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**SUPERIOR COURT FOR THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF STANISLAUS**

EDWARD GRAY and JESSICA MUTO,  
individuals, on behalf of themselves, and on  
behalf of all persons similarly situated,

Plaintiffs,

v.

SKY HOTELS, INC., a California corporation;  
MODCO 2, LLC, a California limited liability  
company; and DOES 1-50, Inclusive,

Defendants.

Case No. CV-22-004004

[Complaint Filed: September 6, 2022]

**DECLARATION OF JEAN-CLAUDE  
LAPUYADE IN SUPPORT OF PLAINTIFFS'  
MOTION FOR PRELIMINARY APPROVAL  
OF CLASS ACTION AND PAGA  
SETTLEMENT**

Date: December 16, 2025

Time: 8:30 a.m.

Judge: Hon. John D. Freeland

Department: 23

1 I, JEAN-CLAUDE LAPUYADE, declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently  
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law and the owner  
4 of the law firm of JCL LAW FIRM, APC (hereinafter "Class Counsel"). I am co-counsel of record for  
5 Plaintiffs EDWARD GRAY, JESSICA MUTO, TAMMY LALLIER, JONATHAN HARRISON-LIAM  
6 OLSON II, and KEILY VILLEDA ("Plaintiffs") in this wage and hour class action filed against SKY  
7 HOTELS, INC., MODCO 2, LLC, CY3, LLC, J.R.P. HOSPITALITY, INC., NIMESH PATEL,  
8 SUREKHA PATEL, and MAHESH PATEL (collectively "Defendants")

9 2. This declaration is being submitted in support of Plaintiffs' Motion for Preliminary  
10 Approval of Class and PAGA Action Settlement.

11 **I. EXHIBITS**

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

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

20 5. Attached hereto as "**Exhibit 3**" is a true and correct copy of the JCL Law Firm "Firm  
21 Resume" detailing some of the major cases the JCL Law Firm has undertaken.

22 **II. INTRODUCTION**

23 6. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of  
24 the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm's length.  
25 The Settlement confers substantial benefits to the Class. The relief offered by the Settlement is  
26 particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage  
27 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will  
28 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being

denied or of Defendants prevailing at trial. Given that there are approximately 515 Class Members, the average gross recovery is approximately \$395.23 (Net Settlement Amount divided by Class Members).

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

### **III. FACTS AND PROCEDURE**

#### **A. Overview of the Litigation**

8. Defendants Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel own, operate, and/or manage hotels and provide hotel management, consulting, development, and financial services throughout the state of California. Throughout their employment, Plaintiffs, and each of them, were employed as non-exempt employees and subject to Defendants' written policies and procedures.

9. On July 1, 2023, Plaintiffs Gray and Muto served Defendants Sky Hotels, Inc. and Modco 2, LLC and the Labor and Workforce Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice").

10. On September 6, 2022, Plaintiffs Gray and Muto filed this class action complaint in the Stanislaus Superior Court, alleging nine causes of action against Defendants for: (1) Unfair competition in violation of Business and Professions Code sections 17200 *et seq*; (2) Failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 & 1197.1; (3) Failure to pay overtime wages in violation of California Labor Code sections 510 *et seq*; (4) Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (5) Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (6) Failure to reimburse employees for required expenses in violation of California Labor Code section 2802; (7) Failure to provide accurate itemized wage statements in violation of California Labor Code section 226; (8) Failure to provide wages when due in

violation of Cal. Lab. Code sections 201, 202 and 203; (9) Violation of the Private Attorneys General Act [ Labor Code section 2698, *et seq.*] against Defendants Sky Hotels, Inc. and Modco 2, LLC.

11. On September 30, 2022, Plaintiff Villeda filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendant Sky Hotels, Inc.

12. On October 5, 2022, Plaintiff Villeda filed a class action in the San Joaquin County Superior Court, alleging claims for (1) Unfair competition in violation of Business and Professions Code sections 17200 *et seq*; (2) Failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 & 1197.1; (3) Failure to pay overtime wages in violation of California Labor Code sections 510 *et seq*; (4) Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (5) Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (6) Failure to provide accurate itemized wage statements in violation of California Labor Code section 226; (7) Failure to provide wages when due in violation of Cal. Lab. Code sections 201, 202 and 203; (8) Failure to indemnify; and (9) Violation of Cal. Lab. Code section 227.3; and (10) Unfair Competition.

13. On January 31, 2023, Plaintiff Villeda filed a separate representative action in the San Joaquin County Superior Court, alleging a single cause of action for Violation of the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*).

14. On May 24, 2023, Plaintiffs Gray, Muto, Lallier and Olson filed an Amended Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants Sky Hotels, Inc., Modco 2, LLC, Surekha Patel, and Mahesh Patel.

15. On December 19, 2023, Plaintiff Villeda filed an Amended Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., and Nimesh Patel. Plaintiff Gray and Muto served formal discovery, and the Parties subsequently agreed to a global mediation.

16. On October 2, 2025, to effectuate the global Settlement reached by the Parties, Plaintiffs Muta, Gray, Villeda, Lallier, and Olson submitted an amended PAGA Notice to the LWDA to consolidate the previously filed PAGA notices. The Amended PAGA Notice also added Defendants J. R.P., Defendant CY3, and Defendant Nimesh. Also on October 2, 2025, the Parties filed a stipulation

for leave allowing Plaintiffs Muto and Gray to file a First Amended Complaint in their class and PAGA Action, to add Keily Villega, Tammy Lallier, and Jonathan Harrison-Liam Olson II as additional Plaintiffs, and to add J. R.P. Hospitality, Inc, CY3 LLC, Nimesh Patel, Surekha Patel, and Mahesh Patel as additional Defendants.

**B. Class Counsels' Investigation**

17. Class Counsel thoroughly investigated the claims and damages. The investigation included, among other things, time and payroll records for a sample of Class Members, aggregate workweek and pay period data, and copies of applicable handbooks, policies, and procedures.

**C. The Parties Settled at Mediation**

18. On December 12, 2023, the Parties participated in a full day mediation with Hon. Judge Carl J. West (Ret.), a respected jurist and mediator. The mediation concluded with a settlement.

19. Class Counsel submits that the Settlement constitutes a fair, adequate, and reasonable compromise of the claims at issue.

**IV. ARGUMENT**

**A. The Court Should Preliminarily Approve the Settlement**

20. The Parties participated in mediation with highly respected jurist and mediator Hon. Judge Carl J. West (Ret.). Judge West managed the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. (*In re Apple Computer, Inc. Derivative Litig*, No. C 06-4128 JF (HRL), 2008 U.S. Dist. LEXIS 108195 (N.D. Cal. Nov. 5, 2008) (mediator's participation weighs considerably against any inference of a collusive settlement); *D'Amato v. Deutsche Bank* (2d. Cir. 2001) 236 F.3d 78, 85 (a "mediator's involvement in pre-certification settlement negotiations helps to ensure that the proceedings were free of collusion and undue pressure.")) The mediation concluded with a settlement. At all times, the Parties' negotiations were at an arm's length, adversarial, and non-collusive. After reaching an agreement in the principle, the Parties drafted and negotiated a long-form settlement which is the subject of the instant motion. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue.

21. Class Counsel conducted a very thorough investigation into the factual and legal issues in dispute. The investigation allowed Class Counsel to fully assess the nature and magnitude of the claims

1 being settled, as well as the impediments to recovery, such as to make an independent assessment of the  
2 reasonableness of the terms to which the Parties have agreed. Based on this investigation of the facts,  
3 applicable law, and marketplace for similar settlements, and considering the risk of significant delay,  
4 uncertainty associated with litigation, and the various defenses asserted by Defendants, Class Counsel  
5 firmly believes this Agreement to be in the best interests of the Class Members. Because the  
6 Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the  
7 Settlement.

8         22. The Gross Settlement Amount of \$485,000.00 is fair and reasonable considering the  
9 nature and magnitude of the claims being settled and the various potential impediments to recovery.  
10 Prior to mediation, Class Counsel retained Berger Consulting Group ("BCG") to develop economic  
11 damage models measuring Defendants' liability exposure while accounting for the uncertainties of  
12 continued litigation. The various models were informed by Class Counsel's investigation, including the  
13 analysis of a significant sample of time and payroll data. Class Counsel projected Defendants' liability  
14 exposure for *class claims* (excluding PAGA penalties) at \$1,675,309.25. Thus, the Gross Settlement  
15 Amount of \$485,000.00 represents approximately 29% of Defendants' *class-wide* liability exposure.  
16 The following summarizes Defendants' estimated exposure.

17         23. Plaintiffs' primary claim in this action is that Defendants failed to provide compliant meal  
18 and rest periods because Class Members were expected to remain on the premises and on-duty during  
19 their meal periods and rest breaks. Defendants had in place an "On Duty Meal Period" policy and  
20 agreements, however, Plaintiffs contend that the nature of the work they and Class Members were  
21 employed to perform did not prevent them from being provided an off-duty meal period nor was there  
22 any evidence that Defendants applied to the Department of Industrial Relations for an exemption from  
23 the provisions of the Industrial Welfare Commission requiring off-duty rest breaks. Further, Defendants'  
24 rest break policy was facially unlawful, requiring that management sign off on Class Members' rest  
25 breaks. In total, Class Counsel estimated Defendants' exposure for the meal and rest claims at  
26 \$770,762.00.

27         24. Defendants argued, *inter alia*, that it provided the Class Members with compliant meal  
28 and rest periods and maintained facially complaint meal and rest period policies, such that any missed

1 meal and rest periods were by choice of each individual Class Member. Thus, Defendants denied all  
2 claims and argued that there was no potential liability for Plaintiffs' alleged meal and rest period  
3 violations and any claimed violations required a highly individualized inquiry not suitable to class  
4 treatment.

