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**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 FINAL
APPROVAL OF CLASS ACTION AND PAGA
SETTLEMENT**

Date: January 12, 2026
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 associate attorney at JCL Law
4 Firm, APC. I am co-counsel of record for Plaintiff Sixto Alegria Fernandez. (hereafter “Plaintiff” or
5 “Class Representative”) in this wage and hour class action filed against Defendants Hilton Grand
6 Vacations Company LLC, Hilton Resorts Corporation dba Hilton Grand Vacations and Hilton Grand
7 Vacations Club, LLC (hereinafter “Defendants”).

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

10 3. Attached hereto as **Exhibit #1** is a true and correct copy of the fully executed Stipulation
11 of Settlement of Class and PAGA Action Claims and Release of Claims (“Settlement Agreement” or
12 “Agreement”).

13 4. Attached hereto as **Exhibit #2** is a true and correct copy of the conformed October 8,
14 2025, Preliminary Approval Order.

15 5. Attached hereto as **Exhibit #3** is a true and correct copy of the June 27, 2025, proof of
16 filing the proposed Settlement with the LWDA.

17 6. Attached hereto as **Exhibit #4** is a true and correct copy of the December 12, 2025, proof
18 of filing this motion seeking final approval of this Settlement with the LWDA.

19 **I. INTRODUCTION**

20 7. An objective evaluation of the proposed settlement of Two Hundred Thousand Dollars
21 and Zero Cents (\$200,000.00) (“Gross Settlement Amount”) confirms that the relief negotiated on
22 behalf of the Settlement Class is fair, reasonable, and valuable. The Settlement is a product of informed,
23 adversarial, and non-collusive negotiations, between experienced counsel, and with Lou Marlin, Esq.,
24 a mediator of wage and hour class actions. After deducting any Court-approved Class Counsel Award,
25 Class Representative Service Award, Settlement Administration Expenses, and the PAGA Payment, the
26 Net Settlement Amount shall be distributed to the Settlement Class Members based on the number of
27 Workweeks they worked while employed by Defendants during the Class Period. *As of the filing of*
28 *this motion, the Class greeted news of the Settlement with unanimous approval as, at the time of the*

1 *filing of this motion, 143 Class Members chose to participate in the Settlement.* The unanimous
2 approval by the Settlement Class evidences the clear fairness and reasonableness of the Settlement.

3 8. The relief offered by the Settlement is immediate and is particularly impressive when
4 viewed against the difficulties encountered by plaintiffs pursuing similar wage-and-hour cases (*see*
5 *infra*). Indeed, by settling now rather than proceeding to trial, the Settlement Class will not have to wait
6 (possibly years) for relief, nor will they have to bear the risks associated with prolonged and uncertain
7 litigation.

8 9. As discussed below, the proposed Settlement satisfies all criteria for final settlement
9 approval under California law and falls well within the range of reasonableness. Accordingly, the Class
10 Representative and Class Counsel respectfully request this Court grant final approval of the Agreement
11 and entry of the proposed Final Approval Order and Judgment.

12 **II. OVERVIEW OF THE LITIGATION**

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

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

26 12. On February 5, 2024, Plaintiff served Defendants and the Labor and Workforce
27 Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiff's PAGA
28 Notice set forth the facts and theories supporting Defendants' alleged violations of various provisions

1 of the California Labor Code and applicable Industrial Welfare Commissions (“IWC”) Wage Order and
2 of his intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab.
3 Code Sections 2698 et seq (“PAGA”).

4 13. On April 11, 2024, Plaintiff filed a class action complaint in the Riverside County
5 Superior Court, Case No. CVRI2402069 (“Class Action”). The Action alleged nine causes of action
6 against Defendants for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code § 17200 et seq;
7 (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure
8 to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, et seq; (4) Failure to Provide Required
9 Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5)
10 Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the
11 Applicable IWC Wage Order; (6) Failure to Reimburse Employees for Required Expenses in Violation
12 of Cal. Lab. Code § 2802; (7) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab.
13 Code § 226; (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202 and
14 203; and (9) Violation of the Private Attorneys General Act [Labor Code § § 2698 et seq.].

