and magnitude of the claims being settled and the various potential impediments to recovery.
25 Prior to settlement, Class Counsel developed economic damage models measuring Defendants' liability
26 exposure while accounting for the uncertainties of continued litigation. The various models were
27 informed by Class Counsel's investigation, including the analysis of a significant sample of time and
28 payroll data. Class Counsel projected Defendants' liability exposure for *class claims* (excluding PAGA

1 penalties), if Plaintiff was to be successful at trial, ranged between \$647,401.99 (“Realistic Damages”)
2 and \$1,469,546.98 (“Maximum Damages”). This range reflects the uncertainty regarding several of the
3 claims. Thus, the Gross Settlement Amount represents a recovery of between 30.89% (“Realistic
4 Damages”) and 13.61% (“Maximum Damages”) of Defendants’ class-wide exposure – well within the
5 recognized range of reasonableness. The following summarizes Defendants’ liability exposure:

6 22. Defendants’ Estimated Exposure for Wage Statement Violations Plaintiff alleged that
7 Defendants failed to provide accurate itemized wage statements that include all items required by Labor
8 Code § 226(a)(1)-(9). Plaintiff alleged that Defendants violated Labor Code § 226(a)(9) by issuing wage
9 statements to Plaintiff and Class Members that failed to include all applicable hourly rates in effect
10 during the pay period and the corresponding number of hours worked at each hourly rate by the
11 employee. Additionally, as a result of the failure to pay employees for all time worked and failure to
12 pay for all premiums owed, the wage statements issued by Defendants do not indicate the correct
13 number of hours worked, the amount of gross wages earned, or net wages earned during each pay
14 period.

15 23. Defendants denied liability for the claim and argued that they substantially complied with
16 their obligation to provide the applicable hourly rates on the wage statements issued to its employees.
17 Further, Defendants argued that even if they failed to furnish accurate wage statements, Plaintiff could
18 not establish the injury requirement on a class-wide basis. Plaintiff’s expert estimated that Defendants
19 liability for this claim ranged from approximately \$78,000.00 to \$156,000.00.

20 24. Plaintiff also alleges that Defendants failed to provide compliant meal periods.
21 Specifically, Plaintiff alleges that as a result of their rigorous work schedules, Plaintiff, Class Members,
22 and Aggrieved Employees were not able to take timely and duty-free meal periods. Further, Plaintiff
23 alleges that Defendants failed to record the actual time that Class Members worked. As a result, a
24 substantial amount of the meal periods were rounded to exactly thirty (30) minutes.

25 25. Defendants argued, among other things, that it did not engage in meal rounding and
26 provided all its employees, i.e., Class Members and Aggrieved Employees, with the opportunity to take
27 compliant meal periods. Defendants also argued that it maintained facially complaint meal period
28 policies, including enforceable meal period waivers. Thus, Defendants argued that there was no

1 potential liability for Plaintiff's alleged meal period violations and any claimed violations required a
2 highly individualized inquiry not suitable to class treatment. Based on Defendants' defenses, Plaintiff
3 estimated the damages for this claim ranged from approximately \$204,630.69 and \$409,261.38.

4 26. Plaintiff also alleged that Defendants failed to provide compliant rest periods.
5 Specifically, Plaintiff alleged that because of their rigorous work schedules, Plaintiff, Class Members,
6 and Aggrieved Employees were not able to take timely and duty-free rest periods. Specifically, Plaintiff
7 argued that he was required to work through his rest periods in order to finish work-related tasks.

8 27. Again, Defendants denied liability and asserted that the workload is not such that it
9 prevented employees from taking a break. Defendants maintained legally compliant written policies
10 and actual practices concerning rest periods throughout the Class Period. Moreover, Plaintiff
11 recognizes the evidentiary burdens establishing this claim. Establishing Plaintiff's rest period claim
12 would rely, almost entirely, on Class Member testimony, making it a riskier claim at class certification
13 and liability stages. Certification likely would have required depositions of Class Members and
14 Defendants' witnesses, and the ability to rebut depositions and declarations submitted by Defendants.
15 *See, e.g., Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at *11 ("Because
16 of the competing testimony before the Court, plaintiff's evidence that Defendants may have an illegal,
17 written rest break policy is insufficient for this Court to find that common issues predominate."); *Villa*
18 *v. United Site Servs. of California, Inc.* (N.D. Cal. Nov. 13, 2012) 2012 WL 5503550, at *8 ("Indeed,
19 Plaintiff's own evidence confirms that the written policy does not generate uniform practices"). Plaintiff
20 estimated the range of potential outcomes for this claim was between approximately \$204,630.69 and
21 \$409,261.38.

22 28. Plaintiff alleged that Defendants failed to include certain non-discretionary compensation
23 when calculating the regular rate of pay when paying overtime wages, rest period premiums, meal
24 period premiums, and sick pay. Specifically, Defendants paid Class Members non-discretionary
25 incentive compensation in the form of, among other things, "Referral Bonus," "Bonus," "Room
26 Incentive," "Employee Referral Bonus Current," "Hiring Bonus Current," "Incentive Current," "Sign
27 on Bonus Current," "Bonus Overtime Quarterly Current," and "Quarterly Bonus Current" payments,
28 which were not properly calculated into the regular rate of pay for purposes of overtime, double time,

1 and meal period premiums. SCJ Dec., ¶ 31. The regular rate of pay, which can change from pay period
2 to pay period, includes adjustments to the straight time rate, reflecting, among other things, non-
3 discretionary bonuses and awards, shift differentials and the per-hour value of any non-hourly
4 compensation the employee has earned. *Alvarado v. Dart Container Corp. of California* (2018) 4
5 Cal.5th 542, 552-554. California law requires meal period premiums and rest period premiums to be
6 paid at an employee's regular rate of pay. *See Ferra v. Lowes Hollywood Hotel, LLC* (2021) 11 Cal.5th
7 858.) For overtime work, "an employee must receive a 50 percent premium on top of his or her regular
8 rate of pay[.]" *Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 552-554.
9 California Labor Code section 246(1)(1) expressly mandates that sick pay for non-exempt employees
10 be based on either "the regular rate of pay for the workweek in which the employee uses paid sick time"
11 or the regular rate of pay in the 90 days preceding the use of the sick leave. Cal. Labor Code § 246(1)(1)-
12 (2).

13 29. Conversely, Defendants denied liability and asserted that they correctly calculated the
14 regular rate of pay. Specifically, Defendants asserted that each item of additional compensation paid to
15 Class Members during the Class Period was discretionary and therefore did not need to be calculated
16 into the regular rate of pay for purposes of overtime, meal period premiums, and redeemed sick pay.
17 Based on these defenses, Plaintiff estimated Defendants' exposure for this claim ranged from
18 approximately \$8,610.00 to \$17,220.00.

19 30. Plaintiff alleges that Defendants failed to pay for all hours worked. Specifically, Plaintiff
20 alleges that he and other Class Members were required to perform pre- and post-shift work off-the-
21 clock and were not compensated for that time. Defendants vigorously denied liability for this claim.
22 Collectively, Defendants asserted, among other things, that its written policies and procedures directed
23 its employees to perform work only while on-the-clock. Defendants asserted that any deviation from
24 these written policies was individual-specific and thus created individualized issues of liability
25 unsuitable for class treatment.

26 31. Based on Defendants' alleged practices requiring employees to work off-the-clock,
27 Plaintiff assumed ten (10) minutes of unpaid compensable time per workweek by the Class Members
28

1 during the Class Period. Plaintiff estimated Defendants' exposure for this claim ranged between
2 approximately \$50,644.11 and \$101,288.22.

3 32. Plaintiff alleges that Defendants' alleged violations resulted in derivative violations of
4 Labor Code section 203. Defendants contend that Plaintiff could not prove the "willful" prong needed
5 to obtain waiting time penalties under Labor Code section 203. As this claim is legally precarious,
6 Plaintiff applied a 75% discount. Plaintiff estimated Defendants' exposure for these claims to be
7 approximately \$87,371.50 to approximately \$349,486.00.

8 33. Plaintiff alleges that Defendants failed to reimburse its employees for mandatory business
9 expenses. Specifically, Defendants required Plaintiff and Class Members to use their own personal
10 cellular phones as a result of and in furtherance of their job duties as employees for Defendants but
11 were not reimbursed or indemnified for the cost associated with the use of their personal cellular phones
12 for Defendants' benefit. BCG estimated a reasonable \$15 monthly reimbursement rate for Class
13 Members for the use of their personal cell phones.

14 34. Defendants deny these claims and also noted that even if these claims were true, they
15 would affect only a small subset of that Class. As a result, Plaintiff applied a 50% discount and estimated
16 Defendants' exposure for this claim between approximately \$13,515.00 and \$27,030.00.