5         25. Plaintiffs allege that Defendants failed to include certain non-discretionary bonuses when  
6 calculating the regular rate of pay when paying overtime wages and sick pay. Specifically, Defendants  
7 paid Class Members non-discretionary incentive compensation in the form of "Bonus" and "Incentive"  
8 payments, which were not properly calculated into the regular rate of pay. For overtime work, "an  
9 employee must receive a 50 percent premium on top of his or her regular rate of pay[.]" *Alvarado v.*  
10 *Dart Container Corp. of California* (2018) 4 Cal.5th 542, 553. Further, California Labor Code section  
11 246(1)(1) expressly mandates that sick pay for non-exempt employees be based on either "the regular  
12 rate of pay for the workweek in which the employee uses paid sick time" or the regular rate of pay in  
13 the 90 days preceding the use of the sick leave.

14         26. Conversely, Defendants denied liability and asserted it paid Class Members at the correct  
15 rate of pay for purposes of overtime wages, meal period premiums, and sick pay. Defendants produced  
16 its written bonus policy and made arguments during mediation to demonstrate that bonuses are  
17 discretionary. Plaintiffs estimated Defendants' exposure for this claim to be approximately \$2,897.00.

18         27. Additionally, Plaintiffs alleged that Defendants failed to pay their employees for all hours  
19 worked. Specifically, Plaintiffs asserted that Defendants failed to pay employees for training and  
20 assisting other employees, assisting customers, and answering employee questions while off the clock.  
21 Defendants denied liability for this claim. Defendants argued that all Class Members were properly paid  
22 minimum and overtime compensation for all hours worked and that Class Members were instructed not  
23 to work off-the-clock. Plaintiffs estimated Defendants' exposure for this claim to be \$277,996.00.

24         28. Plaintiffs allege that Defendants failed to reimburse its employees for mandatory business  
25 expenses. Specifically, Plaintiffs and Class Members, as business expenses, were required by  
26 Defendants to use their own personal cellular phones as a result of and in furtherance of their job duties  
27 as employees for Defendants and were required to purchase and maintain their uniforms at their own  
28 expense. Plaintiffs and Class Members were not reimbursed or indemnified by Defendants for the cost

1 associated with the use of their personal cell phone or the purchase and maintenance of work uniforms  
2 for Defendants' benefit. Defendants denied all these claims and argued that, assuming for argument  
3 purposes only Plaintiff's alleged claims had any merit, the number of affected employees was minimal.  
4 Notwithstanding the uncertain nature of the claims, Plaintiffs estimated Defendants' exposure for  
5 unreimbursed business expenses to be approximately \$90,600.

6 29. Plaintiffs also alleged that the Defendants' labor code violations resulted in derivative  
7 liability for wage statement violations and waiting time penalties. Class Counsel considered the arguable  
8 presence of various penalties and weighed the potential recoveries against probable defenses.  
9 Specifically, Defendants denied all these claims and additionally argued that Plaintiffs could not prove  
10 the "willful" prong needed to obtain waiting time penalties under Labor Code section 203. Additionally,  
11 Defendants argued that Plaintiffs could not show that Class Members suffered an "injury" because of  
12 the alleged wage statement violations, as required by Labor Code section 226. (*Naranjo v. Spectrum*  
13 *Security Services, Inc.* (2023) 88 Cal.App.5th 927.) Notwithstanding the uncertain nature of the claims,  
14 Plaintiffs estimated Defendants' exposure for these penalties to be approximately \$533,054.25  
15 (\$380,979.25 for Labor Code section 203 penalties and \$152,075.00 for Labor Code section 226  
16 penalties).

17 30. Class Counsel's damage models also estimated Defendants' exposure for PAGA  
18 penalties. At the time of mediation, Plaintiffs estimated Defendants' PAGA exposure to be  
19 approximately \$653,850.

20 31. To recover any PAGA penalties, Plaintiffs would be required at trial to prove each of the  
21 underlying Labor Code violations. (*See Cardenas v. McLane Foodservice, Inc.*, 2011 U.S. Dist. LEXIS  
22 13126, \*10 (C.D. Cal. 2011) ("Given the statutory language [of PAGA], a plaintiffs cannot recover on  
23 behalf of individuals whom the plaintiffs have not proven suffered a violation of the Labor Code by the  
24 defendant.")) Here, Plaintiffs would need to prove that each Aggrieved Employee suffered a violation  
25 for each pay period the employee worked. Again, Defendants denied all claims and raised several  
26 defenses that presented serious threats to the claims of Plaintiffs and the Aggrieved Employees.

27 32. The proposed Settlement allocates \$30,000.00 to satisfy the PAGA claims. This amount  
28 represents approximately 6.2% of the Gross Settlement Amount. This achieves a fair, reasonable, and



adequate resolution of Plaintiffs' PAGA claim. (See *Moniz v. Adecco* (2021) 72 Cal.App.5th 56.) Further, the amount allocated to the satisfaction of Plaintiffs' PAGA claim, is well within the range of reasonableness. (See, e.g., *Nordstrom Comm'n Cases* (2010) 186 Cal.App.4th 576, 589 (approving 0% PAGA allocation); *Berry v. Urban Outfitters* (N.D. Cal. Lead Case No. 13-cv-02628-JSW) (approving 1% PAGA allocation in \$5M settlement); *Jack v. Hartford Fire Ins. Co.* (S.D. Cal. 2011) 2011 WL 4899942 \* 6 (approving \$3,000 PAGA allocation in \$1.2M settlement); *Singer v. Becton Dickinson & Co.* (S.D. Cal. 2010) 2010 WL 2196104 \*2 (approving \$3,000 PAGA allocation in \$1M settlement); and *Hopson v. Hanesbrands, Inc* (N.D. Cal. 2009) 2009 WL 928133 \* 9 (approving \$1,500 PAGA allocation in \$1.026M settlement.)).

#### **B. Litigation Risks**

33. With respect to the most immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and hour claims are demonstrated by *Magadia v. Wal-Mart Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit, vacated reversed and remanded a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed the trial court to enter judgement in favor of the employer. (See also *O'Conner v. Uber Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action); see also *Duran v. U.S. Bank National Association* (2014) 59 Cal.4th 1, 31 (reversing a trial verdict in favor plaintiffs in a wage and hour class action)); *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly individualized questions of fact not susceptible to class treatment."); *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341 (affirming denial of certification because employees' declarations attesting to having taken meal and rest breaks demonstrated that individualized inquiries were required to show harm). Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk factor favoring settlement.

34. Finally, continuing to litigate this action would require continued and extensive resources coupled with significant court time to proceed through trial and post-trial motions, which can often take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates extensive expert testimony, particularly with regards to damages. But even if Plaintiffs are successful at trial,

1 Plaintiffs are acutely aware that a judgment does not end the litigation. Plaintiffs fully expect that  
2 Defendants would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d 668,  
3 the risk of an appeal and subsequent reversal is real.

4 35. Given the amount of the settlement here, as compared to potential value of the claims,  
5 offset by the various inherent risks to continued litigation, the settlement is fair and reasonable.

6 **B. Proposed Notice Informs the Class About the Case and Settlement**

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

16 **C. The Court Should Preliminarily Approve the Incentive Award**

17 37. The Settlement provides for Service Awards of \$10,000.00 for each Plaintiff. Agreement,  
18 § I(DD). Class Counsel on behalf of Plaintiffs will file a formal motion for the negotiated Service  
19 Awards once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the  
20 above showing is sufficient for preliminary approval of the negotiated Service Awards.

21 38. The amount of the requested Service Awards – \$10,000 – is reasonable by reference to  
22 the amounts that California courts (both federal and state) have repeatedly found to be reasonable for  
23 wage and hour class action settlements: *See Baker v. LA. Fitness Int'l, LLC*, No. BC438654 (L.A. County  
24 Super. Ct. Dec. 12, 2012) (awarding \$10,000 enhancement payments to three of the named plaintiffs);  
25 *Blue v. Codwell Banker Residential Brokerage Co.*, No. BC417335 (L.A. County Super. Ct Mar. 21,  
26 2011) (awarding \$10,000 enhancement payment); *Buckmire v. Jo-Ann Stores, Inc.*, No. BC394795 (L.A.  
27 County Super. Ct. June 11, 2010) (awarding \$10,000 enhancement payments to the named plaintiff);  
28 *Coleman v. Estes Express Lines, Inc.*, No. BC429042 (LA. County Super. Ct. Oct. 3, 2013) (awarding