15 14. Prior to mediation, the Parties engaged in significant formal discovery, including the
16 deposition of Plaintiff. On February 13, 2025, the Parties participated in a full day mediation with Lou
17 Marlin, Esq., a mediator of wage and hour class and PAGA actions. The mediation concluded with a
18 settlement after both sides agreed to a Mediator’s proposal. Thereafter, the Parties drafted and
19 negotiated a long-form settlement agreement, which is the subject of the instant motion.

20 15. On July 28, 2025, this Court granted preliminary approval of the Settlement. On October
21 8, 2025, this Court signed the Order granting preliminary approval of the Settlement. On October 31,
22 2025, the Settlement Administrator mailed Notice Packets to all 143 members of the Class via U.S.
23 First Class Mail. (Declaration of Madely Nava (“Apex Dec.”), ¶ 7.). The mailing of the Notice Packets
24 triggered a forty-five (45) day Response Deadline for the Settlement Class to submit requests for
25 exclusion or objections to the Settlement. The response from the Settlement Class to the Settlement to
26 date has been outstanding – 100% of the Class Members are currently participating in the Settlement.
27 (*Id.*, ¶ 11-13.). This unanimous participation rate by the Class evidences the clear fairness and
28 reasonableness of the Settlement.

1 **III. THE SETTLEMENT BEFORE THE COURT**

2 16. The Court preliminarily approved a Gross Settlement Amount of Two Hundred Thousand
3 Dollars and Zero Cents (\$200,000.00) based on a total of an estimated 7,324 Workweeks worked by
4 the Class during the Class Period. The Gross Settlement Amount shall be used: (1) to satisfy Individual
5 Settlement Payments; (2) to satisfy the Class Representative Service Award; (3) to satisfy the Class
6 Counsel Award; (4) to satisfy the PAGA Payment; and (5) to satisfy the Settlement Administration
7 Expenses incurred in this action.

8 17. As explained in further detail below, the Settlement is fair, adequate, and reasonable to
9 the class and should be granted final approval. This is evidenced by the current unanimous approval of
10 the Settlement by the Settlement Class, the absence of any objections to the Settlement and the average
11 Individual Settlement Payment of **\$572.33**. (Apex Dec., ¶¶ 11-14, 16).

12 **IV. THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE**

13 **A. Class Counsel Conducted a Thorough Investigation**

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

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

26 20. To prepare for mediation, Defendants produced time and payroll records for the Class
27 Members, aggregate workweek and pay period data for the Class Members, aggregate meal premiums
28 paid to the Class Members, average hourly rate for the Class Members, average shift length for Class

1 Members, number of current Class Members, number of former Class Members who were employed
2 during the Class Period, and copies of applicable handbooks, policies, and agreements. In total, Class
3 Counsel reviewed dozens of policy documents and thousands of unique cells of time and payroll data.

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

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

21 23. Class Counsel only agreed to enter the Settlement following this thorough investigation
22 and evaluation of Plaintiff's claims. Based on their investigation of the facts, applicable law, and
23 marketplace for similar settlements, and considering the risk of significant delay and uncertainty
24 associated with litigation, and the various defenses asserted by Defendants, Class Counsel firmly
25 believe this Agreement to be in the best interests of the Class Members. Because the Settlement's terms
26 are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

27
28 ///

1 **B. The Parties Settled At Mediation**

2 24. On February 13, 2025, the Parties conducted a full day of mediation with Lou Marlin,
3 Esq., a mediator of wage and hour class and PAGA actions. The Mediator helped manage the Parties'
4 expectations and provided a useful, neutral analysis of the issues and risks to both sides. The Parties
5 made substantial progress with the Mediator's assistance. Namely, the Parties exchanged information
6 regarding their respective claims and defenses, including their respective evaluation of the damages.
7 After hours of arm's length and adversarial negotiations, the mediation concluded with a settlement
8 after the Parties agreed to a Mediator's proposal. The amount of the service award was not negotiated
9 until after the parties agreed to the Gross Settlement Amount and many other terms.

10 **C. Class Counsel is Experienced in Similar Litigation**

11 25. Class Counsel in this matter have extensive class action experience in multiple fields and
12 have represented tens-of-thousands of persons in class actions. Class Counsel's experience is summarized
13 in their concurrently filed declarations. Class Counsel has concluded the settlement is fair, adequate, and
14 reasonable and in the best interests of the Class.

15 26. I am qualified to represent the Plaintiff, the State of California, and the Class Members. I
16 have experience with wage and hour class and representative actions litigation like this matter, and
17 employment matters in general. I can, will and have adequately represented the interests of the Plaintiff
18 and Settlement Class Members throughout this action.