17 35. "Under PAGA, a plaintiff may bring a representative action as an aggrieved employee on
18 behalf of herself and other current or former employees and may seek civil penalties for Labor Code
19 violations." *Wilner v. Manpower, Inc.*, 35 F.Supp.3d 1116 (N.D. Cal. 2014). Thus, Plaintiff sought
20 penalties for unpaid wages (including unpaid overtime), non-compliant or no meal periods,
21 noncompliant or no rest periods, and unreimbursed business expenses. The PAGA Period is the period
22 between February 5, 2023, through April 14, 2025, and there are approximately 73 Aggrieved
23 Employees who worked a total of 1,684 pay periods.

24
25
26
27
28 ///

36. Plaintiff's claims and corresponding PAGA penalties can be broken down as follows:

Labor Code Section	Number of employees	Statutory penalty	Number of pay periods / violations	Violation rate	Total Penalties
351, 510, 558, 1194 and 1197 (unpaid wages)	73	\$100	1,218	100% of total pay periods	\$121,800
512 and 226.7 (meal period violations)	73	\$50	1,691	50% of total pay periods	\$84,550
512 and 226.7 (rest period violations)	73	\$50	1,691	50% of total pay periods	\$84,550
2802 (unreimbursed business expenses)	73	\$100	1,750	100% of total pay periods	\$7,500
226 (wage statements)	73	\$100	1,750	100% of total pay periods	\$175,000
TOTAL					\$473,400

37. Defendants argued, however, that PAGA penalties would not be assessed if defendants prevailed on the arguments for the underlying claims, that PAGA penalties cannot be stacked for different Labor Code provisions, and that the Court would exercise its discretion to reduce the amount of PAGA penalties significantly. Ultimately, the Parties negotiated a good faith PAGA penalties allocation of \$10,000.00 which is 5% of the Gross Settlement Amount. This amount falls well within the range of approved PAGA Penalties. Seventy-Five percent (75%) of the PAGA Penalties (\$7,500.00) will be paid to the LWDA ("LWDA Payment") with the remaining twenty-five percent (25%) of the PAGA Penalties (\$2,500.00) will be distributed to the Aggrieved Employees, which is within the range of PAGA Penalties approved by courts and should be approved.

B. Inherent Risks of Continued Litigation Support Preliminary Approval

38. With respect to the most immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class

1 certification because employees' declarations attesting to having taken meal and rest breaks
2 demonstrated that individualized inquiries were required to show harm. *See also Campbell v. Best Buy*
3 *Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification
4 of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed*
5 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest
6 period claims based on the predominance of individual issues).

7 39. Further, even if a class is certified, liability remains uncertain. The risks attendant to the
8 issue of Defendants' liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank*
9 *National Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor plaintiffs
10 in a wage and hour class action. *See also Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077,
11 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly
12 individualized questions of fact not susceptible to class treatment.").

13 40. Finally, even if a class is certified and Defendants are found liable for the class claims
14 alleged, post-certification risks remain, including a reversal of a favorable judgment for Plaintiff and
15 decertification of the class. These post-certification risks are demonstrated by *Magadia v. Wal-Mart*
16 *Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated reversed and remanded
17 a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed
18 the trial court to enter judgement in favor of the employer. *See also O'Conner v. Uber Technologies,*
19 *Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action).

20 41. Collectively, the examples cited above illustrate the uncertain nature of class litigation.
21 Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk
22 factor favoring settlement.

23 42. Finally, continuing to litigate this action would require continued and extensive resources
24 coupled with significant Court time to proceed through trial and post-trial motions; which can often
25 take years. Furthermore, wage-and-hour litigation is complex and expensive, as it often necessitates
26 extensive expert testimony, particularly with regards to damages. But even if Plaintiff is successful at
27 trial, Plaintiff is acutely aware that a judgment does not end the litigation. Plaintiff fully expects that
28

1 Defendants would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d 668,
2 the risk of an appeal and subsequent reversal is real.

3 43. In this matter, Class Counsel negotiated a Gross Settlement Amount of \$200,000.00 that
4 is roughly between approximately 30.89% and 13.61% of Defendants' *class-wide* liability exposure for
5 damages and statutory penalties, and between 30.48% and 10.26% of Defendants' maximum class wide
6 liability exposure for damages and penalties, including PAGA Penalties. Given the amount of the
7 settlement here, as compared to potential value of the claims, offset by the various inherent risks to
8 continued litigation, the settlement is fair and reasonable.

9 **C. Proposed Notice Informs the Class About the Case and Settlement**

10 44. The Parties jointly drafted the Class Notice which fairly and neutrally informs the Class
11 Members of their rights and remedies. The Settlement Administrator will first verify addresses, then
12 mail the proposed Class Notice to all Class Members. The Notice will include information regarding
13 the nature of the lawsuit, a summary of the substance of the Settlement's terms, the class definition, the
14 procedure, and time period within which to requests for exclusions or objections to the Settlement, the
15 date for the final approval hearing, the formula used to calculate settlement payments, and the terms
16 and scope of the Released Claims. The Parties negotiated this method to ensure delivering the most
17 reasonable method of notice to the Class Members while ensuring cost effective administration of the
18 Settlement.

19 45. The Class Notice includes an exclusion form that Class Members can fill out in order to
20 exclude themselves from the Settlement, and an Objection Form that Class Members can fill out in
21 order to object to the terms of the Settlement. The Class Notice informs Class Members of where they
22 can find the full text of the settlement agreement, the court address, and court website address. See Ex.
23 A to the Agreement.

24 46. Accordingly, both the method of disseminating the Class Notice and content of the Class
25 Notice satisfy due process. (*See* C.R.C. 3.776(e)-(f); *State of Cal. v. Levi Strauss* (1986) 41 Cal.3d
26 460,485 (the class notice must "fairly apprise the class members of the terms of the proposed
27 compromise and of the options open to dissenting class members.").)

28 ///

1 **D. The Court Should Preliminarily Approve the Class Representative Service Award**

2 47. The Settlement provides for a Class Representative Service Award of \$10,000 for
3 Plaintiff. The service award is fair and reasonable compensation for the Plaintiff's efforts bringing the
4 action, assisting Class Counsel with the litigation and settlement, regularly conferring with Class
5 Counsel on the status of his case and the strategies for prosecuting the claims, reviewing the proposed
6 Settlement to ensure that its terms are fair and provide adequate relief for the Settlement Class, and for
7 providing a general release of claims to Defendants in exchange for the Service Award.

8 48. Class Counsel on behalf of Plaintiff will file a formal motion for the negotiated Class
9 Representative Service Award once preliminary approval of the Settlement is granted. Such motion
10 will be accompanied by a declaration from Plaintiff that describes the services he performed to
11 prosecute this action, includes an estimate of time incurred by Plaintiff in performing these services,
12 the risks he assumed or benefits he received in prosecuting this action, and identify any adverse
13 consequences he suffered in prosecuting this action. Plaintiff has **not** negotiated any settlement of
14 individual claims with Defendants separate from the settlement at bar.

15 49. Plaintiff respectfully submits that the above showing is sufficient for preliminary
16 approval of the negotiated Class Representative Service Award.

17 **E. The Court Should Preliminary Approve the Negotiated Class Counsel Award**

18 50. Class Counsel took this matter on a contingency fee basis and invested significant time
19 and expense successfully prosecuting Plaintiff's claims. As discussed *supra*, the estimated average
20 Individual Settlement Payment illustrates the demonstrably positive outcome for the Settlement Class
21 Members. Considering the positive outcome for the Settlement Class Members, and in light of the
22 supporting authority, the proposed Class Counsel Award is fair and reasonable.

23 51. Plaintiff will file a formal motion for the negotiated Class Counsel Award once
24 preliminary approval of the Settlement is granted. Such motion will be accompanied by a declaration
25 that provides evidence of the total amount of time spent by Class Counsel, a description of the work
26 performed, and the reasonableness of the fees charged. Such declaration will also include a detailed
27 description of the costs actually incurred. This declaration will include details related to fee splitting
28

1 between Class Counsel, and Plaintiff's written notice of such. Plaintiff respectfully submits that the
2 above showing is sufficient for preliminary approval of the negotiated attorneys' fees.

3 **F. Provisional Certification for Settlement Purposes Is Appropriate**

4 52. For Settlement purposes, Plaintiff contends, and Defendants does not dispute, that
5 provisional certification of the Class is appropriate.

6 53. Because all Class Members are Defendants' current and former employees, the class is
7 readily ascertainable from Defendants' regular business records, i.e., payroll records.

8 54. The statutes relating to each of Plaintiff's claims apply with equal force and effect to the
9 entire Settlement Class. Factually, Defendants' policies and practices apply class-wide and Defendants'
10 liability can be determined by facts common to all members of the class. The wage and hour issues are
11 both numerous and substantial, and a class action is the most advantageous method of dealing with the
12 claims of the Settlement Class.