\$10,000 enhancement payment); *Ethridge v. Universal Health Services, Inc.*, No. BC391958 (L.A. County Super. Ct. May 27, 2011) (awarding \$10,000 enhancement payment); *Hickson v. South Coast Auto Insurance Marketing, Inc.*, No. BC390395 (L.A. County Super. Ct. Mar. 27, 2012) (awarding \$10,000 enhancement payment); *Hill v. Sunglass Hut Int'l, Inc.*, No. BC422934 (L.A. County Super. Ct. July 2, 2012) (awarding \$10,000 enhancement payments to the named plaintiffs); *Kabamba v. Victoria's Secret Stores. LLC*, No. BC368528 (L.A. County Super. Ct. Aug. 19, 2011) (awarding enhancement payments of \$ 10,000 to the named plaintiffs along with additional compensation for their general release of claims); *Magee v. American Residential Services, LLC*, No. BC423798 (L.A. County Super. Ct Apr. 21, 2011) (awarding \$15,000 enhancement payment); *Mares v. BFS Retail & Commercial Operations, LLC*, No. BC375967 (L.A. County Super. Ct. June 24, 2010) (awarding \$15,000 enhancement payments to the named plaintiffs); *Nevarez v. Trader Joe's Co.*, No. BC373910 (L.A. County Super. Ct. Jan. 29, 2010) (awarding \$10,000 enhancement payment); *Ordaz v. Rose Hills Mortuary, LP.*, No. BC386500 (L.A. County Super. Ct. Mar. 19, 2010) (awarding 10,000 enhancement payments to the named plaintiffs); *Sheldon v. AHMC Monterey Park Hospital LP*, No. BC440282 (L.A. County Super. Ct. Feb. 22, 2013) (awarding \$10,000 enhancement payment); *Silva v. Catholic Moray Services, Inc.*, No. BC408054 (L.A. County Super. Ct. Feb. 8, 2011) (awarding \$10,000 enhancement payments to the named plaintiffs); *Weisbarth v. Banc West Investment Services, Inc.*, No. BC422202 (L.A. County Super. Ct. May 24, 2013) (awarding \$10,000 enhancement payment); *Zamora v. Balboa Life & Casualty LLC*, No. BC360026 (L.A. County Super. Ct. Mar. 7, 2013) (awarding \$25,000 enhancement payments to the named plaintiffs); *Acheson v. Express, LLC*, No. 109CV135335 (Santa Clara County Super. Ct. Sep. 13, 2011) (awarding \$10,000 enhancement payment); *Aguilar v. Cingular Wireless. LLC*, No. CV 06-8197 DDP (AJWx) (C.D. Cal. Mar. 17, 2011) (awarding \$14,767 enhancement payment); *Bejarano v. Amerisave Mortgage Corp.*, No. EDCV 08-00599 SGL (Opx) (C.D. Cal. June 22, 2010) (awarding \$10,000 enhancement payment); *Carbajal v. Sally Beauty Supply LLC*, No. CIVVS 1004307 (San Bernardino Super. Ct. Aug. 6, 2012) (awarding \$10,000 enhancement payments to the named Plaintiffs); *Contreras v. Serco Inc.*, No. 10-cv-04526-CAS-JEMx (CD. Cal. Sep. 10, 2012) (awarding \$10,000 enhancement payment); *Guerrero v. R.R. Donnelley & Sons Co.*, No. RIC 10005196 (Riverside Super. Ct July 16, 2013) (awarding \$10,000 enhancement payment); *Kisliuk v.*

1 *ADT Security Services, Inc.*, No. CV08-0324 DSF (RZx) (C.D. Cal. Jan. 10, 2011) (awarding \$10,000  
2 enhancement payment); *Morales v. BCBG Maxaria Int'l Holdings, Inc.*, No. JCCP 4582 (Orange County  
3 Super. Ct Jan. 24, 2013) (awarding \$10,000 enhancement payment); and *Barrett v. Doyon Security*  
4 *Services, LLC*, Nos. BS900199, BS900517 (San Bernardino County Super. Ct. Apr. 23, 2010) (awarding  
5 \$10,000 enhancement payment).

6 39. Class Counsel on behalf of Plaintiffs will file a formal motion for the negotiated Service  
7 Awards once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the  
8 above showing is sufficient for preliminary approval of the negotiated Service Awards.

9 **D. The Requested Attorneys' Fees and Attorneys' Expenses Should be Preliminarily**  
10 **Approved**

11 40. Class Counsel took this matter on a contingency fee basis and invested significant time  
12 and expense successfully prosecuting Plaintiffs' claims. As discussed *supra*, the estimated average  
13 Individual Settlement Payment illustrates the demonstrably positive outcome for the Class Members.  
14 Considering the positive outcome, and considering the supporting authority, the proposed Attorneys'  
15 Fees and reimbursement of Attorneys' Expenses are fair and reasonable.

16 41. Plaintiffs will file a formal motion for the Attorneys' Fees and Attorneys' Expenses once  
17 preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above showing  
18 is sufficient for preliminary approval of the negotiated attorneys' fees.

19 **E. The Court Should Provisionally Certify the Settlement Class**

20 42. For settlement purposes, Plaintiffs contend, and Defendants do not dispute, that  
21 provisional certification of the Class is appropriate.

22 43. Because all Class Members are Defendants' current and former non-exempt employees,  
23 the class is readily ascertainable from Defendants' regular business records, i.e., payroll records.

24 44. The statutes relating to each of Plaintiffs' claims apply with equal force and effect to the  
25 entire Class. Factually, Defendants' policies and practices apply class-wide and Defendants' liability, if  
26 any, can be determined by facts common to all members of the class. The wage and hour issues are both  
27 numerous and substantial, and a class action is the most advantageous method of dealing with the claims  
28 of the Class.

1           45.     Plaintiffs' wage and hour claims are typical of the proposed Class because they arise from  
2 the same factual basis and are based on the same legal theories applicable to the other Class Members.  
3 Likewise, Plaintiffs' interests are entirely coextensive with the interests of the Class. Plaintiffs allege  
4 that they were injured by the same company-wide practices to which the proposed Class Members were  
5 subject to and seek the same relief. Plaintiffs have already demonstrated their ability to advocate for the  
6 interests of the Class by initiating this litigation, and evaluating the proposed Settlement to ensure that  
7 it is fair.

8           46.     Additionally, Plaintiffs are represented by competent Class Counsel who have extensive  
9 experience in litigating wage and hour class action cases. Class Counsel successfully briefed, argued,  
10 certified, and gained state court settlement approval of the same class-wide causes of action that are at  
11 issue in this case. Class Counsel's wage and hour class action experience establishes that they are well  
12 qualified to represent the interests of this Class.

13           47.     A class action is superior to a multitude of individual lawsuits. Given the size and amount  
14 of each individual claim, the Class Members likely have little incentive to litigate their claims on an  
15 individual basis because the out-of-pocket expense and personal commitment necessary to litigate each  
16 claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case  
17 adjudication.

18           **F.     Class Counsel's Experience**

19           48.     Plaintiff, the Settlement Class Members and the Aggrieved Employees are represented by  
20 competent and experienced counsel to pursue their claims. I established the JCL Law Firm, APC  
21 ("Firm"), in 2010. The Firm is a boutique plaintiff firm representing aggrieved employees and  
22 consumers throughout California in wage and hour class actions and complex multi-party product  
23 liability matters. The Firm currently consists of myself, Jean-Claude Lapuyade, Esq. (Partner/Owner),  
24 Sydney Castillo-Johnson, Esq. (Associate Attorney), Perssia Razma (Associate Attorney), John L. Nitti  
25 (Associate Attorney), Carolina Faccin (Associate Attorney), Tesla Stone (Senior Paralegal and Office  
26 Manager), Jennifer Heming (Paralegal), Andrew Ward (Law Clerk), Hana McAnally (Law Clerk),  
27 Allysa Castillo (Legal Assistant), Elsa Torres (Legal Assistant), and Sabrina Carle-Parra (Secretary).

28     ///

49. I am qualified to represent the Plaintiff, the State of California and the Aggrieved Employees. I have extensive experience with wage and hour class and representative actions litigation like this matter, and employment matters in general. Additionally, I have extensive complex mass tort litigation experience and complex construction product liability experience. I can, will and have adequately represented the interests of the Plaintiff, the State of California and the Aggrieved Employees throughout this action.

50. I have represented consumers and employees in California class actions, and complex multi-party product liability actions exclusively for more than 15 years. I have been in practice as a plaintiffs' civil litigation attorney since April 2007.

51. I have significant class counsel and collective action counsel experience. My credentials are reflected in the JCL Law Firm, APC, Firm Resume, which is attached hereto as Exhibit 3.

52. Since 2010, my firm has successfully resolved more than sixty (65) cases and recovered in excess of \$125 million on behalf of the Firm's clients.

53. Since 2010, I have successfully tried two (2) cases to conclusion, each resulting in a favorable verdict for the firm's clients.

54. Finally, I have published appellate experience in *William Blanchette et al., v. The Superior Court of Imperial County, (GHA Enterprises)*, 8 Cal.App.5th 521.

55. Consequently, I was named to the prestigious Thomson Reuters, Super Lawyers, Rising Star in 2015, 2016, 2017 and, again, in 2018. According to Thomson Reuters, the Super Lawyers, Rising Star list recognizes the top 2.5% of eligible attorneys. (see [https://www.superlawyers.com/about/selection\\_process.html](https://www.superlawyers.com/about/selection_process.html).)

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 2nd day of October, at San Diego, California.

**JCL LAW FIRM, APC**

By: Jean-Claude Lapuyade  
Jean-Claude Lapuyade  
Attorneys for Plaintiffs

# **EXHIBIT 1**

**ZAKAY LAW GROUP, APLC**

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Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF STANISLAUS**

EDWARD GRAY and JESSICA MUTO,  
individuals; on behalf of themselves, and on  
behalf of all persons similarly situated,

Plaintiffs,

v.

SKY HOTELS, INC., a California corporation;  
MODCO 2, LLC, a California limited liability  
company; and DOES 1-50, Inclusive,

Defendants.

Case No.: CV-22-004004

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

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



This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims (hereafter, the “Agreement” or “Settlement Agreement”) is entered into by and between Plaintiffs EDWARD GRAY, JESSICA MUTO, TAMMY LALLIER, JONATHAN HARRISON-LIAM OLSON II, and KEILY VILLEDA (hereinafter “Plaintiffs”), individually, on behalf of themselves and on behalf of all persons similarly situated, and Defendants SKY HOTELS, INC., MODCO 2, LLC, CY3, LLC, J.R.P. HOSPITALITY, INC., NIMESH PATEL, SUREKHA PATEL, and MAHESH PATEL (hereinafter “Defendants”) (together referred to as the “Parties”, or individually referred to as a “Party”):

**I. DEFINITIONS**

- A. “Action” shall collectively mean the entire case, lawsuit, claims, allegations, and amendments entitled *Edward Gray, et al. v. Sky Hotels, Inc., et al.*, pending in Stanislaus County Superior Court as Case No. CV-22-004004, originally filed September 6, 2022 (the “Gray Action”), as well as the entirety of the cases, lawsuits, claims, allegations, and amendments in the cases entitled *Keily Villeda et al. v. Intercontinental Hotels Group Resources, LLC, et al.*; San Joaquin County Superior Court Case Nos. STK-CV-UOE-2022-0009028 and STK-CV-UOE-2023-0000814 (the “Villeda Actions”).
- B. “Aggrieved Employees” means all non-exempt employees who are or previously were employed by Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel, and performed work in California during the PAGA Period.
- C. “Aggrieved Employee Payment” means 25% of the PAGA Payment which will be allocated to the Aggrieved Employees as described herein.
- D. “Attorneys’ Expenses” means the award of expenses that the Court authorizes to be paid to Class Counsel for the expenses they have incurred, up to a maximum of \$30,000.00.