19 27. My primary practice has been employment law throughout my entire legal career. I have
20 handled a number of wage and hour matters, including individual actions, class actions, and
21 representative PAGA actions, on behalf of plaintiffs. The following is a list of wage and hour class
22 and/or PAGA actions where I served as counsel and in which final settlement approval was granted:
23 *See generally Chrestensen v. Northeastern Rural Health Clinics* Lassen, Superior Court Case No.
24 63703 (April 13, 2023); *Toler v. Total Testing Solutions, LLC*, Los Angeles Superior Court Case No.
25 21STCV38452 (July 27, 2023); *O'Quinn v. Laugh Factory, Inc.*, Los Angeles Superior Court Case No.
26 19STCV28155 (August 1, 2023); *Kneisly v. SR Machining, Inc., et al.*, Riverside Superior Court Case
27 No. CVRI2201491 (October 5, 2023); *Anderson v. Barton Myers Associates, Inc., et al.*, Los Angeles
28 Superior Court Case No. 21STCV43314 (October 12, 2023); *Coles v. Carefusion Resources LLC, et.*

1 *al. San Diego Superior Court Case No. 37-2022-00048696-CU-OE-CTL (March 25, 2024); Thomas v.*
2 *Center for Elder's Independence Alameda Superior Court Case No. 22CV024221 (July 2, 2024); Klein*
3 *v. RedZone Security, Inc., Riverside Superior Court Case No. CVRI2202841 (August 15, 2024); Nunez*
4 *v. Titan AG, et. al. Tulare Superior Court Case No. VCU296822 (February 4, 2025); Rene v. Koch Filter*
5 *Corporation Riverside Superior Court Case No. CVRI2300700 (March 11, 2025); Winn v. City Electric*
6 *Supply Company San Diego Superior Court Case No. 37-2023-0004023 1-CU-OE-CTL (March 13,*
7 *2025); Gamble v. AirX Utility Surveyors, Inc. San Diego Superior Court Case No. 37-2022-00042178-*
8 *CU-OE-CTL (March 14, 2025); Garcia v. ConvergeOne San Bernardino Superior Court Case No.*
9 *CIVSB2305464 (May 12, 2025); Lowe v. Ash's First LLC, et al San Diego Superior Court Case No.*
10 *37-2023-00031528-CU-OE-CTL (August 8, 2025). Solis v. 51st St. & 8th Ave. Corp., et al, San Diego*
11 *Superior Court Case No. 37-2023-00031528-CU-OE-CTL (August 8, 2025); Natasha Taylor v. The*
12 *West Oakland Health Council, Alameda Superior Court Case No. RG20049604; Rigoberto Monroy v.*
13 *Donsuemor, Inc., Alameda Superior Court Case No. 22CV011917 (September 25, 2025).*

14 **C. The Settlement Class Responded Positively to the Settlement.**

15 28. The reaction of the Settlement Class unequivocally supports approval of the Settlement.
16 To date, there are zero opt-outs of the Settlement and zero objections. Stated differently, **100%** of the
17 Settlement Class chose to participate in the Settlement.

18 **D. The Gross Settlement Amount is Fair and Reasonable**

19 29. Here, the Settlement is clearly within the “ballpark” of reasonableness because the
20 Settlement provides a sizeable recovery to the Settlement Class and need not necessarily obtain 100
21 percent of the damages sought to be fair, reasonable, and ultimately, meaningful. (*Wershba*, 91
22 Cal.App.4th at 250.). While the Gross Settlement Amount of Two Hundred Thousand Dollars and Zero
23 Cents (\$200,000.00) represents a discount on Defendants’ potential exposure if Plaintiff established
24 liability on all claims and was awarded the full amount of the estimated damages at trial, this
25 compromise is reasonable because (1) the formidable defenses raised by Defendants presented a risk
26 that could award significantly less in damages than Plaintiff’s estimate and (2) any theoretical post-trial
27 recovery may require many more years of litigation, resulting in added fees and costs without any
28 guarantee of recovery for the Class.