13 55. Plaintiff's wage and hour claims are typical of the proposed Settlement Class because
14 they arise from the same factual basis and are based on the same legal theories applicable to the other
15 Class Members. Likewise, Plaintiff's interests are entirely coextensive with the interests of the
16 Settlement Class. Plaintiff alleges that he was injured by the same company-wide practices to which
17 the proposed Class Members were subject to and seek the same relief. Plaintiff has already demonstrated
18 his ability to advocate for the interests of the Class Member by initiating this litigation, undertaking
19 extensive class discovery, and evaluating the proposed settlement to assure that it is fair.

20 **G. Class Counsel's Experience**

21 56. Additionally, Plaintiff is represented by competent Class Counsel who have extensive
22 experience in litigating wage and hour class action cases. Class Counsel successfully briefed, argued,
23 certified, and gained state court settlement approval of the same class-wide causes of action that are at
24 issue in this case. Class Counsel's wage and hour class action experience establishes that they are well
25 qualified to represent the interests of this Class.

26 57. A class action is superior to a multitude of individual lawsuits. Given the size and amount
27 of each individual claim, the Class Members likely have little incentive to litigate their claims on an
28 individual basis because the out-of-pocket expense and personal commitment necessary to litigate each

1 claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case
2 adjudication.

3 58. I have been in practice as a labor and employment associate with the JCL Law Firm,
4 APC, since May 2022, representing employees in wage and hour class and PAGA actions.

5 59. I am qualified to represent the Plaintiff, the State of California, and the Class Members.
6 I have experience with wage and hour class and representative actions litigation like this matter, and
7 employment matters in general. I can, will and have adequately represented the interests of the Plaintiff
8 and Class Members throughout this action.

9 60. My primary practice has been employment law throughout my entire legal career. I have
10 handled a number of wage and hour matters, including individual actions, class actions, and
11 representative PAGA actions, on behalf of plaintiffs. The following is a list of wage and hour class
12 and/or PAGA actions where I served as counsel and in which final settlement approval was granted:
13 See generally *Chrestensen v. Northeastern Rural Health Clinics* Lassen, Superior Court Case No.
14 63703 (April 13, 2023); *Toler v. Total Testing Solutions, LLC*, Los Angeles Superior Court Case No.
15 21STCV38452 (July 27, 2023); *O'Quinn v. Laugh Factory, Inc.*, Los Angeles Superior Court Case
16 No. 19STCV28155 (August 1, 2023); *Kneisly v. SR Machining, Inc., et al.*, Riverside Superior Court
17 Case No. CVRI2201491 (October 5, 2023); *Anderson v. Barton Myers Associates, Inc., et al.*, Los
18 Angeles Superior Court Case No. 21STCV43314 (October 12, 2023); *Coles v. Carefusion Resources*
19 *LLC, et. al.* San Diego Superior Court Case No. 37-2022-00048696-CU-OE-CTL (March 25, 2024);
20 *Thomas v. Center for Elder's Independence* Alameda Superior Court Case No. 22CV024221 (July 2,
21 2024); *Klein v. RedZone Security, Inc.*, Riverside Superior Court Case No. CVRI2202841 (August 15,
22 2024); *Nunez v. Titan AG, et. al.* Tulare Superior Court Case No. VCU296822 (February 4, 2025);
23 *Rene v. Koch Filter Corporation* Riverside Superior Court Case No. CVRI2300700 (March 11, 2025);
24 *Winn v. City Electric Supply Company* San Diego Superior Court Case No. 37-2023-0004023 1-CU-
25 OE-CTL (March 13, 2025); *Gamble v. AirX Utility Surveyors, Inc.* San Diego Superior Court Case
26 No. 37-2022-00042178-CU-OE-CTL (March 14, 2025); *Garcia v. ConvergeOne* San Bernardino
27 Superior Court Case No. CIVSB2305464 (May 12, 2025).

28 ///

61. As counsel for Plaintiff and the proposed Class, I have been actively involved in every aspect of this case, and I believe that the proposed Settlement is an excellent result for the Class.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 27th day of June 2025, at San Diego, California.

JCL LAW FIRM, APC

By: Sydney Castillo-Johnson
Sydney Castillo-Johnson, Esq.
Attorneys for PLAINTIFF

EXHIBIT 1

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo Johnson (State Bar #343881)
John L. Nitti (State Bar #330752)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
jlapuyade@jcl-lawfirm.com
scastillo@jcl-lawfirm.com
jnitti@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
Nicole Noursamadi (State Bar #357246)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047
shani@zakaylaw.com
nicole@zakaylaw.com

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

SIXTO ALEGRIA FERNANDEZ, an
individual, on behalf of himself, and on behalf
of all persons similarly situated,

Plaintiff,

v.

HILTON GRAND VACATIONS COMPANY,
LLC, a Delaware limited liability company,
HILTON RESORTS CORPORATION dba
HILTON GRAND VACATIONS, a Delaware
stock corporation, HILTON GRAND
VACATIONS CLUB, LLC, a Delaware limited
liability company; and DOES 1-50, Inclusive,

Defendants.

Case No. CVRI2402069

[Complaint Filed: April 11, 2024]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

Judge: Judge Hopp
Dept. 1

This Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims is entered into by and between Plaintiff Sixto Fernandez Alegria (hereinafter collectively “Plaintiff”), an individual, on behalf of himself, and on behalf of all persons similarly situated, and Defendants Hilton Grand Vacations Company, LLC, Hilton Resorts Corporation dba Hilton Grand Vacations, and Hilton Grand Vacations Club, LLC (hereinafter “Defendants”):

I. DEFINITIONS

- A. “Action” shall mean the putative class action lawsuit designated *Fernandez v. Hilton Grand Vacations Company, LLC, et al.*, Riverside County Superior Court, Case No. CVRI2402069, filed April 11, 2024.
- B. “Aggrieved Employees” shall mean all current and former employees of Defendants who worked for Defendants in a non-exempt and exempt position at the Palm Desert location during the PAGA Period.
- C. “Aggrieved Employee Payment” shall mean the Aggrieved Employees’ pro-rata share of the twenty-five percent (25%) portion of the PAGA Payment allocated and distributed to the Aggrieved Employees.
- D. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims.
- E. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC and Shani Zakay of Zakay Law Group, APLC.
- F. “Class Counsel Award” means the award of fees and expenses that the Court authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff and the Class in the Action, consisting of attorneys’ fees currently not to exceed one-third of the Gross Settlement Amount currently estimated to be \$66,666.66 out of \$200,000.00, plus costs and expenses in the amount of up to \$25,000.00. Class Counsel’s award for attorneys’ fees will be divided equally between Class Counsel (50% to JCL Law Firm, APC; and 50% to Zakay Law Group, APLC).
- G. “Class Data” means information regarding Class Members that Defendants will in good faith compile from its records and provide to the Settlement Administrator. It

1 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
2 Member's full name; last known address; Social Security Number; start dates and end
3 dates of employment; and any other information the Settlement Administrator deems
4 necessary to accurately calculate the number of Workweeks and Pay Period worked
5 by each Class Member and Aggrieved Employee during the Class and PAGA Periods.

6 H. "Class Members" or the "Class" means all current and former employees of
7 Defendants who worked for Defendants in a non-exempt position at the Palm Desert
8 location during the Class Period.

9 I. "Class Period" means the period from April 11, 2020, through the earlier of
10 preliminary approval of the settlement by the Court or April 14, 2025.

11 J. "Class Representative" shall mean plaintiff Sixto Fernandez Alegria.

12 K. "Class Representative Service Award" means the amount of up to and not to exceed
13 Ten Thousand Dollars and Zero Cents (\$10,000.00) that the Court authorizes to be
14 paid to the Class Representative, in addition to his Individual Class Payment and his
15 Aggrieved Employee Payment, in recognition of his efforts and risks in assisting with
16 the prosecution of the Action.

17 L. "Court" means the Superior Court for the State of California, County of Riverside
18 currently presiding over the Action.

19 M. "Defendants" shall mean Hilton Grand Vacations Company, LLC, Hilton Resorts
20 Corporation dba Hilton Grand Vacations, and Hilton Grand Vacations Club, LLC.

21 N. "Effective Date" means the earliest date, following entry by the Court of an order
22 and judgment finally approving this Settlement, upon which one of the following have
23 occurred: (i) if no objection is filed to the settlement and no objector appears at the
24 hearing on final approval, the date of the Court's entry of the order granting final
25 approval, (ii) if an objection is filed to the settlement and/or an objector appears at the
26 hearing on final approval, then the earlier of the following: (a) the expiration of all
27 potential appeal periods without a filing of a notice of appeal of the final approval
28 order or judgment; (b) final affirmance of the final approval order and judgment by

an appellate court as a result of any appeal(s), or (c) final dismissal or denial of all such appeals (including any petition for review, rehearing, certiorari, etc.) such that the final approval order and judgment is no longer subject to further judicial review.