- 1 E. “Attorneys’ Fees” means the award of fees that the Court authorizes to be paid to  
2 Class Counsel for the services they have rendered to Plaintiffs and the Settlement  
3 Class in the Action, currently not to exceed one-third of the Gross Settlement  
4 Amount currently estimated to be \$161,666.67. Attorneys’ fees will be divided  
5 between Class Counsel as follows: 28.33% to JCL Law Firm, APC, 28.33% to Zakay  
6 Law Group, APLC, 28.33% to Bibiyan Law Group, PC, and 15.01% to Messrelian  
7 Law.
- 8 F. “Claims Administration Expenses” shall mean the amount paid to the Settlement  
9 Administrator from the Gross Settlement Amount for administering the Settlement  
10 pursuant to this Agreement, currently estimated not to exceed \$9,790.00.
- 11 G. “Class” or the “Class Members” means all non-exempt employees who are or  
12 previously were employed by Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P.  
13 Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel, and performed  
14 work in California during the Class Period.
- 15 H. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC,  
16 Shani Zakay of Zakay Law Group, APLC, David Bibiyan, Esq. of Bibiyan Law  
17 Group, PC, and Harout Messrelian of Messrelian Law.
- 18 I. “Class Data” means information regarding Class Members that Defendants will  
19 compile from its records and provide to the Settlement Administrator. It shall be  
20 formatted as a Microsoft Excel spreadsheet and shall include: each Class Member’s  
21 full name, last known address, Social Security Number, number of work weeks, and  
22 number of pay periods.
- 23 J. “Class Period” means the period from September 6, 2018 to February 10, 2024, unless  
24 modified by Defendant pursuant to Section III., C., 2., of this Agreement in the  
25 Defendants’ sole discretion.
- 26 K. “Class Representatives” shall mean Edward Gray, Jessica Muto, Tammy Lallier,  
27 Jonathan Harrison-Liam Olson II, and Keily Villeda.

- 1 L. "Court" means the Superior Court for the State of California, County of Stanislaus.
- 2 M. "Date of Last Installment Payment" shall mean the last date by which Defendants
- 3 have paid the entire Gross Settlement Amount to the Claims Administrator in
- 4 accordance with the following installment payment plan: (i) \$242,500.00, plus any
- 5 employer's share of payroll taxes on the wage portion of the Individual Settlement
- 6 Payments, shall be due sixty (60) calendar days after the Effective Date, and (ii)
- 7 \$242,500.00 shall be due six (6) months (182 calendar days) following the Effective
- 8 Date.
- 9 N. "Defendants" shall mean Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P.
- 10 Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel.
- 11 O. "Effective Date" means the later of the following dates: (i) the date the Court enters
- 12 final judgment and no appeal, writ or other challenge to the finality of the judgment
- 13 has been filed; or (ii) five (5) days after the day when all appeals, writs or other
- 14 challenges to the final judgment have been resolved in a manner that affirms the
- 15 finality of the judgment and the time for the filing of any further appeals, writs or
- 16 other challenges has lapsed.
- 17 P. "Gross Settlement Amount" means Four Hundred Eighty-Five Thousand Dollars and
- 18 Zero Cents (\$485,000.00) that Defendants must pay in the following installments into
- 19 the QSF in connection with this Settlement and this Agreement: (i) \$242,500.00, plus
- 20 any employer's share of payroll taxes on the wage portion of the Individual Settlement
- 21 Payments, shall be due sixty (60) calendar days after the Effective Date, and (ii)
- 22 \$242,500.00 shall be due six (6) months (182 calendar days) following the Effective
- 23 Date. The Gross Settlement Amount includes the Individual Settlement Payments,
- 24 Claims Administration Expenses, Attorneys' Fees and Attorneys' Expenses, Service
- 25 Awards, and the PAGA Payment, but does not include the employer's share of payroll
- 26 tax, if any, on the wage portion of the Individual Settlement Payments.

- 1 Q. "Individual Settlement Payments" means the amount payable from the Net Settlement  
2 Amount to each Settlement Class Member and excludes any amounts distributed to  
3 Aggrieved Employees pursuant to PAGA.
- 4 R. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less  
5 Attorneys' Fees and Attorneys' Expenses, Service Awards, PAGA Payment, and  
6 Claims Administration Expenses.
- 7 S. "Notice Packet" means the Class Notice to be provided to the Class Members by the  
8 Settlement Administrator, substantially in the form set forth as **Exhibit A** to this  
9 Agreement.
- 10 T. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,  
11 Labor Code §§ 2698 *et seq.*
- 12 U. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period  
13 that each Aggrieved Employee worked for Defendants divided by the sum total of the  
14 Pay Periods that all Aggrieved Employees worked for Defendants during the PAGA  
15 Period.
- 16 V. "PAGA Payment" shall mean Thirty Thousand Dollars (\$30,000.00) to be allocated  
17 from the Gross Settlement Amount, with 25% of the payment going to the Aggrieved  
18 Employees and 75% of the payment going to the Labor and Workforce Development  
19 Agency. The amount of the PAGA Payment is subject to Court approval pursuant to  
20 California Labor Code section 2699(l). Any reallocation of the Gross Settlement  
21 Amount to increase the PAGA Payment will not constitute grounds by either party to  
22 void this Agreement, so long as the Gross Settlement Amount remains the same.
- 23 W. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved  
24 Employee Payment, as defined herein, means the number of pay periods of  
25 employment during the PAGA Period that each Aggrieved Employee worked for  
26 Defendants in California.

- 1 X. "PAGA Period" means the period from July 1, 2021 to February 10, 2024, unless  
2 modified by Defendant pursuant to Section III., C., 2., of this Agreement in the  
3 Defendants' sole discretion.
- 4 Y. "Payment Ratio" means the respective Workweeks for each Class Member divided  
5 by the sum total of Workweeks for all Class Members.
- 6 Z. "Plaintiffs" shall mean Edward Gray, Jessica Muto, Tammy Lallier, Jonathan  
7 Harrison-Liam Olson II, and Keily Villeda.
- 8 AA. "QSF" means the Qualified Settlement Fund established, designated, and maintained  
9 by the Settlement Administrator to fund the Gross Settlement Amount.
- 10 BB. "Released Parties" shall mean Defendants together with their present and former  
11 parents, subsidiaries, affiliated and related entities, present and former owners,  
12 boards, officers, directors, trustees, shareholders, members, managers, partners,  
13 employees, agents, insurers, attorneys, representatives, heirs, executors,  
14 administrators, successors and assigns.
- 15 CC. "Response Deadline" means the date forty-five (45) calendar days after the Settlement  
16 Administrator first mails Notice Packets to Class Members and the last date on which  
17 Class Members may submit requests for exclusion or objections to the Settlement.
- 18 DD. "Service Awards" mean an award in the amount of \$10,000.00 or in an amount that  
19 the Court authorizes to be paid to each Class Representative, in addition to his or her  
20 Individual Settlement Payment and his or her individual Aggrieved Employee  
21 Payment, in recognition of his or her efforts and risks in assisting with the prosecution  
22 of the Action.
- 23 EE. "Settlement" means the disposition of the Action pursuant to this Agreement.
- 24 FF. "Settlement Administrator" means Apex Class Action LLC.
- 25 GG. "Settlement Class Members" or "Settlement Class" means all Class Members who  
26 have not submitted a timely and valid request for exclusion as provided in this  
27 Agreement.

1 HH. “Workweeks,” or “Workweek” as used herein shall mean any seven (7) consecutive  
2 days beginning on Sunday and ending on Saturday, in which a Class Member is  
3 employed and received any form of compensation from Defendants.

4 **II. RECITALS**

5 A. On July 1, 2022, Plaintiffs Edward Gray and Jessica Muto filed a Notice of Violations  
6 with the Labor and Workforce Development Agency (LWDA) pursuant to PAGA and  
7 served the same on Defendants Sky Hotels, Inc. and Modco 2, LLC.

8 B. On September 6, 2022, Plaintiffs Edward Gray and Jessica Muto filed a class action,  
9 the Gray Action, in Stanislaus County Superior Court, Case No. CV-22-004004,  
10 alleging various claims and allegations, and including any amendments to the  
11 complaint, all as more completely set forth in the Gray Action.

12 C. On September 30, 2022, Plaintiff Keily Villeda filed a Notice Letter of Violations  
13 with the LWDA pursuant to PAGA and served the same on various parties including  
14 Sky Hotels, Inc.

15 D. On October 5, 2022, Plaintiff Keily Villeda filed a complaint in San Joaquin County  
16 Superior Court, Case No. STK-CV-UOE-2022-009028, for Class Action claims as a  
17 part of the Villeda Actions.

18 E. On January 31, 2023, Plaintiff Keily Villeda filed a complaint in San Joaquin County  
19 Superior Court, Case No. STK-CV-UOE-2023-000814, alleging PAGA  
20 representative claims as a part of the Villeda Actions.