1 30. As detailed at the time of preliminary approval, the Gross Settlement Amount is fair and
2 reasonable considering the nature and magnitude of the claims being settled and the various potential
3 impediments to recovery. Class Counsel developed varied economic damages models measuring
4 Defendants' liability exposure while accounting for the uncertainties of continued litigation. The
5 various models were informed by Class Counsel's investigation, including the analysis of time and
6 payroll data. As detailed in greater depth during the preliminary approval process, Class Counsel
7 projected a range of Defendants' liability exposure for the claims asserted on behalf of the Settlement
8 Class. The Gross Settlement Amount represents between 13.61% and 30.89% of Defendants' *class-*
9 *wide* liability exposure as estimated by Class Counsel at the time of mediation.

10 31. Clearly the goal of this litigation to obtain redress for the class has been met by this
11 Settlement. Given the amount of the Settlement, the risks of litigation and the arm's length negotiations
12 between experienced counsel, the settlement is fair and reasonable, and is therefore entitled to final
13 approval.

14 **D. The Strength of Plaintiff's Case and Risks of Continued Litigation**

15 32. Although Class Counsel believes strongly in Plaintiff's claims, it would be misguided to
16 ignore the asserted defenses. If successful on any one of its defenses, Defendants could defend the
17 action or, at least, drastically undercut Plaintiff's claims.

18 33. With respect to the most immediate challenge, i.e., class certification, the risks attendant
19 to the certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009)
20 176 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class
21 certification because employees' declarations attesting to having taken meal and rest breaks
22 demonstrated that individualized inquiries were required to show harm. (See also *Campbell v. Best Buy*
23 *Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 [following *Brinker* and denying certification
24 of proposed off-the-clock and rest and meal break classes due to lack of uniform policy]; *Brown v. Fed*
25 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 [denying certification of driver meal and rest
26 period claims based on the predominance of individual issues].).

27 34. Further, even if a class is certified, liability remains uncertain. The risks attendant to the
28 issue of Defendants' liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank*

1 *National Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor plaintiffs
2 in a wage and hour class action. (See also *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077,
3 1088 “[T]he reason, if any, that employees might not take their breaks were predominantly
4 individualized questions of fact not susceptible to class treatment”].).

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

12 36. Collectively, the examples cited above illustrate the uncertain nature of class litigation.
13 Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk
14 factor favoring settlement.

15 37. Although Plaintiff is confident about the strength of Plaintiff’s claims, Plaintiff
16 nevertheless recognizes that Defendants has factual and legal defenses that, if successful, would
17 potentially defeat or impair the value of the lawsuit. Legally, the fast-changing landscape of wage and
18 hour litigation can drastically affect the value of Plaintiff’s claims and, in fact, already has.

19 38. As demonstrated by the decisions in *Magadia, supra*, 999 F.3d 668, *O’Conner v. Uber*
20 *Technologies* (N.D. Cal. 2018) 82 F.Supp.3d 1133 and *Duran v. U.S. Bank National Assn.* (2014) 59
21 Cal.4th 1, the complexities and duration of further litigation cannot be overstated. There is little doubt
22 that if Defendants faced a large adverse judgement, Defendants undoubtedly has the resources to post
23 a bond and appeal. A post-judgment appeal by Defendants would have required many more years to
24 resolve, assuming the judgment was affirmed. If the judgment was not affirmed in total, then the case
25 could have dragged on for years after the appeal. The benefits of a guaranteed recovery today outweigh
26 an uncertain result for three or more years in the future.

27 39. The Class Representative and Class Counsel recognize the expense and length of a trial
28 against Defendants through possible appeals, which could take another three years. In arriving at their

1 informed belief that the present settlement is fair and adequate, Class Counsel accounted for the
2 uncertain outcome and risk inherent in complex actions such as this one. Class Counsel is also mindful
3 of and recognizes the inherent problems of proof under, and alleged defenses to, the claims asserted in
4 the litigation. Moreover, post-trial motions and appeals would have been inevitable. Costs would have
5 mounted, and recovery would have been delayed if not denied, thereby reducing the benefits of an
6 ultimate victory. Class Representative and Class Counsel believe that the Settlement confers substantial
7 monetary and non-monetary benefits upon the Class. Based upon their evaluation, Class Representative
8 and Class Counsel have determined that the Settlement set forth in the Agreement is in the best interest
9 of the Class, is fair, reasonable, and adequate, and should be granted final approval.