O. “Funding Date” shall mean ten (10) calendar days after the Effective Date and is the date Defendants transfer the Gross Settlement Amount into the QSF in accordance with the terms of this Agreement.

P. “Gross Settlement Amount” means Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) that Defendants must pay into the QSF in connection with this Settlement, inclusive of the sum of the Individual Settlement Payments, the Class Representative Service Award, the Class Counsel Award, PAGA Payment and the Settlement Administration Expenses and *exclusive* of the employer’s share of payroll tax, if any, triggered by any payment under this Settlement.

Q. “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each Settlement Class Member and excludes any amounts distributed to Aggrieved Employees pursuant to PAGA.

R. “LWDA Payment” shall mean the seventy-five percent (75%) of the PAGA Payment (\$7,500) allocated to the California Labor and Workforce Development Agency.

S. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount, less Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement Administration Expenses. Any amounts not approved by the Court will become part of the Net Settlement Amount for distribution to Settlement Class Members and will not be grounds for voiding the Agreement.

T. “Notice Packet” means the Class Notice to be provided to the Class Members by the Settlement Administrator in the form set forth as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator).

U. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, Labor Code § 2698 *et seq.*

- 1 V. "PAGA Payment" shall mean Ten Thousand Dollars and Zero Cents (\$10,000.00) to
2 be allocated from the Gross Settlement Amount in settlement of the Released PAGA
3 Claims.
- 4 W. "PAGA Payment Ratio" means the respective pay periods during the PAGA Period
5 for each Aggrieved Employee divided by the sum total of the pay periods for all
6 Aggrieved Employees during the PAGA Period.
- 7 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
8 Employee Payment, as defined herein, means the number of pay periods of
9 employment during the PAGA Period that each Aggrieved Employee worked in
10 California.
- 11 Y. "PAGA Period" means the period between February 5, 2023, through the earlier of
12 preliminary approval of the settlement by the Court or April 14, 2025.
- 13 Z. "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean either
14 Plaintiff or Defendants, individually.
- 15 AA. "Payment Ratio" means the respective Workweeks for each Class Member divided
16 by the sum total Workweeks for all Class Members.
- 17 BB. "Plaintiff" shall mean Sixto Fernandez Alegria.
- 18 CC. "QSF" means the Qualified Settlement Fund established, designated and maintained
19 by the Settlement Administrator to fund the Gross Settlement Amount.
- 20 DD. "Released Class Claims" means all class claims alleged, or reasonably could have
21 been alleged based on the facts alleged, in the operative complaint in the Action which
22 occurred during the Class Period, and expressly excluding all other claims, including
23 claims for vested benefits, wrongful termination, unemployment insurance, disability,
24 social security, workers' compensation, and class claims outside of the Class Period.
- 25 EE. "Released PAGA Claims" means Plaintiff releases all claims for statutory penalties
26 that could have been sought by the Labor Commissioner for the violations identified
27 in Plaintiff's pre-filing letter to the LWDA; Plaintiff does not release any Aggrieved
28 Employee's claim for wages or damages.

1 FF. "Released Party" shall mean Defendants together with its officers, directors,
2 employees and agents.

3 GG. "Response Deadline" means the date forty-five (45) days after the Settlement
4 Administrator mails Notice Packets to Class Members and the last date on which
5 Class Members may submit requests for exclusion or objections to the Settlement.

6 HH. "Settlement" means the disposition of the Action pursuant to this Agreement.

7 II. "Settlement Administrator" means Apex Class Action LLC, 18 Technology Drive,
8 Suite 164 Irvine, CA 92618. The Settlement Administrator establishes, designates
9 and maintains, as a QSF under Internal Revenue Code section 468B and Treasury
10 Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount
11 is deposited for the purpose of resolving the claims of Settlement Class Members.
12 The Settlement Administrator shall maintain the funds until distribution in an
13 account(s) segregated from the assets of Defendants and any person related to
14 Defendants. *All accrued interest shall be paid and distributed to the Settlement Class*
15 *Members as part of their respective Individual Settlement Payment.*

16 JJ. "Settlement Administration Expenses" shall mean the amount to be paid for the costs
17 of administration of the Settlement from the Gross Settlement Amount in an amount
18 not to exceed \$7,000.00.

19 KK. "Settlement Class Members" or "Settlement Class" means all Class Members who
20 have not submitted a timely and valid request for exclusion as provided in this
21 Agreement.

22 LL. "Workweeks," for purposes of calculating the distribution of the Net Settlement
23 Amount, means the number of weeks of employment during the Class Period that
24 each Class Member was employed by Defendants in California. .

25 **II. RECITALS**

26 A. On February 5, 2024, Plaintiff filed a Notice of Violations with the Labor and
27 Workforce Development Agency (LWDA) and served the same on Defendants.
28

1 B. On April 11, 2024, Plaintiff filed a Class Action complaint in the Superior Court for
2 the State of California, County of Riverside Case No. CVRI2402069 (“Class Action”)
3 alleging causes of action for:

- 4 1. Unfair Competition in Violation of Cal. Bus. & Prof. Code §17200 *et seq*;
- 5 2. Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197
6 & 1197.1;
- 7 3. Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq*;
- 8 4. Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§
9 226.7 & 512 and the Applicable IWC Wage Order;
- 10 5. Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§
11 226.7 & 512 and the Applicable IWC Wage Order;
- 12 6. Failure to Reimburse Employees for Required Expenses in Violation of Cal.
13 Lab. Code § 2802;
- 14 7. Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab.
15 Code § 226;
- 16 8. Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201,
17 202 and 203;
- 18 9. Violation of the Private Attorneys General Act [Labor Code §§ 2698 *et seq*.

19 C. The Class Representative believes he has meritorious claims based on alleged
20 violations of the California Labor Code, and the Industrial Wage Commission Orders,
21 and that class certification is appropriate because the prerequisites for class
22 certification can be satisfied in the Action, and this action is manageable as a PAGA
23 representative action.

24 D. Defendants denies any liability or wrongdoing of any kind associated with the claims
25 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
26 Representative are owed, and further contend that, for any purpose other than
27 settlement, the Action is not appropriate for class or representative action treatment.
28

Defendants contend, among other things, that at all times it complied with the California Labor Code and the Industrial Wage Commission Orders.

E. Class Counsel represents the Class Representative. Class Counsel conducted a thorough investigation into the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through formal and informal discovery, and reviewing documents and information provided by Defendants pursuant to informal requests for information to prepare for mediation. Defendants produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed. Class Counsel engaged in a comprehensive review and analysis of Defendants' discovery responses, including obtaining the contact information of the class members and conducting numerous interviews of the class members. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendants is fair, reasonable and adequate, and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendants agrees to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.

F. On February 13, 2025, the Parties participated in mediation presided over by Lou Marlin, Esq., a mediator of wage and hour class and PAGA actions. The mediation concluded with a settlement after both sides agreed to a Mediator's proposal.

G. This Agreement replaces and supersedes any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Action of Plaintiff or the Class Members have merit or that Defendants bears any liability to Plaintiff or

the Class on those claims or any other claims, or as an admission by Plaintiff that Defendants' defenses in the Action have merit.

H. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, considering all relevant factors. The Parties recognize the uncertainty, risk, expense and delay attendant to continuing the Action through trial and any appeal. Accordingly, the Parties desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Action.

I. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserves the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendants.

1. Settlement Consideration. In full and complete settlement of the Action, and in exchange for the releases set forth below, Defendants will pay the sum of the Individual Settlement Payment, the Class Representative Service Award, the Class Counsel Award, PAGA Payment, and the Settlement Administration Expenses, as specified in this Agreement, equal to the Gross Settlement Amount of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of employer payroll taxes and as provided for in Section III(A)(2) below, if any, Defendants shall not be required to pay more than the Gross Settlement Amount, except as provided for hereinbelow.

2. Class Size. At the time of mediation, Defendants estimated that the Settlement Class was comprised of 144 Class Members who collectively worked

1 approximately 7,324 Workweeks (“Projected Workweeks”) during the Class
2 Period and 73 Aggrieved Employees who worked a total of 1,684 Pay Periods
3 during the PAGA Period. No later than thirty (30) days after execution of this
4 Agreement, Defendant will provide the Settlement Administrator with the
5 Class Data in order to ensure the Settlement Administrator has sufficient time
6 to prepare a declaration prior to the filing of the motion for Preliminary
7 Approval. If at the end of the Class Period that number has increased by more
8 than 10%, then the Gross Settlement Amount will be increased
9 proportionately. For example, if the number is 11% higher, the Gross
10 Settlement Amount will be increased by 1%. In the alternative, Defendant
11 may elect to shorten the Class Period to stay within the 10% cushion.

12 3. Settlement Payment. Defendants and the Released Parties, and each of them,
13 are jointly and severally liable for payment of the Gross Settlement Amount.
14 Defendants shall pay the Gross Settlement Amount to the Settlement
15 Administrator on the Funding Date.