21 F. On May 24, 2023, Plaintiffs Edward Gray, Jessica Muto, Tammy Lallier, and  
22 Jonathan Harrison-Liam Olson II filed an Amended Notice of Violations with the  
23 Labor and Workforce Development Agency (LWDA) and served the same on  
24 Defendants Sky Hotels, Inc., Modco 2, LLC, Surekha Patel, and Mahesh Patel.

25 G. On December 19, 2023, Plaintiff Keily Villeda filed an Amended Notice Letter of  
26 Violations with the LWDA pursuant to PAGA and served the same on various parties  
27

including Sky Hotels, J.R.P. Hospitality, Inc., CY3, LLC, MODCO 2, LLC, and Nimesh Patel.

H. The Class Representatives believe they have claims based on alleged violations of the California Labor Code and the Industrial Welfare Commission Wage Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action, and this action is manageable as a PAGA representative action.

I. Defendants deny any liability or wrongdoing of any kind, dispute the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representatives as being owed, and further contend that the Action is not appropriate for any kind of class or representative action treatment. Defendants further contend, among other things, that at all times they complied with the law, the California Labor Code, and the Industrial Welfare Commission Wage Orders.

J. The Class Representatives are represented by Class Counsel. Class Counsel investigated the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through 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 with the assistance of an expert. 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 considering 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 they deny any liability, Defendants are agreeing to this Settlement solely to avoid the inconveniences and cost of further

litigation. The Parties have agreed to settle the claims on the terms set forth in this Agreement.

K. On December 12, 2023, the parties participated in a mediation presided over by Hon. Carl J. West (Ret.), a respected jurist and experienced mediator of wage and hour class and PAGA actions. The mediation ultimately led to a settlement.

L. On or about April 2, 2024, Edward Gray filed a civil case and lawsuit in the Stanislaus County Superior Court entitled *Edward Gray et al. v. Sky Hotels, Inc., et al.*, Case No. CV-24-002520 (the “Gray Individual Action”).

M. 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 Plaintiffs or the Class Members have merit or that Defendants bear any liability to Plaintiffs or the Class Members on those claims or any other claims. Nothing in this Agreement is intended or will be construed as an admission by Plaintiffs that Defendants’ defenses in the Action have merit.

N. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm’s-length negotiations, taking into account 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 settle, compromise and discharge all disputes and claims arising from or relating to the Action fully, finally, and forever.

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

### **III. TERMS OF AGREEMENT**

A. Revised PAGA Notice and Amended Complaint: Subject to the review, revisions, changes, written approval from Defendants, Plaintiffs will submit a revised PAGA notice to the LWDA to add J.R.P. Hospitality, Inc., CY3, LLC, Nimesh Patel, Surekha



Patel, and Mahesh Patel as Defendants, and to include all claims and all allegations necessary to effectuate the release of all claims set forth in the releases described in sections III., C. through E., herein. Subject to the review, revisions, changes, and written approval from Defendants, Plaintiffs will also amend the operative complaint in the Action to add J.R.P. Hospitality, Inc., CY3, LLC, Nimesh Patel, Surekha Patel, and Mahesh Patel as Defendants, to include Keily Villeda, Tammy Lallier, and Jonathan Harrison-Liam Olson II as Plaintiffs, and to include all claims and all allegations necessary to effectuate the releases of all claims set forth in the release described in sections III., C. through E., herein. Defendants shall be provided with drafts of the revised PAGA notice and amended complaint in advance of any filings or submissions, and Defendants shall be provided an adequate and reasonable opportunity to comment, make changes, and make revisions to the revised PAGA notice and amended complaint before any filings or submissions. Plaintiffs can only file a revised PAGA notice and amended complaint with the prior written approval of Defendants. This section constitutes a material term of this Agreement, and should Defendants: (i) not be provided copies of a revised PAGA notice and an amended complaint in advance of any submissions or filings, and/or (ii) propose changes and/or revisions to the revised PAGA notice and to the amended complaint at any time that are not made by Plaintiffs, Defendants may, in their sole discretion, elect to invalidate this Agreement, and make this Agreement void *ab initio* and of no force or effect of any kind. Should Defendants make such an election, this Agreement shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural. If this Agreement is invalidated and nullified by Defendants pursuant to this section, Plaintiffs are solely responsible for any costs and fees incurred by the Settlement Administrator. No preliminary approval motion of any kind will be filed by Plaintiffs without first filing and submitting an amended PAGA notice and an amended complaint in the Action, all of

which require the pre-approval in writing by Defendants as set forth herein.

B. Dismissal of Actions. Immediately upon the filing of the first amended complaint in the Gray Action, Keily Villeda shall dismiss, without prejudice, the Villeda Actions pending in San Joaquin County Superior Court, and cause the Villeda Actions to be fully dismissed without prejudice. Immediately upon the execution of this Agreement, Edward Gray shall file a Notice of Settlement in the Gray Individual Action. Immediately following the Court's final approval of the Settlement, Edward Gray shall dismiss, with prejudice, the Gray Individual Action, and cause the Gray Individual Action to be fully dismissed with prejudice.

C. 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 Gross Settlement Amount in installment payments as set forth in this Agreement. The Parties agree that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of employer payroll taxes paid on the wage portion of the Individual Settlement Payments, Defendants shall not be required to pay more than the Gross Settlement Amount.

2. Class Size. Defendants represent that at the time of mediation the Settlement Class was comprised of approximately 515 Class Members who collectively worked approximately 14,263 workweeks ("Projected Workweeks") during the Class Period. If the actual number of Workweeks worked by Class Members exceeds 14,263 Workweeks by ten percent (10%), meaning that the actual Workweeks worked by Class Members are more than 15,690 Workweeks, then Defendants shall have the option, in Defendants' sole discretion, to either: (i) establish the end date of the Class Period and PAGA Period as of the 14,263<sup>rd</sup> Workweek, which shall end the Class Period and the PAGA Period, or (ii) pay additional money for the additional release period

1 commensurate with the number of Workweeks that exceed 15,690  
2 Workweeks at thirty two dollars and zero cents (\$32.00) per additional  
3 Workweek.

4 3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount  
5 into the QSF, through the Settlement Administrator by the dates and  
6 installment plan set forth in this Agreement at Section I., P. Any interest  
7 accrued will be added to the NSA and distributed to the Settlement Class  
8 Members except that if final approval is reversed on appeal, then Defendants  
9 are entitled to prompt return of the principal and all interest accrued.

10 4. Defendants' Share of Payroll Taxes. Defendants' share of employer side  
11 payroll taxes on the wage portion of the Individual Settlement Payments is in  
12 addition to the Gross Settlement Amount and shall be paid together with the  
13 first installment payment of the portion of the Gross Settlement Amount, as  
14 set forth in this Agreement at Section I., M.

15 D. Release by Settlement Class Members. Upon entry of final judgment and Defendants  
16 fully funding the Gross Settlement Amount, in exchange for the consideration set forth in this  
17 Agreement, Plaintiffs and the Settlement Class Members release the Released Parties from  
18 the Released Class Claims for the Class Period. The "Released Class Claims" shall mean  
19 and include, but are not limited to all claims alleged by Plaintiffs in any complaints in the  
20 Action, or which could have been alleged by Plaintiffs in any complaints in the Action by  
21 reason of or in connection with any matter or fact set forth or referred to in the complaints,  
22 which include claims for (i) unfair competition in violation of California Business &  
23 Professions Code section 17200 et seq., (ii) failure to pay minimum wages in violation of  
24 Cal. Labor Code sections 1194, 1197, & 1197.1, (iii) failure to pay overtime wages in  
25 violation of Cal. Labor Code sections 510 et seq., (iv) failure to provide required meal periods  
26 in violation of Cal. Labor Code sections 226.7 and 512 and applicable wage order, (v) failure  
27 to provide required rest periods in violation of Cal. Labor Code sections 226.7 and 512 and

applicable wage order, (vi) failure to reimburse employees for required expenses in violation of Cal. Labor Code sections 2802, (vii) failure to provide accurate itemized statements in violation of Cal. Labor Code section 226, and (viii) failure to provide wages when due in violation of Cal. Labor Code sections 201, 202, and 203, and which also include without limitation any and all claims, debts, liabilities, demands, actions, or causes of action, damages, interest, penalties, wages, and equitable relief arising from or relating to the Released Class Claims during the Class Period as defined herein. Without limiting the foregoing, the Released Class Claims shall also include claims for (i) failure to compensate for all hours worked (California Industrial Welfare Commission Order 4-2001/5-2001, California Code of Regulations Title 8 Section 11040/11050, and California Labor Code section 1198), (ii) failure to pay minimum wages (California Labor Code sections 1194, 1194.2, 1197), (iii) failure to pay overtime wages (California Industrial Welfare Commission Order 4-2001/5-2001, California Code of Regulations Title 8 Section 11040/11050, California Labor Code section 510), (iv) failure to provide accurate itemized wage statements (California Labor Code section 226), (v) failure to pay wages owed every pay period (California Labor Code section 204), (vi) failure to pay wages when employment ends (California Labor Code sections 201, 203), (vii) failure to provide rest breaks/rest periods, (viii) failure to provide meal breaks/meal periods, (ix) failure to reimburse business expenses and failure to indemnify, (x) waiting time penalties, (xi) violation of Cal. Labor Code section 227.3, (xii) failure to pay all wages due upon termination, (xiii) failure to timely pay wages during employment, and (xiv) violation of Business & Professions Code section 17200 and unfair competition, as well as claims for failure to provide unpaid wages, including but not limited to failure to pay minimum wages, straight time compensation, overtime compensation, and interest; failure to timely pay regular and preliminary wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and recovery period obligations; compensation due by reason of a split shift; reporting time pay; sick time and sick pay claims; claims arising