10 **IV. THE PENALTIES UNDER PAGA ARE REASONABLE**

11 40. Here, Plaintiff and Defendants negotiated a good-faith PAGA Payment in the amount of
12 \$10,000 which is approximately 10% of the Gross Settlement Amount. As illustrated above, this amount
13 falls well within the range of approved PAGA Settlements. Seventy-five percent (75%) of the PAGA
14 Payment (\$7,500) will be paid to the LWDA ("LWDA Payment") with the remaining twenty-five
15 percent (25%) of the PAGA Payment (\$2,500.00) to be distributed to the Aggrieved Employees
16 ("Aggrieved Employee Payment") which is within the range of PAGA penalties approved by courts
17 and should be approved.

18 41. Class Counsel gave the LWDA notice of this Settlement and proposed allocation by filing
19 a copy of the Settlement, the Motion for Preliminary Approval, and this motion seeking final approval
20 with the LWDA.

21
22 I declare under the penalty of perjury under the laws of the State of California that the foregoing
23 is true and correct. Executed this December 12, 2025, at San Diego, California.

24
25 **JCL LAW FIRM, APC**

26 By: Sydney Castillo-Johnson
27 Sydney Castillo-Johnson, Esq.
28 Attorney for Plaintiff

EXHIBIT 1

JCL LAW FIRM, APC

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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

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

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

12 I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
13 the “acknowledging party” and each Party to this Agreement other than the
14 acknowledging party, an “other party”) acknowledges and agrees that: (1) no provision
15 of this Agreement, and no written communication or disclosure between or among the
16 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
17 such communication or disclosure constitute or be construed or be relied upon as, tax
18 advice within the meaning of United States Treasury Department circular 230 (31 CFR
19 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
20 her or its own, independent legal and tax counsel for advice (including tax advice) in
21 connection with this Agreement, (b) has not entered into this Agreement based upon
22 the recommendation of any other Party or any attorney or advisor to any other Party,
23 and (c) is not entitled to rely upon any communication or disclosure by any attorney
24 or adviser to any other party to avoid any tax penalty that may be imposed on the
25 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
26 any limitation that protects the confidentiality of any such attorney’s or adviser’s tax
27 strategies (regardless of whether such limitation is legally binding) upon disclosure by
28

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.
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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

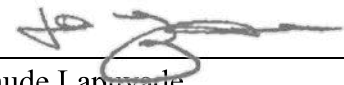
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IT IS SO AGREED AS TO FORM BY COUNSEL:

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

2

3

DATED: _____

4

SIXTO FERNANDEZ ALEGRIA

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

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DATED: May 5, 2025

DocuSigned by:

Calder Huntington

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HILTON GRAND VACATIONS COMPANY, LLC,
HILTON RESORTS CORPORATION dba HILTON
GRAND VACATIONS, HILTON GRAND
VACATIONS CLUB, LLC

13

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15

Calder Huntington

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Printed Name

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Vice President

18

Title

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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
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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

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

OCT 08 2025

L. FRANKLIN

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)

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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

**[PROPOSED] ORDER GRANTING
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 This matter having come before the Honorable Judge Harold W. Hopp of the Superior Court of
2 the State of California, in and for the County of Riverside, at 8:30 a.m. on July 28, 2025, with Jean-
3 Claude Lapuyade, Esq. of the JCL Law Firm, APC, and Shani O. Zakay, Esq. of the Zakay Law Group,
4 APLC, as counsel for Plaintiff Sixto Alegria Fernandez ("Plaintiff"), and Brook Barnes, Esq., Clint
5 Engleson, Esq., and Nicholas S. Kawuka, Esq. of Snell & Wilmer LLP appearing for Defendants Hilton
6 Grand Vacations Company, LLC, Hilton Resorts Corporation, and Hilton Grand Vacations Club, LLC
7 ("Defendants"). The Court, having carefully considered the briefs, argument of counsel and all the
8 matters presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action and PAGA Settlement.

10 **IT IS HEREBY ORDERED:**

11 1. The Court preliminarily approves the Stipulation of Settlement of Class Action and
12 PAGA Claims and Release of Claims ("Agreement"). This is based on the Court's determination that
13 the Agreement is within the range of possible final approval, pursuant to the provisions of Section 382
14 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all terms
16 defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. Subject to the terms of the Agreement, the Gross Settlement Amount that Defendants
18 shall pay is Two Hundred Thousand Dollars and Zero Cents (\$200,000.00). It appears to the Court on
19 a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as to all
20 Class Members when balanced against the probable outcome of further litigation relating to
21 certification, liability, and damages issues. It further appears that investigation and research have been
22 conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It
23 further appears to the Court that settlement at this time will avoid substantial additional costs by all
24 Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the
25 litigation. It further appears that the Settlement has been reached as the result of intensive, serious, and
26 non-collusive arms-length negotiations.