16 4. Defendants’ Share of Payroll Taxes. Defendants’ share of employer side
17 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
18 together with the Gross Settlement Amount.

19 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
20 consideration set forth in this Agreement, Plaintiff and the Settlement Class Members
21 release the Released Parties from the Released Class Claims for the Class Period.

22 C. Release by the Plaintiff and State of California. As of the Funding Date, in exchange
23 for the consideration set forth in this Agreement, the Plaintiff, the LWDA and the State
24 of California release the Released Parties from the Released PAGA Claims for the
25 PAGA Period. As a result of this release, the Aggrieved Employees shall be precluded
26 from bringing claims against Released Parties for the Released PAGA Claims. The
27 forgoing is subject to and intended to be in compliance with Case Management Order
28 #1 section G(3)(e)(iv), such that Plaintiff releases all claims for statutory penalties that

1 could have been sought by the Labor Commissioner for the violations identified in
2 Plaintiff's pre-filing letter to the LWDA and only to the extent they are alleged in the
3 complaint; Plaintiff does not release any Aggrieved Employee's claim for wages or
4 damages.

5 D. Release by Plaintiff. As of the occurrence of the Effective Date and the Funding Date,
6 for the consideration set forth in this Agreement, Plaintiff waives, releases, acquits and
7 forever discharges the Released Parties from any and all claims, whether known or
8 unknown, which exist or may exist on either Plaintiff's behalf as of the date of this
9 Agreement, including but not limited to any and all tort claims, contract claims, wage
10 claims, wrongful termination claims, disability claims, benefit claims, public policy
11 claims, retaliation claims, statutory claims, personal injury claims, emotional distress
12 claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit
13 claims, and any and all claims arising under any federal, state or other governmental
14 statute, law, regulation or ordinance, including, but not limited to claims for violation
15 of the Fair Labor Standards Act, the California Labor Code, the Wage Orders of
16 California's Industrial Welfare Commission, other state wage and hour laws, the
17 Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA),
18 the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of
19 1964, the California Fair Employment and Housing Act, the California Family Rights
20 Act, the Family Medical Leave Act, California's Whistleblower Protection Act,
21 California Business & Professions Code Section 17200 et seq., and any and all claims
22 arising under any federal, state or other governmental statute, law, regulation or
23 ordinance. Plaintiff also waives and relinquishes any and all claims, rights or benefits
24 that he may have under California Civil Code § 1542, which provides as follows:

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

1 Thus, notwithstanding the provisions of section 1542, and to implement a full and
2 complete release and discharge of the Released Parties, Plaintiff expressly
3 acknowledges this Settlement Agreement is intended to include in its effect, without
4 limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at
5 the time of signing this Settlement Agreement, and that this Settlement Agreement
6 contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff
7 has read this Settlement Agreement, including this waiver of California Civil Code
8 section 1542, and that Plaintiff has consulted with or had the opportunity to consult
9 with counsel of Plaintiff's choosing about this Settlement Agreement and specifically
10 about the waiver of section 1542, and that Plaintiff understands this Settlement
11 Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters
12 into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later may
13 discover facts different from or in addition to those Plaintiff now knows or believes to
14 be true regarding the matters released or described in this Settlement Agreement, and
15 even so Plaintiff agrees that the releases and agreements contained in this Settlement
16 Agreement shall remain effective in all respects notwithstanding any later discovery
17 of any different or additional facts. Plaintiff expressly assumes any and all risk of any
18 mistake in connection with the true facts involved in the matters, disputes, or
19 controversies released or described in this Settlement Agreement or with regard to any
20 facts now unknown to Plaintiff relating thereto.

21 E. Conditions Precedent: This Settlement will become final and effective only upon the
22 occurrence of all of the following events:

- 23 1. The Court enters an order granting preliminary approval of the Settlement;
- 24 2. The Court enters an order granting final approval of the Settlement and a Final
25 Judgment;
- 26 3. If an objector appears at the final approval hearing, the time for appeal of the
27 Final Judgment and Order Granting Final Approval of Class Action
28 Settlement expires; or, if an appeal is timely filed, there is a final resolution of

any appeal from the Judgment and Order Granting Final Approval of Class Action Settlement; and

4. Defendants fully fund the Gross Settlement Amount.

F. Nullification of Settlement Agreement. In the event that this Settlement Agreement is not preliminarily or finally approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims, or if Defendants fails to fully fund the Gross Settlement Amount:

1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.

4. If Defendants fail to fully fund the Gross Settlement Amount, Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Settlement Administration Expenses incurred to the date of nullification.

G. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims, the

conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

H. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Class Members and/or Aggrieved Employees understand and agree that they will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Payments and/or Aggrieved Employee Payment described and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Payments and/or Aggrieved Employee Payment.

I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally binding) upon disclosure by

the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

J. Motion for Preliminary Approval. Plaintiff shall draft and file with the Court a Motion for Order Granting Preliminary Approval and supporting papers within a reasonable period of time after full execution of this agreement and will provide Defendants with a draft of the Motion at least three (3) business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.

K. Settlement Administrator. The Settlement Administrator shall be responsible for: establishing and administering the QSF; calculating, processing and mailing payments to the Class Representative, Class Counsel, LWDA and Class Members; printing and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion and Non-Wage Portion of the Individual Settlement Payments and/or Aggrieved Employee Payment; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received.

L. Notice Procedure.

1. Class Data. No later than fifteen (15) days after the Court grants the Motion for Preliminary Approval, the Settlement Administrator shall prepare the Notice Packets for mailing to the Class Members.

1 2. Notice Packets.

- 2 a) The Notice Packet shall contain the Notice of Class Action Settlement
3 in a form substantially similar to the form attached as Exhibit A and a
4 Request for Exclusion form attached hereto as Exhibit B. The Notice
5 of Class Action Settlement shall inform Class Members and
6 Aggrieved Employees that they need not do anything in order to
7 receive an Individual Settlement Payment and/or Aggrieved Employee
8 Payment and to keep the Settlement Administrator apprised of their
9 current mailing address, to which the Individual Settlement Payments
10 and/or Aggrieved Employee Payment will be mailed following the
11 Funding Date. The Notice of Class Action Settlement shall set forth
12 the release to be given by all members of the Class who do not request
13 to be excluded from the Settlement Class and/or Aggrieved
14 Employees' in exchange for an Individual Settlement Payment and/or
15 Aggrieved Employee Payment, the number of Workweeks worked by
16 each Class Member during the Class Period and PAGA Period, if any,
17 and the estimated amount of their Individual Settlement Payment if
18 they do not request to be excluded from the Settlement and each
19 Aggrieved Employee's share of the PAGA Payment, if any. The
20 Settlement Administrator shall use the Class Data to determine Class
21 Members' Workweeks and PAGA Pay Periods. The Notice will also
22 advise the Aggrieved Employees that they will release the Released
23 PAGA Claims and will receive their share of the PAGA Payment
24 regardless of whether they request to be excluded from the Settlement.
- 25 b) The Notice Packet's mailing envelope shall include the following
26 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
27 ENTITLED TO PARTICIPATE IN A CLASS ACTION
28 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR

ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
NOTICE.”

3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than fourteen (14) calendar days after receiving the Class Data from Defendants, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail and electronic mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.
4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to any forwarding address provided. The Settlement Administrator will re-mail Notices within seven (7) days of receiving a returned Notice. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In addition, if any Notice Packets, which are addressed to Class Members who are currently employed by Defendants, are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall notify Defendants. Defendants will request that the currently employed Class Member provide a corrected address and transmit to the Administrator any corrected address provided by the Class Member. Class Members who

received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

5. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendants' records regarding the start and end dates of employment, to provide documentation and/or an explanation to show contrary dates. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties, except as provided herein below in Section III(K)(6).

6. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.

7. Exclusions. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a signed copy of the Request for Exclusion form that will be mailed together with the Notice Packet to all Class Members. The Request for Exclusion will not be valid if it is not timely submitted, if the Class Member does not sign it, or if it does not contain the name and address and last four digits of the Social Security number of the Class Member. The date of the postmark on the mailing envelope or fax stamp on the Request for Exclusion shall be the exclusive means used to determine whether the request

1 for exclusion was timely submitted. Any Class Member who submits a timely
2 Request for Exclusion shall be excluded from the Settlement Class will not be
3 entitled to an Individual Settlement Payment and will not be otherwise bound
4 by the terms of the Settlement or have any right to object, appeal or comment
5 thereon. However, any Class Member that submits a timely Request for
6 Exclusion that is also a member of the Aggrieved Employees will still receive
7 his/her pro rata share of the PAGA Payment, as specified below, and in
8 consideration, will be bound by the Release by the Aggrieved Employees as
9 set forth herein. Settlement Class Members who fail to submit a valid and
10 timely Request for Exclusion on or before the Response Deadline shall be
11 bound by all terms of the Settlement and any final judgment entered in this
12 Action if the Court approves the Settlement. No later than fifteen (15)
13 calendar days after the Response Deadline, the Settlement Administrator shall
14 provide counsel for the Parties with a final list of the Class Members who have
15 timely submitted timely Requests for Exclusion. At no time shall any of the
16 Parties or their counsel seek to solicit or otherwise encourage members of the
17 Class to submit Requests for Exclusion from the Settlement.