1 from invalid meal period waivers and on-duty meal period waivers; payment for all hours  
2 worked; wage statements and paystubs, including wage statements and paystubs furnished or  
3 available in physical, electronic, or other forms; failure to keep accurate records; making  
4 unlawful deductions; failing to reimburse business expenses; unfair business practices; any  
5 and all related penalties, including recordkeeping penalties, wage statement penalties,  
6 minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil  
7 penalties associated with any of the foregoing. Such Released Class Claims shall also  
8 include, but are not limited to those claims arising under California Labor Code sections 98,  
9 98.6, 200, 201-204, 204b, 206, 210, 212, 213, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224,  
10 225, 225.5, 226, 226.2, 226.3, 226.7, 227.3, 232, 232.5 233, 234, 246, 246.5, 247, 247.5,  
11 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 400-410, 432, 432.5, 432.6, 432.7, 432.8, 510,  
12 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1197.14, 1198,  
13 1198.5 1199, 1527, 2800, 2802, 2804, 2810.5, 2698 et seq., 2699 et seq., 3366, 3457, 6401,  
14 6402, 6403, 6409.6, 6432, 8397.4, and/or those arising under the applicable Industrial  
15 Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 5, 7, 8, 9,  
16 11, 12, 13, 18, and 20 of the applicable Wage Order(s) [including the provisions of the  
17 California Code of Regulations codifying the applicable Wage Order(s)], which may include  
18 but are not limited to Wage Orders 1-2001, 7-2001, and/or 9-2001); 8 C.C.R. §3395;  
19 California Business and Professions Code section 17200 et seq. (including, without  
20 limitation, California Business and Professions Code sections 17200 through 17208, 16600,  
21 16700); the California Civil Code sections 3287, 3289, and 3294; California Code of Civil  
22 Procedure sections 1021.5 and 1032; California Government Code section 12952, and any  
23 related claims under the Fair Labor Standards Act (“FLSA”) (29 U.S.C. §§ 201, et seq.). The  
24 Parties intend that these releases be construed as broadly as possible to encompass all claims  
25 alleged by Plaintiffs, or those which could have been alleged by Plaintiffs based on the factual  
26 allegations in the operative complaint(s) in the Action. These releases exclude the release of  
27 claims not permitted by law. This Agreement is the compromise of all possible disputed

claims related to wages and fully and finally settles all possible claims between the Parties regarding Plaintiffs' and Class Members' wages. The Parties warrant and represent that these releases resolve, pursuant to Labor Code sections 206 and 206.5, and applicable case law (including but not limited to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute regarding any and all wages, if any, owed to Plaintiffs and Class Members through their last day of employment with Released Parties within the Class Period.

E. Release by the Aggrieved Employees. Upon entry of final judgment and Defendants fully funding the Gross Settlement Amount, in exchange for the consideration set forth in this Agreement, the Plaintiffs, the Aggrieved Employees, the LWDA and the State of California release the Released Parties from the Released PAGA Claims for the PAGA Period. The "Released PAGA Claims" means and includes, but is not limited to, the PAGA cause of action (and any other claims and corresponding requests for relief) asserted by Plaintiffs on behalf of Plaintiffs and the Aggrieved Employees in the Action, namely all claims, rights, demands, liabilities, allegations, and causes of action arising from PAGA that were pled, alleged, or reasonably could have been alleged based on the facts asserted in any complaints in the Action and based on all Plaintiffs' PAGA notices filed and submitted in connection with this Action, violations of the PAGA (Labor Code sections 2698 et seq.), and any claims for PAGA penalties under California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174(d), 1174.5, 1194, 1197.1, 1198, and 2802. As a result of these releases, the Plaintiffs and Aggrieved Employees shall be precluded from bringing claims against Defendants in connection with PAGA and the Released PAGA Claims.

F. General Release by Plaintiffs. Upon entry of final judgment and Defendants fully funding the Gross Settlement Amount, for the consideration set forth in this Agreement, Plaintiffs waive, release, acquit and forever discharge the Released Parties from any and all claims, whether known or unknown, which exist or may exist on either Plaintiffs' behalf as of the date of this Agreement, including but not limited to any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims,

1 retaliation claims, statutory claims, personal injury claims, emotional distress claims,  
2 invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any  
3 and all claims arising under any federal, state or other governmental statute, law, regulation  
4 or ordinance, including, but not limited to claims for violation of the Fair Labor Standards  
5 Act, the California Labor Code, the Wage Orders of California's Industrial Welfare  
6 Commission, other state wage and hour laws, the Americans with Disabilities Act, the Age  
7 Discrimination in Employment Act (ADEA), the Employee Retirement Income Security Act,  
8 Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act,  
9 the California Family Rights Act, the Family Medical Leave Act, California's Whistleblower  
10 Protection Act, California Business & Professions Code Section 17200 et seq., and any and  
11 all claims arising under any federal, state or other governmental statute, law, regulation or  
12 ordinance. Plaintiffs also waive and relinquish any and all claims, rights or benefits that  
13 Plaintiffs may have under California Civil Code § 1542, which provides as follows:

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

20 Thus, notwithstanding the provisions of section 1542, and to implement a full and complete  
21 release and discharge of the Released Parties, Plaintiffs expressly acknowledge this  
22 Settlement Agreement is intended to include in its effect, without limitation, all claims  
23 Plaintiffs do not know or suspect to exist in Plaintiffs' favor at the time of signing this  
24 Settlement Agreement, and that this Settlement Agreement extinguishes any such claims.  
25 Plaintiffs warrant that Plaintiffs have read this Settlement Agreement, including this waiver  
26 of California Civil Code section 1542, and that Plaintiffs have consulted with or had the  
27 opportunity to consult with counsel of Plaintiffs' choosing about this Settlement Agreement

1 and specifically about the waiver of section 1542, that Plaintiffs understand this Settlement  
2 Agreement and the section 1542 waiver, and Plaintiffs freely and knowingly enter into this  
3 Settlement Agreement. Plaintiffs further acknowledge that Plaintiffs later may discover facts  
4 different from or in addition to those Plaintiffs now know or believe to be true regarding the  
5 matters released or described in this Settlement Agreement, and even so Plaintiffs agree that  
6 the releases and agreements contained in this Settlement Agreement shall remain effective  
7 in all respects notwithstanding any later discovery of any different or additional facts.  
8 Plaintiffs expressly assume any and all risk of any mistake in connection with the true facts  
9 involved in the matters, disputes, or controversies released or described in this Settlement  
10 Agreement or with regard to any facts now unknown to Plaintiffs relating thereto.

11 G. Conditions Precedent: This Settlement will become final and effective only upon the  
12 occurrence of all of the following events:

- 13 1. An amended PAGA notice and an amended complaint in the Action are filed  
14 and submitted, with the prior written approval of Defendants, as set forth in  
15 this Agreement, the Villeda Actions pending in San Joaquin County Superior  
16 Court are dismissed without prejudice, and a Notice of Settlement is filed in  
17 the Gray Individual Action;
- 18 2. The Court enters an order granting preliminary approval of the Settlement;
- 19 3. The Court enters an order granting final approval of the Settlement and issues  
20 a final judgment;
- 21 4. The Effective Date occurs; and
- 22 5. Defendants fully fund the Gross Settlement Amount.

23 H. Nullification of Settlement Agreement. If this Settlement Agreement is not  
24 preliminarily or finally approved by the Court, fails to become effective pursuant to  
25 the terms of this Settlement Agreement, or is reversed, withdrawn or modified by the  
26 Court, or in any way prevents or prohibits Defendants from obtaining a complete  
27



1 resolution and the releases set forth in this Settlement Agreement, or if Defendants fail  
2 to fully fund the Gross Settlement Amount:

- 3 1. This Settlement Agreement shall be invalid, void *ab initio* and of no force or  
4 effect of any kind, and shall not be admissible in any judicial, administrative  
5 or arbitral proceeding for any purpose or with respect to any issue, substantive  
6 or procedural;
- 7 2. The conditional class certification shall be invalid, void *ab initio* and of no  
8 force or effect of any kind, and shall not be admissible in any judicial,  
9 administrative or arbitral proceeding for any purpose or with respect to any  
10 issue, substantive or procedural;
- 11 3. None of the Parties to this Settlement Agreement will be deemed to have  
12 waived any claims, objections, defenses or arguments in the Action, including  
13 with respect to the issue of potential class certification; and
- 14 4. Defendants shall bear the sole responsibility for any cost to issue or reissue  
15 any curative notice to the Settlement Class Members and all Claims  
16 Administration Expenses incurred to the date of nullification if the Agreement  
17 is nullified due to Defendants' failure to fully fund the Gross Settlement  
18 Amount. If the Agreement is invalidated and nullified due to Plaintiffs' failure  
19 to comply with the terms and provision relating to an amended PAGA notice  
20 and an amended complaint, Plaintiffs shall be responsible for the fees and  
21 costs as set forth in that section. If the Agreement is nullified for any other  
22 reason, Plaintiffs and Defendants shall equally bear the responsibility for any  
23 cost to issue or reissue any curative notice to the Settlement Class Members  
24 and all Claims Administration Expenses incurred to the date of nullification.

- 25 I. Certification of the Settlement Class. The Parties stipulate to conditional class  
26 certification of the Class for the Class Period for purposes of settlement only. In the  
27 event that this Settlement is not approved by the Court, fails to become effective, or is

1 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits  
2 Defendants from obtaining a complete resolution and the releases set forth in this  
3 Settlement Agreement, the conditional class certification shall be invalid, void *ab*  
4 *initio* and of no force or effect of any kind, and shall not be admissible in any judicial,  
5 administrative or arbitral proceeding for any purpose or with respect to any issue,  
6 substantive or procedural.