27 4. The Court preliminarily finds that the Settlement appears to be within the range of
28 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court

1 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
2 finds that the monetary settlement awards made available to the Class Members are fair, adequate, and
3 reasonable when balanced against the probable outcome of further litigation relating to certification,
4 liability, and damages issues.

5 5. Plaintiff seeks payment in the amount of up-to one-third of the Gross Settlement Amount
6 for Class Counsel Award, currently estimated to be \$66,666.66 out of the \$200,000.00, plus costs and
7 expenses in the amount of up to \$25,000.00, and proposed Class Representative Service Award to the
8 Class Representative, Sixto Alegria Fernandez, in the amount of Ten Thousand Dollars and Zero Cents
9 (\$10,000.00). While these awards appear to be within the range of reasonableness, the Court will not
10 approve the Class Counsel Award or Class Representative Service Award until the Final Approval
11 Hearing.

12 6. The Court recognizes that Plaintiff and Defendants stipulate and agree to certification of
13 a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other
14 proceeding should this Settlement not become final. For settlement purposes only, the Court
15 conditionally certifies the following Class:

16 “all current and former employees of Defendants who worked for
17 Defendants in a non-exempt position at the Palm Desert location (“Class
18 Members”) during the period from April 11, 2020, through April 14, 2025.”

19 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
20 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is
21 ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b)
22 common questions of law and fact predominate, and there is a well-defined community of interest
23 amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the
24 Class Representative are typical of the claims of the Class Members; (d) the Class Representative will
25 fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other
26 available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified
27 to act as counsel for the Class Representative in her individual capacity and as the representative of the
28 Class Members.

1 8. The Court provisionally appoints plaintiff Sixto Alegria Fernandez as the representative
2 of the Class.

3 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
4 A.P.C. and Shani O. Zakay, of the Zakay Law Group, APLC, as Class Counsel for the Class Members.

5 10. The Court hereby approves, as to form and content, the Proposed Notice of Pendency of
6 Class Action Settlement and Final Hearing Date ("Class Notice"), a true and correct copy of which is
7 attached to the Declaration of Sydney Castillo-Johnson as Exhibit "A." The Court finds that the notice
8 appears to fully and accurately inform the Class Members and Aggrieved Employees of all material
9 elements of the proposed Settlement, including right of any Class Member to be excluded from the
10 Class by completing the attached Request for Exclusion Form, and of each Class Member's right and
11 opportunity to object to the Settlement via the attached Objection Form. The Court further finds that
12 the distribution of the notice substantially in the manner and form set forth in the Agreement and this
13 Order meets the requirements of due process, is the most reasonable notice under the circumstances,
14 and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing
15 of the notice by first class mail, pursuant to
16 the terms set forth in the Agreement.

17 11. The Court hereby appoints Apex Class Action LLC as Settlement Administrator. On June
18 4, 2025, the Class Data was due to the Settlement Administrator. Apex has not yet received this Class
19 Data from Defendants. The Class Data means each Class Member's full name; last known address;
20 Social Security Number; start dates and end dates of employment; and any other information the
21 Settlement Administrator deems necessary to accurately calculate the number of Workweeks and Pay
22 Period worked by each Class Member and Aggrieved Employee during the Class and PAGA Periods.
23 No later than fifteen (15) calendar days after the Court grants Preliminary Approval, the Settlement
24 Administrator shall mail the Class Notice to all identified, potential Class Members via regular first
25 class U.S. Mail using the most current mailing address information available. The Settlement
26 Administrator shall also be required to perform all duties set forth in the Agreement.