- 18 8. Objections. The Notice of Class Action Settlement contained in the Notice
19 Packet shall state that Class Members who wish to object to the Settlement
20 may submit to the Settlement Administrator a written statement of objection
21 (“Notice of Objection” attached hereto as **Exhibit C**) by the Response
22 Deadline. The postmark date of mailing shall be deemed the exclusive means
23 for determining that a Notice of Objection was served timely. The Notice of
24 Objection, if in writing, must be signed by the Settlement Class Member and
25 state: (1) the case name and number; (2) the name of the Settlement Class
26 Member; (3) the address of the Settlement Class Member; (4) the last four
27 digits of the Settlement Class Member’s Social Security number; and (5) the
28 basis for the objection. Class Members who fail to make objections in writing

1 in the manner specified above may still make their objections orally at the
2 Final Approval/Settlement Fairness Hearing with the Court's permission.
3 Settlement Class Members will have a right to appear at the Final
4 Approval/Settlement Fairness Hearing to have their objections heard by the
5 Court regardless of whether they submitted a written objection. At no time
6 shall any of the Parties or their counsel seek to solicit or otherwise encourage
7 Class Members to file or serve written objections to the Settlement or appeal
8 from the Order and Final Judgment. Class Members who submit a written
9 request for exclusion may not object to the Settlement. Class Members may
10 not object to the PAGA Payment.

11 M. Funding and Allocation of the Gross Settlement Amount. Defendants are required to
12 pay the Gross Settlement Amount on or before the Funding Date, plus any employer's
13 share of payroll taxes as mandated by law within the time specified herein.

14 1. Individual Settlement Payments. Individual Settlement Payments shall be
15 paid from the Net Settlement Amount and shall be paid pursuant to the
16 formula set forth herein. Using the Class Data, the Settlement Administrator
17 shall add up the total number of Workweeks for all Class Members. The
18 respective Workweeks for each Class Member will be divided by the total
19 Workweeks for all Class Members, resulting in the Payment Ratio for each
20 Class Member. Each Class Member's Payment Ratio will then be multiplied
21 by the Net Settlement Amount to calculate each Class Member's estimated
22 Individual Settlement Payments. Each Individual Settlement Payment will be
23 reduced by any legally mandated employee tax withholdings (e.g., employee
24 payroll taxes, etc.). Individual Settlement Payments for Class Members who
25 submit valid and timely requests for exclusion will be redistributed to
26 Settlement Class Members who do not submit valid and timely requests for
27 exclusion on a pro rata basis based on their respective Payment Ratios.
28

- 1 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
2 Class Data, the Settlement Administrator shall add up the total number of
3 PAGA pay periods for all Aggrieved Employees during the PAGA Period.
4 The respective PAGA Pay Periods for each Aggrieved Employee will be
5 divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting
6 in the “PAGA Payment Ratio” for each Aggrieved Employee. Each
7 Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the
8 Aggrieved Employee Payment to calculate each Aggrieved Employee’s
9 estimated share of the PAGA Payment.
- 10 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
11 Settlement Payments shall be allocated and treated as follows: 20% as wages
12 (“Wage Portion”); 80% as penalties and interest (“Non-Wage Portion”). The
13 Wage Portion is subject to wage withholdings and shall be reported on IRS
14 Form W-2. The Non-Wage Portion shall not be subject to wage withholdings
15 and shall be reported on IRS Form 1099.
- 16 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
17 Employee Payments shall be allocated and treated as 100% penalties and shall
18 be reported on IRS Form 1099.
- 19 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
20 Aggrieved Employee Payment made to Settlement Class Members and/or
21 Aggrieved Employees under this Settlement Agreement, as well as any other
22 payments made pursuant to this Settlement Agreement, will not be utilized to
23 calculate any additional benefits under any benefit plans to which any Class
24 Members may be eligible, including, but not limited to profit-sharing plans,
25 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave
26 plans, PTO plans, and any other benefit plan. Rather, it is the Parties’ intention
27 that this Settlement Agreement will not affect any rights, contributions, or
28 amounts to which any Class Members may be entitled under any benefit plans.

- 1 6. All monies received by Settlement Class Members under the Settlement which
2 are attributable to wages shall constitute income to such Settlement Class
3 Members solely in the year in which such monies actually are received by the
4 Settlement Class Members. It is the intent of the Parties that Individual
5 Settlement Payments and Aggrieved Employee Payment provided for in this
6 Settlement Agreement are the sole payments to be made by Defendants to
7 Settlement Class Members and/or Aggrieved Employees in connection with this
8 Settlement Agreement, with the exception of Plaintiff, and that the Settlement
9 Class Members and/or Aggrieved Employees are not entitled to any new or
10 additional compensation or benefits as a result of having received the Individual
11 Settlement Payments and/or their shares of the PAGA Payment.
- 12 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
13 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
14 and/or Aggrieved Employees last known mailing address no later than fifteen
15 (15) calendar days after the Funding Date.
- 16 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
17 Employees shall remain valid and negotiable for one hundred and eighty (180)
18 days from the date of their issuance. If a Settlement Class Member and/or
19 Aggrieved Employee does not cash his or her settlement check within ninety
20 (90) days, the Settlement Administrator will send a letter to such persons,
21 advising that the check will expire after the one hundred eightieth (180th) day,
22 and invite that Settlement Class Member and/or Aggrieved Employee to
23 request reissuance in the event the check was destroyed, lost or misplaced. In
24 the event an Individual Settlement Payment and/or Aggrieved Employee's
25 Aggrieved Employee Payment check has not been cashed within one hundred
26 and eighty (180) days, the check will be voided and the Settlement Class
27 Member and/or Aggrieved Employee will remain bound by the Settlement.
28 The funds from any such uncashed checks shall be directed to the State

1 Controller's Office Unclaimed Property Division in the name of the individual
2 who did not cash their checks. The Parties agreed that under this procedure,
3 there is no residue as the entire Gross Settlement Amount will be distributed.

- 4 9. Class Representative Service Award. In addition to the Individual Settlement
5 Payment and his Aggrieved Employee Payment to be paid to Plaintiff,
6 Plaintiff will apply to the Court for an award of not more than \$10,000, as the
7 Class Representative Service Award. Defendants will not oppose a Class
8 Representative Service Award of not more than \$10,000 for Plaintiff. The
9 Settlement Administrator shall pay the Class Representative Service Award,
10 either in the amount stated herein if approved by the Court or some other
11 amount as approved by the Court, to Plaintiff from the Gross Settlement
12 Amount no later than fifteen (15) calendar days after the Funding Date. Any
13 portion of the requested Class Representative Service Award that is not
14 awarded to the Class Representative shall be part of the Net Settlement
15 Amount and shall be distributed to Settlement Class Members as provided in
16 this Agreement. The Settlement Administrator shall issue an IRS Form 1099
17 — MISC to Plaintiff for his Class Representative Service Award. Plaintiff
18 shall be solely and legally responsible to pay any and all applicable taxes on
19 his Class Representative Service Award and shall hold harmless the Released
20 Parties from any claim or liability for taxes, penalties, or interest arising as a
21 result of the Class Representative Service Award. The Class Representative
22 Service Award shall be in addition to Plaintiff's Individual Settlement
23 Payment as a Settlement Class Member. Approval of this Settlement shall not
24 be conditioned on Court approval of the requested amount of the Class
25 Representative Service Award. If the Court reduces or does not approve the
26 requested Class Representative Service Award, Plaintiff shall not have the
27 right to revoke the Settlement, and it will remain binding.

10. Class Counsel Award. Defendants understand a motion by Class Counsel for attorneys' fees not to exceed one-third of the Gross Settlement Amount currently estimated to be Sixty-Six Thousand, Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$66,666.66) plus costs and expenses supported by declaration not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00), from the Gross Settlement Amount will be filed. Defendants agree not to oppose the request for the Class Counsel Award. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Class Counsel Award to Class Counsel from the Gross Settlement Amount no later than fifteen (15) calendar days after the Funding Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to this paragraph. In the event that the Court reduces or does not approve the requested Class Counsel Award, Plaintiff and Class Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.

11. PAGA Payment. Ten Thousand Dollars and Zero Cents (\$10,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Payment"). The Settlement Administrator shall distribute the LWDA Payment to the California Labor and Workforce Development Agency no later than twenty-five (25) calendar days after the Funding Date. The Aggrieved Employee Payment will be distributed to the Aggrieved Employees as described in this Agreement. For purposes of distributing the Aggrieved Employee Payments, each Aggrieved Employee shall receive their pro-rata

1 share of the Aggrieved Employee Payment using the PAGA Payment Ratio
2 as defined above.