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

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

1 imposed any limitation that protects the confidentiality of any such attorney's or  
2 adviser's tax strategies (regardless of whether such limitation is legally binding) upon  
3 disclosure by the acknowledging party of the tax treatment or tax structure of any  
4 transaction, including any transaction contemplated by this Agreement.

5 L. Preliminary Approval Motion. After an amended PAGA notice and amended  
6 complaint are filed and submitted as set forth in this Agreement, Plaintiffs shall file  
7 with the Court a Motion for Order Granting Preliminary Approval and supporting  
8 papers, which shall include this Settlement Agreement. Plaintiffs will provide  
9 Defendants with a draft of the Motion and supporting papers at least 5 business days  
10 prior to the filing of the Motion to give Defendants an opportunity to propose changes  
11 or additions to the Motion.

12 M. Settlement Administrator. The Settlement Administrator shall be responsible for:  
13 establishing and administering the QSF; calculating, processing and mailing payments  
14 to the Class Representatives, Class Counsel, LWDA and Class Members; printing and  
15 mailing the Notice Packets to the Class Members as directed by the Court; receiving  
16 and reporting the objections and requests for exclusion; calculating, deducting and  
17 remitting all legally required taxes from Individual Settlement Payments and  
18 distributing tax forms for the portions of the Individual Settlement Payments and/or  
19 Aggrieved Employees' individual shares of the Aggrieved Employee Payment;  
20 processing and mailing tax payments to the appropriate state and federal taxing  
21 authorities; providing declaration(s) as necessary in support of preliminary and/or final  
22 approval of this Settlement; and other tasks as the Parties mutually agree or the Court  
23 orders the Settlement Administrator to perform. The Settlement Administrator shall  
24 keep the Parties timely apprised of the performance of all Settlement Administrator  
25 responsibilities by among other things, sending a weekly status report to the Parties'  
26 counsel stating the date of the mailing, the number of exclusions and objections  
27 received.

1. Settlement Administrator's Secure Recordkeeping and File Maintenance. The Settlement Administrator shall secure and protect the Aggrieved Employees' and the Class Members' information from unauthorized access, use, deletion and modification including all information in the Class List. The Settlement Administrator (along with any of its agents, employees and representatives) shall represent, warrant and agree that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards, including a reasonable security protocol, for any personally identifiable information of any Class Members and of any Aggrieved Employees, including without limitation the information contained in the Class List which it receives from Defendants (collectively referred to as the "PII"); (2) not disclose the PII to third parties, Plaintiffs, or Class Counsel, including without limitation their agents, consultants, experts, or subcontractors, without Defendants' written consent; (3) not disclose or otherwise use the PII other than to carry out its duties as set forth herein; and (4) promptly provide Defendants and Defendants' Counsel with notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction. The Settlement Administrator may provide notice to all Parties if the PII is subject to unauthorized access, use, disclosure, modification or destruction; however, all additional communications from the Settlement Administrator regarding the scope, circumstances, and substance shall be communicated solely to Defendants and Defendants' Counsel. The PII will otherwise remain confidential, and will not be disclosed to anyone, except as required to applicable taxing authorities, pursuant to Defendants' express written authorization, or by order of the Court.

N. Notice Procedure.

1. Class Data. No later than ten (10) business days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the

1 Class Members. The Class Data will be presumed to be correct unless a  
2 particular Class Member proves otherwise to the Settlement Administrator by  
3 credible written evidence. All Workweek disputes will be resolved and  
4 decided by the Settlement Administrator, and the Settlement Administrator's  
5 decision on all Workweek disputes is final and non-appealable.

6 2. Notice Packets.

7 a) The Notice Packet shall contain the Notice of Class Action Settlement  
8 in a form substantially similar to the form attached as **Exhibit A**.

9 b) The Notice Packet's mailing envelope shall include the following  
10 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE  
11 ENTITLED TO PARTICIPATE IN A CLASS ACTION  
12 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR  
13 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED  
14 NOTICE."

15 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the  
16 Settlement Administrator will perform a search based on the National Change  
17 of Address Database to update and correct any known or identifiable address  
18 changes. No later than twenty-one (21) calendar days after preliminary  
19 approval of the Settlement, the Settlement Administrator shall mail copies of  
20 the Notice Packet to all Class Members via regular First-Class U.S. Mail and  
21 electronic mail. The Settlement Administrator shall exercise its best judgment  
22 to determine the current mailing address for each Class Member. The address  
23 identified by the Settlement Administrator as the current mailing address shall  
24 be presumed to be the best mailing address for each Class Member.

25 4. Undeliverable Notices. Any Notice Packets returned to the Settlement  
26 Administrator as non-delivered on or before the Response Deadline shall be  
27 re-mailed to any forwarding address provided. If no forwarding address is

1 provided, the Settlement Administrator shall promptly attempt to determine a  
2 correct address by lawful use of skip-tracing, or other search using the name,  
3 address and/or Social Security number of the Class Member involved, and  
4 shall then perform a re-mailing, if another mailing address is identified by the  
5 Settlement Administrator. In addition, if any Notice Packets, which are  
6 addressed to Class Members who are currently employed by Defendants, are  
7 returned to the Settlement Administrator as non-delivered and no forwarding  
8 address is provided, the Settlement Administrator shall notify Defendants.  
9 Defendants will request that the currently employed Class Member provide a  
10 corrected address and transmit to the Administrator any corrected address  
11 provided by the Class Member. Class Members who received a re-mailed  
12 Notice Packet shall have their Response Deadline extended fifteen (15) days  
13 from the original Response Deadline.

14 5. Disputes Regarding Individual Settlement Payments. Class Members will  
15 have the opportunity, should they disagree with Defendants' records regarding  
16 the start and end dates of employment to provide documentation and/or an  
17 explanation to show contrary dates. If there is a dispute, the Settlement  
18 Administrator will consult with the Parties to determine whether an  
19 adjustment is warranted. The Settlement Administrator shall determine the  
20 eligibility for, and the amounts of, any Individual Settlement Payments under  
21 the terms of this Agreement. The Settlement Administrator's determination  
22 of the eligibility for and amount of any Individual Settlement Payment shall  
23 be binding upon the Class Member and the Parties.

24 6. Disputes Regarding Administration of Settlement. Any disputes not resolved  
25 by the Settlement Administrator concerning the administration of the  
26 Settlement will be resolved by the Court under the laws of the State of  
27 California. Before any such involvement of the Court, counsel for the Parties

will confer in good faith to attempt 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 written, signed and dated request for exclusion. The request for exclusion must state in substance that the Class Member has read the Notice Packet and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Gray, et al. v. Sky Hotels, Inc., et al.*, currently pending in Superior Court of Stanislaus, Case No. CV-22-004004. The request for exclusion must contain the Class Member's name, address, signature, and the last four digits of his or her Social Security Number for verification purposes. The request for exclusion must be signed by the Class Member. No other person may opt out for a member of the Class. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Class to submit requests for exclusion from the Settlement.

8. Objections. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to object to the Settlement may submit to the Settlement Administrator a written statement of objection ("Notice of Objection") by the Response Deadline. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection, if in writing, must be signed by the Settlement Class Member and state: (1) the case name and number; (2) the name of the Settlement Class Member; (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class Member's Social Security number; (5) the basis for the objection; and (6) if the Settlement Class Member intends to appear at the Final

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

12 O. Allocation of the Gross Settlement Amount.

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



- 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’s Portion of the PAGA Payment, \$7,500.00 (25% of  
9                   \$30,000.00), to calculate each Aggrieved Employee’s estimated share of the  
10                  PAGA Payment.
- 11                3.     Allocation of Individual Settlement Payments. For tax purposes, Individual  
12                Settlement Payments shall be allocated and treated as 10% wages (the “Wage  
13                Portion”), 87.5% penalties and interest, and 2.5% reimbursements. The Wage  
14                Portion of the Individual Settlement Payments shall be reported on IRS Form  
15                W-2 and all remaining portions of the Individual Settlement Payments shall  
16                be reported on IRS Form 1099 issued by the Settlement Administrator.
- 17                4.     Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved  
18                Employee Payments shall be allocated and treated as 100% penalties and shall  
19                be reported on IRS Form 1099.
- 20                5.     No Credit Toward Benefit Plans. The Individual Settlement Payments and  
21                individual shares of the PAGA Payment made to Settlement Class Members  
22                and/or Aggrieved Employees under this Settlement Agreement, as well as any  
23                other payments made pursuant to this Settlement Agreement, will not be  
24                utilized to calculate any additional benefits under any benefit plans to which  
25                any Class Members and/or Aggrieved Employees may be eligible, including,  
26                but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock  
27                purchase plans, vacation plans, sick leave plans, PTO plans, and any other

benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members and/or Aggrieved Employees may be entitled under any benefit plans.

6. It is the intent of the Parties that Individual Settlement Payments and individual shares of the PAGA Payment provided for in this Settlement Agreement are the sole payments to be made by Defendants to Settlement Class Members and/or Aggrieved Employees in connection with this Settlement Agreement, with the exception of Plaintiffs who are also entitled to Service Awards and nothing more, and that the Settlement Class Members and/or Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and/or their shares of the Aggrieved Employee Payment.

7. Mailing. Individual Settlement Payments and PAGA Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or Aggrieved Employees' last known mailing address no later than fifteen (15) calendar days after the date of the first installment payment.

8. Expiration. Any checks issued to Settlement Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member and/or Aggrieved Employee does not cash his or her settlement check within 90 days, the Settlement Administrator will send a letter to such persons, advising that the check will expire after the 180<sup>th</sup> day, and invite that Settlement Class Member and/or Aggrieved Employee to request reissuance in the event the check was destroyed, lost or misplaced. In the event an Individual Settlement Payment and/or Aggrieved Employee's individual share of the PAGA Payment check has not been cashed within one hundred and eighty (180) days,

1 all funds represented by such uncashed checks, plus any interest accrued  
2 thereon, shall be paid to the Community Law Project, a Cy Pres, in accordance  
3 with California Code of Civil Procedure section 384.