27 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
28 Settlement. A true and correct copy of the proposed exclusion form is attached Declaration of Sydney

1 Castillo-Johnson as **Exhibit "B."** Any Class Member may individually choose to opt out of and be
2 excluded from the Settlement as provided in the Notice by following the instructions for requesting
3 exclusion from the Settlement of the Released Claims that are set forth in the Notice and submitting
4 the exclusion form to the Settlement Administrator. All requests for exclusion must be postmarked or
5 received by the Response Deadline which is forty-five (45) calendar days after the date the Class Notice
6 is mailed to the Class Members or, in the case of a re-mailed Notice, not more than fourteen (14)
7 calendar days after the original Response Deadline. Any such person who chooses to opt out of and be
8 excluded from the Settlement will not be entitled to an Individual Class Payment under the Settlement
9 and will not be bound by the Settlement, or have any right to object, appeal or comment thereon. Class
10 Members who have not requested exclusion shall be bound by all determinations of the Court, the
11 Agreement and Judgment. A request for exclusion may only opt out that particular individual, and any
12 attempt to affect an optout of a group, class, or subclass of individuals is not permitted and will be
13 deemed invalid. The Settlement Administrator shall file a declaration concurrently with the filing of
14 the Motion for Final Approval, authenticating a copy of every exclusion form received by the
15 administrator.

16 13. Any Class Member may appear at the final approval hearing, regardless of whether they
17 have submitted a timely written objection and notice of intention to appear. Class Members may express
18 their views regarding the Settlement and may present evidence and file briefs or other papers that may
19 be proper and relevant to the issues to be heard and determined by the Court as provided in the Notice.
20 Class Members will have forty-five (45) days from the date the Settlement Administrator mails the
21 Class Notice to postmark their objections to the Settlement Administrator. A true and correct copy of
22 the proposed objection form is attached Declaration of Sydney Castillo-Johnson as **Exhibit "C."** The
23 Settlement Administrator shall file a declaration concurrently with the filing of the Motion for Final
24 Approval authenticating a copy of every objection form received by the Settlement Administrator.

25 14. A final approval hearing and the hearing to approve Class Counsel Award and Class
26 Representative Service Award shall both be held before this Court on **November 13, 2025 at 8:30**
27 **AM** in Department 1 of the Riverside County Superior Court to determine all necessary matters
28 concerning the Settlement, including: whether the proposed settlement of the Action on the terms and

1 conditions provided for in the Agreement is fair, adequate and reasonable and should be finally
2 approved by the Court; whether an Order Granting Final Approval should be entered herein; whether
3 the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable
4 to the Class; and to finally approve the Class Counsel Award and Class Representative Service Award,
5 and the Settlement Administration Expenses. All papers in support of the motion for final approval and
6 the motion for Class Counsel Award and Class Representative Service Award shall be filed with the
7 Court within twenty-eight (28) days following the expiration of the Response Deadline. The Settlement
8 Administrator must give notice to any objecting party of any continuance of the hearing of the Motion
9 for Final Approval and Motion for Class Counsel Award, and Class Representative Service Award.

10 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
11 shall be construed as a concession or admission by Defendants in any way, and shall not be used as
12 evidence of, or used against Defendants as, an admission or indication in any way, including with
13 respect to any claim of any liability, wrongdoing, fault or omission by Defendants or with respect to
14 the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
15 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
16 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted
17 in evidence as, received as or deemed to be evidence for any purpose adverse to the Defendants,
18 including, but not limited to, evidence of a presumption, concession, indication or admission by
19 Defendants of any liability, fault, wrongdoing, omission, concession or damage.

20 16. In the event the Settlement does not become effective in accordance with the terms of the
21 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
22 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
23 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
24 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used
25 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
26 the Agreement with respect to the effect of the Agreement if it is not approved.

27
28 ///

1 17. The Court reserves the right to adjourn or continue the date of the final approval hearing
2 and all dates provided for in the Agreement without further notice to Class Members and retains
3 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.
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6 Dated: October 7, 2025 [Signature]

7 JUDGE OF THE SUPERIOR COURT
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EXHIBIT 3

Jennifer Heming

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Friday, June 27, 2025 9:51 AM
To: Esbeidy Campos
Subject: Thank you for your Proposed Settlement Submission

06/27/2025 09:49:03 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cecampos%40jcl-lawfirm.com%7Cce704a4b115848cf0a9208ddb59abb65%7C1f72d94e1dff4b9e9f45bdb37d49a25e%7C0%7C0%7C638866398358405696%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMlIsIkFOIjoiTWFpbCIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=D8uZ53cWPiFJ%2F8Tqda4O0%2FBsmFzllF26JpAEO1mk6vM%3D&reserved=0

EXHIBIT 4