3 12. Settlement Administration Expenses. The Settlement Administrator shall be
4 paid for the costs of administration of the Settlement from the Gross
5 Settlement Amount. The estimate of the Settlement Administration Expenses
6 is \$7,000. The Settlement Administrator shall be paid the Settlement
7 Administration Expenses no later than fifteen (15) calendar days after the
8 Funding Date.

9 N. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with
10 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
11 twenty-eight (28) days following the expiration of the Response Deadline, which
12 motion shall request final approval of the Settlement and a determination of the
13 amounts payable for the Class Representative Service Award, the Class Counsel
14 Award, the PAGA Payment, and the Settlement Administration Expenses. Plaintiff
15 will provide Defendants with a draft of the Motion at least three (3) business days
16 prior to the filing of the Motion to give Defendants an opportunity to propose changes
17 or additions to the Motion.

18 1. Declaration by Settlement Administrator. No later than fifteen (15) days after
19 the Response Deadline, the Settlement Administrator shall submit a
20 declaration in support of Plaintiff's motion for final approval of this
21 Settlement detailing the number of Notice Packets mailed and re-mailed to
22 Class Members, the number of undeliverable Notice Packets, the number of
23 timely requests for exclusion and the full names of the Class Members
24 requesting exclusion (if any), the number of objections received, the amount
25 of the average Individual Settlement Payment, lowest Individual Settlement
26 Payment, and highest Individual Settlement Payment, the amount of the
27 average Aggrieved Employee Payment, lowest Aggrieved Employee
28 Payment, and highest Aggrieved Employee Payment, the Settlement

Administration Expenses, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.

2. Final Approval Order and Judgment. Class Counsel shall present an Order Granting Final Approval of Class Action Settlement to the Court for its approval, and Judgment thereon, at the time Class Counsel files the Motion for Final Approval.

N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide an opportunity for Counsel for Defendants to review the Motions for Preliminary and Final Approval, including the Order Granting Final Approval of Class Action Settlement, and Judgment before filing with the Court. The Parties and their counsel will cooperate with each other and use their best efforts to affect the Court's approval of the Motions for Preliminary and Final Approval of the Settlement, and entry of Judgment.

O. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to implement the Settlement.

P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

Q. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibits.

S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate Action required or permitted to be taken by

1 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
2 documents required to effectuate the terms of this Agreement. The persons signing
3 this Agreement on behalf of Defendants represent and warrant that he/she is authorized
4 to sign this Agreement on behalf of Defendants. Plaintiff represents and warrants that
5 he is authorized to sign this Agreement and that he has not assigned any claim, or part
6 of a claim, covered by this Settlement to a third-party.

7 T. No Public Comment: The Parties and their counsel agree that they will not issue any
8 press releases, initiate any contact with the press, respond to any press inquiry, or have
9 any communication with the press about the fact, amount or terms of the Settlement
10 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any
11 of its terms for any marketing or promotional purposes. Nothing herein will restrict
12 Class Counsel from including publicly available information regarding this settlement
13 in future judicial submissions regarding Class Counsel's qualifications and experience.
14 Further, Class Counsel will not include, reference or use the Settlement Agreement for
15 any marketing or promotional purposes, either before or after the Motion for
16 Preliminary Approval is filed.

17 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
18 to the benefit of, the successors or assigns of the Parties, as previously defined.

19 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
20 shall be governed by and interpreted according to the laws of the State of California.

21 W. Counterparts. This Agreement may be executed in one or more counterparts. All
22 executed counterparts and each of them shall be deemed to be one and the same
23 instrument provided that counsel for the Parties to this Agreement shall exchange
24 among themselves copies or originals of the signed counterparts.

25 X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
26 is a fair, adequate and reasonable settlement of this Action and have arrived at this
27 Settlement after extensive arms-length negotiations, considering all relevant factors,
28 present and potential.

- 1 Y. Continuing Jurisdiction of the Court. The Parties agree that the Court shall retain
2 jurisdiction over this case under CCP section 664.6 to ensure the continuing
3 implementation of the provisions of this settlement and that the time within which to
4 bring this action to trial under CCP section 583.310 shall be executed from the date of
5 the signing of this Agreement by all Parties until the entry of the final approval order
6 and judgment or if not entered the date this Agreement shall no longer be of any force
7 or effect.
- 8 Z. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
9 the Court shall first attempt to construe the provisions valid to the fullest extent
10 possible consistent with applicable precedents so as to define all provisions of this
11 Agreement valid and enforceable.
- 12 AA. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently
13 intend to pursue any claims against the Released Parties, including, but not limited to,
14 any and all claims relating to or arising from Plaintiff's employment with Defendants,
15 regardless of whether Class Counsel is currently aware of any facts or legal theories
16 upon which any claims or causes of action could be brought against Released Parties,
17 including those facts or legal theories alleged in the operative complaint in this Action.
18 The Parties further acknowledge, understand and agree that this representation is
19 essential to the Agreement and that this Agreement would not have been entered into
20 were it not for this representation.
- 21 BB. Stipulation to Class Certification. The Parties agree to stipulate to class certification
22 for purposes of this settlement only.
- 23 CC. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the
24 Released Claims have merit and give rise to liability on the part of Defendants.
25 Defendants claim that the Released Claims have no merit and do not give rise to
26 liability. This Agreement is a compromise of disputed claims. Nothing contained in
27 this Agreement and no documents referred to and no action taken to carry out this
28 Agreement may be construed or used as an admission by or against the Defendants or

1 Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other
2 than as may be specifically set forth herein, each Party shall be responsible for and
3 shall bear its/his own attorney's fees and costs.

4 DD. Attorneys' Fees. If Defendants fails to fund the Gross Settlement Amount in
5 accordance with this Agreement, Plaintiff and the Settlement Class shall be entitled to
6 reasonable attorneys' fees and costs incurred in any action seeking to enforce the terms
7 of this Agreement.
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: 03/24/2025

Sixto Alegria Fernandez
Sixto Alegria Fernandez (Mar 24, 2025 13:04 PDT)
SIXTO FERNANDEZ ALEGRIA

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

DATED:

HILTON GRAND VACATIONS COMPANY, LLC

Printed Name

Title

DATED:

HILTON RESORTS CORPORATION dba HILTON
GRAND VACATIONS

Printed Name

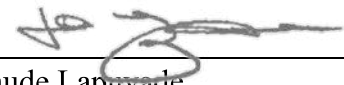
Title

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 03/24/2025

JCL LAW FIRM, APC

By: 
Jean-Claude Lapuyade
Attorneys for Plaintiff and the Settlement Class
Members

DATED: 03/24/2025

ZAKAY LAW GROUP, APLC

By: 
Shani Zakay
Attorneys for Plaintiff and the Settlement Class
Members

DATED: _____

SNELL & WILMER L.L.P.

By: _____
Brook Barnes
Attorneys for Defendants

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: _____ SIXTO FERNANDEZ ALEGRIA

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

DATED: May 5, 2025

DocuSigned by:
Calder Huntington
A77EBDF66A194E7...
HILTON GRAND VACATIONS COMPANY, LLC,
HILTON RESORTS CORPORATION dba HILTON
GRAND VACATIONS, HILTON GRAND
VACATIONS CLUB, LLC

Calder Huntington
Printed Name

Vice President
Title

1 IT IS SO AGREED AS TO FORM BY COUNSEL:
2

3 DATED: _____

JCL LAW FIRM, APC

4 By: _____

5 Jean-Claude Lapuyade

6 Attorneys for Plaintiff and the Settlement Class
7 Members

8 DATED: _____

ZAKAY LAW GROUP, APLC

9 By: _____

10 Shani Zakay

11 Attorneys for Plaintiff and the Settlement Class
12 Members

13
14 DATED: May 5, 2025

SNELL & WILMER L.L.P.

15
16 By:  _____

17 Clint Engleson

18 Attorneys for Defendants
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Fernandez v. Hilton Grand Vacations Company, LLC, et al., Riverside County Superior Court Case No. CVRI2402069)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<< [REDACTED] >>. Your estimated Aggrieved Employee Payment is << [REDACTED] >>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the Settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Riverside (the “Court”) has been reached between Plaintiff Sixto Fernandez Alegria (“Plaintiff”) and Defendants Hilton Grand Vacations Company, LLC, Hilton Resorts Corporation dba Hilton Grand Vacations, and Hilton Grand Vacations Club, LLC (“Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

all current and former employees of Defendants who worked for Defendants in a non-exempt position at the Palm Desert location during the Class Period.

The “Class Period” is the period of time running from April 11, 2020, through the earlier of preliminary approval of the settlement by the Court or April 14, 2025.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On April 11, 2024, Plaintiff filed a Complaint against Defendants in the Superior Court of the State of California, County of Riverside (the “Action”). Plaintiff asserted the following claims alleging that Defendants: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §17200 *et seq*; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq*; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (6) Failure to Reimburse Employees for Required Expenses in Violation of Cal. Lab. Code § 2802; (7) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab. Code § 226; (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202 and 203; (9) Violation of the Private Attorneys General Act [Labor Code §§ 2698 *et seq*. (“PAGA”). PAGA is a mechanism by which the State of California itself can enforce state labor laws through the employee suing under the PAGA who does so as the proxy or agent of the state’s labor law enforcement agency. The purpose of the PAGA is not to recover damages or restitution, but to create a means of “deputizing” citizens as private attorney general to enforce the Labor Code.

Defendants deny and dispute all claims asserted in the Action. Specifically, Defendants contended (and continue to contend) that the Action could not properly be maintained as a class action; that Defendants properly paid members of the class all wages due; that Defendants provided Class Members with all legally required meal breaks and rest breaks; that Defendants paid Class Members all wages due them at the time of their terminations; that Defendants reimbursed Class Members for required business expenses; that Defendants did not violate California Business and Professions Code section 17200.

The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants has agreed to pay an “all in” amount of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) (the “Gross Settlement Amount”) to fund the Settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments to Settlement Class Members, Class Counsel Award, Settlement Administration Expenses, PAGA Payment, and the Class Representative Service Award to the Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$7,000.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.

- Class Counsel Award. Payment to Class Counsel attorneys' not to exceed one-third of the Gross Settlement Amount (currently \$66,666.66) plus costs and expenses not to exceed \$20,000 for all costs and expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Award. Class Representative Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A payment of Ten Thousand Dollars and Zero Cents (\$10,000.00) relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$7,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA Payment") and the remaining \$2,500 will be distributed to the Aggrieved Employees ("Aggrieved Employee Payment").
- Calculation of Individual Settlement Payments. After all the above payments of the court-approved Class Counsel Award, the Class Representative Service Award, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendants' records, a member of the class worked at least one day during any such workweek.
- Calculation of Aggrieved Employee Payments to Aggrieved Employees. The Aggrieved Employee Payment portion of the PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The Aggrieved Employee Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employees" means all current and former employees of Defendants who worked for Defendants in a non-exempt and exempt position at the Palm Desert location during the PAGA Period. The PAGA Period means the period between February 5, 2023, through the earlier of preliminary approval of the settlement by the Court or April 14, 2025.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

You may find the Settlement Agreement entitled "Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims" filed on **MONTH XX**, 2025, with the Riverside County Superior Court, Dept. 1, located at 4050 Main Street, Riverside, CA 92501. You may also find the Settlement Agreement online by visiting the Riverside County Superior Court website <https://www.riverside.courts.ca.gov/>. The Settlement Agreement can be found at Exhibit 1 of the Declaration of Jean-Claude Lapuyade filed on **MONTH XX**, 2025.

Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form

W-2 for such payment. Eighty percent (80%) of each Individual Settlement Payment is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld from this portion, and each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from Aggrieved Employee Payments paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendants, Plaintiff and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims alleged, or reasonably could have been alleged based on the facts alleged, in the operative complaint in the Action which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

The Released PAGA Claims shall be released as follows: Upon entry of final judgment and upon funding in full of the Gross Settlement Amount by Defendants, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the Class Settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the LWDA; Plaintiff does not release any Aggrieved Employee's claim for wages or damages.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have <<____>> Workweeks worked during the Class Period (April 11, 2020, through the earlier of preliminary approval of the settlement by the Court or April 14, 2025).

Based on this information, your estimated Individual Settlement Payment is <<____>>.

Defendants' records reflect that you have <<____>> pay periods worked during the PAGA Period (February 5, 2023, through the earlier of preliminary approval of the settlement by the Court or April 14, 2025).

Based on this information, your estimated Aggrieved Employee Payment is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or re-mailed Notice].

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC at 1-800-355-0700.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at <https://apexclassaction.com/>.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the Released PAGA Claims, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Aggrieved Employee Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618. The request for exclusion must state in substance: "I wish to opt out of the settlement of the class action lawsuit entitled *Fernandez v. Hilton Grand Vacations Company, LLC, et al., Riverside County Superior Court, Case No. CVRI2402069*. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in this Notice." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair. All written objections or other correspondence must also state the name and number of the case, which is *Fernandez v. Hilton Grand Vacations Company, LLC, et al., Riverside County Superior Court, Case No. CVRI2402069*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is Apex Class Action LLC, 18 Technology Drive, Suite 164, Irvine, CA 92618.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 599-8292
Email: jlapuyade@jcl-lawfirm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Email: shani@zakaylaw.com

Counsel for Defendants:

Brook Barnes, Esq.
Snell & Wilmer L.L.P.
12230 El Camino Real, Suite 300
San Diego, CA 92130
Tel: 858-434-5020
bbarnes@swlaw.com
cengleson@swlaw.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on**, at the Riverside County Superior Court, Dept. 1, located at 4050 Main Street, Riverside, CA 92501 before Judge Harold Hopp. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, reasonable, and adequate. At the Final Approval Hearing, the Court will determine whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to *Fernandez v. Hilton Grand Vacations Company, LLC, et al., Riverside County Superior Court, Case No. CVRI2402069*, Settlement Administrator, c/o _____.

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may receive a copy of the Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims ("Settlement Agreement") filed on **MONTH XX**, 2025, the Final Judgment or other Settlement documents by writing to JCL Law Firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your Individual Settlement Payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks will be sent to the State Controller's Office Unclaimed Property Division in your name. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT B

Superior Court of California, County of Riverside
Fernandez v. Hilton Grand Vacations Company, LLC, et al.
Riverside County Superior Court Case No. CVRI2402069

REQUEST FOR EXCLUSION

Instructions: Please complete this Form **ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT** that is described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form. If you choose to complete this Form, the deadline for mailing it to the Settlement Administrator is **** INSERT DATE****.

I. **PERSONAL INFORMATION**

Name (first, middle and last): _____
Home Street Address: _____
City, State, Zip Code: _____
Telephone Number: (____) _____

II. **REQUEST FOR EXCLUSION**

By signing and returning this Form, I certify that I wish to opt out of the settlement of the class action lawsuit entitled *Sixto Fernandez Alegria v. Hilton Grand Vacations Company, LLC, et al.*, Case No. CVRI2402069, filed in the Superior Court of California, County of Riverside. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form.

Any Class Member that submits a timely Request for Exclusion who is also an Aggrieved Employee will still receive his/her pro rata share of the PAGA Payment. Exclusion from the Class Action Settlement does not result in exclusion from the PAGA Payment.

III. **MAILING INSTRUCTIONS**

If you choose to return this Form, you must return it to the Settlement Administrator postmarked on or before ****INSERT DATE**** AT THE ADDRESS LISTED BELOW:

Apex Class Action LLC
18 Technology Drive, Suite 164
Irvine, CA 92618

IV. **PLEASE SIGN BELOW**

I declare that the foregoing is true and correct.

Dated: _____

(Signature)

(Print Name)

EXHIBIT C

Apex Class Action LLC
18 Technology Drive, Suite 164
Irvine, CA 92618

Must Be Postmarked
No Later Than
XXX, 2025

OBJECTION FORM

SUPERIOR COURT OF THE STATE OF CALIFORNIA – COUNTY OF RIVERSIDE
Fernandez v. Hilton Grand Vacations Company, LLC, et al., Case No. CVRI2402069

<<Name>>
<<Address>>
<<City>>, <<State>> <<Zip Code>>

Indicate Name/Address Changes, if any:

YOU DO NOT NEED TO COMPLETE THIS FORM TO PARTICIPATE IN THE SETTLEMENT. THIS FORM IS TO BE USED ONLY IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT, BUT YOU OBJECT TO THE TERMS OF THE SETTLEMENT. IF YOU OBJECT TO THE SETTLEMENT, YOU MUST SIGN AND COMPLETE THIS FORM ACCURATELY AND IN ITS ENTIRETY AND YOU MUST MAIL IT BY FIRST CLASS U.S. MAIL TO THE SETTLEMENT ADMINISTRATOR SO THAT IT IS POSTMARKED ON OR BEFORE XXX, 2025. THE ADDRESS FOR THE SETTLEMENT ADMINISTRATOR IS NOTED AT THE TOP OF THIS FORM. IF YOU DO NOT OBJECT TO THE SETTLEMENT, DO NOT SUBMIT THIS FORM.

The Court will consider your objection at the Final Approval Hearing if you submit a timely and valid written statement of objection. All of the information on this form is required. If you do not provide all of the information below, your objection will be deemed null and void.

I, _____, (name of Class Member) hereby object to the Settlement in this case for the following reasons:

Dated: _____

Signature: _____

Print or Type Name: _____

Telephone Number: _____

EXHIBIT 2