4 9. Service Awards. In addition to the Individual Settlement Payment as a  
5 Settlement Class Member and his or her individual share of the Aggrieved  
6 Employee Payment, Plaintiffs will apply to the Court for an award of not more  
7 than \$10,000.00 each as the Service Awards. Defendants will not oppose  
8 Service Awards of not more than \$10,000.00 for each Plaintiff. The  
9 Settlement Administrator shall pay the Service Awards, either in the amount  
10 stated herein if approved by the Court or some other amount as approved by  
11 the Court, to Plaintiffs from the Gross Settlement Amount no later than fifteen  
12 (15) calendar days after the Date of Last Installment Payment. Any portion  
13 of the requested Service Awards that is not awarded to the Class  
14 Representatives shall be part of the Net Settlement Amount and shall be  
15 distributed to Settlement Class Members as provided in this Agreement. The  
16 Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiffs  
17 for his or her Service Awards. Plaintiffs shall be solely and legally responsible  
18 to pay any and all applicable taxes on his or her Service Awards and shall hold  
19 harmless the Released Parties from any claim or liability for taxes, penalties,  
20 or interest arising as a result of the Service Awards. Approval of this  
21 Settlement shall not be conditioned on Court approval of the requested amount  
22 of the Service Awards. If the Court reduces or does not approve the requested  
23 Service Awards, Plaintiffs shall not have the right to revoke the Settlement,  
24 and it will remain binding.

25 10. Attorneys' Fees and Attorneys' Expenses. Defendants understand Class  
26 Counsel will file a Motion for Attorneys' Fees not to exceed one-third of the  
27 Gross Settlement Amount currently estimated to be \$161,666.67 *and*

Attorneys' Expenses supported by declaration not to exceed Thirty Thousand Dollars (\$30,000.00). Any awarded Attorneys' Fees and Attorneys' Expenses shall be paid from the Gross Settlement Amount. Any portion of the requested Attorneys' Fees and/or Attorneys' Expenses that are 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 pay the Attorneys' Fees to Class Counsel from the Gross Settlement Amount no later than fifteen (15) calendar days after the Date of Last Installment Payment. 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 Attorneys' Fees, Plaintiffs 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. Thirty Thousand Dollars (\$30,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment (\$22,500.00) to the California Labor and Workforce Development Agency no later than fifteen (15) calendar days after the date of the first installment payment. Twenty-five percent (25%) of the PAGA Payment (\$7,500.00) will be distributed to the Aggrieved Employees as described in this Agreement. For purposes of distributing the PAGA Payment to the Aggrieved Employees, each Aggrieved Employee shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.

12. Claims Administration Expenses. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The estimate of the Administration Costs is \$9,790.00. The Settlement Administrator shall be paid the Claims Administration Expenses no later than fifteen (15) calendar days after the Date of Last Installment Payment.

P. Final Approval Motion. Class Counsel and Plaintiffs shall file with the Court a Motion for Order Granting Final Approval and Entering Judgment following the expiration of the Response Deadline, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Service Awards, the Attorneys' Fees and Attorneys' Expenses, the PAGA Payment, and the Claims Administration Expenses. Plaintiffs will provide Defendants with a draft of the Motion and supporting documents at least five (5) business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.

1. Declaration by Settlement Administrator. No later than seven (7) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiffs' motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to Class Members, the number of undeliverable Notice Packets, the number of timely requests for exclusion, the number of objections received, the amount of the average Individual Settlement Payment and highest Individual Settlement Payment, the Claims Administration Expenses, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.

N. Defendants' Right to Terminate Settlement: Defendants shall have the right at their sole discretion to terminate the settlement if more than 10% of Class Members timely

elect to opt out of the settlement, as determined by the Settlement Administrator. Defendants must exercise their right to terminate the settlement within fourteen (14) calendar days from receipt of the final report from the Settlement Administrator. If Defendants exercise their right under this section, Defendants shall be solely liable for administrative costs incurred by the Settlement Administrator.

Q. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to implement the Settlement. The Parties will cooperate in vacating any and all class certification motion hearing deadlines and trial dates, if any. The Parties will cooperate in staying any and all discovery deadlines.

P. Continuing Jurisdiction. The Court shall retain continuing jurisdiction over this Action under California Code of Civil Procedure section 664.6 to ensure the continuing implementation of the provisions of this Settlement and that the time within which to bring this Action to trial under California Code of Civil Procedure section 583.310 shall be extended from the date of signing of this Agreement by all Parties until the entry of the Final Approval Order and Judgment, or if not entered, the date this Agreement shall no longer be of any force or effect.

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

R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire Agreement among the 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 Exhibit.

S. Authorization to Enter into Settlement Agreement. The persons signing this Agreement on behalf of Defendants represent and warrant that he/she is authorized to sign this Agreement on behalf of Defendants. Each of the Plaintiffs represent and

warrant that he/she is authorized to sign this Agreement and that he/she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

T. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties.

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

V. Counterparts. A facsimile signature, copy of an original signature, or electronic signature shall be considered as valid as an original for purposes of this Agreement. This Agreement may be executed in counterparts, and all copies so executed shall be binding upon the Parties, notwithstanding that the signatures of the Parties do not appear on the same page.

W. Headings. The descriptive headings of any paragraphs or sections of this Settlement Agreement including the capitalized terms therein are inserted for convenience only.

X. Waivers. The waiver of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach of this Settlement Agreement, whether prior, subsequent, contemporaneous, or continuing.

Y. Non-Disparagement. The Plaintiffs agree that Plaintiffs will not disparage or criticize Defendants or their owners, shareholders, officers, directors, employees, agents, members, managers, and/or representatives.

Z. Indemnification. Plaintiffs and Class Counsel acknowledge and agree that they are and will be responsible for the payment of any and all Federal, State, and Local taxes and penalties associated with their respective allocated portions of the payments described herein, and agree to indemnify, defend, and hold the Released Parties harmless from any and all claims by any Federal, State, or Local taxing authority that Plaintiff or Class Counsel failed to pay or underpaid his/her/their taxes associated with the payments set forth in this Settlement Agreement.

1        AA. Disputes. Any disputes between the Parties as to the remaining terms of the Settlement  
2        Agreement shall be presented to a mediator for potential resolution with Plaintiffs and  
3        Defendants splitting all mediation fees equally (i.e., Plaintiffs paying ½ of the  
4        mediation fee, and Defendants paying ½ of the mediation fee).

5        BB. Severability. If one or more of the provisions contained in this Settlement Agreement  
6        is deemed or held invalid, illegal, or unenforceable in any respect, then the invalid,  
7        illegal, or unenforceable provisions shall be deemed stricken and the remaining  
8        provisions shall remain valid. The Court shall attempt to construe the provisions valid  
9        to the fullest extent possible consistent with applicable precedents so that all provisions  
10       of this Agreement are valid and enforceable.

11       CC. No Unalleged Claims. Plaintiffs and Class Counsel represent that they do not intend  
12       to pursue any claims against the Released Parties, including, but not limited to, any  
13       and all claims relating to or arising from Plaintiffs' employment with Defendants,  
14       regardless of whether Class Counsel is currently aware of any facts or legal theories  
15       upon which any claims or causes of action could be brought against Released Parties,  
16       and those facts or legal theories alleged in the operative complaint in this Action. The  
17       Parties further acknowledge, understand and agree that this representation is essential  
18       to the Agreement and that this Agreement would not have been entered into were it  
19       not for this representation.

20       DD. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the  
21       Released Claims have merit and give rise to liability on the part of Defendants.  
22       Defendants claimed and continue to claim that all of the claims released herein have  
23       no merit and do not give rise to liability. This Agreement is a compromise of disputed  
24       claims. Nothing contained in this Agreement, no documents referred to in connection  
25       with this Agreement, and no actions taken to carry out this Agreement may be  
26       construed or used as an admission by or against the Defendants, Plaintiffs, or Class  
27       Counsel as to the merits or lack thereof of the claims asserted. The Parties' Settlement



and this Agreement are conditioned upon the Court's approval. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/his/her own attorney's fees and costs.

EE. Confidentiality/Non-Publicity: Plaintiffs and Class Counsel will keep the complaints, PAGA letters and notices, and this Settlement Agreement confidential through preliminary approval. Thereafter, Plaintiffs and Class Counsel will further agree to keep this Settlement Agreement, complaints and the PAGA letters and notices confidential, including without limitation no disclosures to current or former employees of the Released Parties, to the media, or on any websites, blogs, social media, and/or online platforms. Exceptions to the obligation of confidentiality in this section are: (i) disclosures necessary to comply with the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain and seek approval of this settlement in court and as is necessary to provide settlement information to Class Members and the Settlement Administrator, and (iii) if any party seeks to enforce any term or condition of this Agreement against any other party.

IT IS SO AGREED BY PLAINTIFFS:

DATED: 08/08/2025

Edward M Gray  
Edward M Gray (Aug 8, 2025 17:09:52 PDT)

Edward Gray

DATED: 08/08/2025

Jessica Muto  
Jessica Muto (Aug 8, 2025 13:56:26 PDT)

Jessica Muto

DATED: 08/08/2025

Tammy D Lallier  
Tammy D Lallier (Aug 8, 2025 13:23:13 PDT)

Tammy Lallier

DATED: 08/08/2025

Jonathan Harrison-Liam Olson II  
Jonathan Harrison-Liam Olson II (Aug 8, 2025 15:22:12 PDT)

Jonathan Harrison-Liam Olson II

DATED: 08/21/2025

Keily Villeda

Keily Villeda

1 IS SO AGREED BY DEFENDANTS:  
2

3 DATED: 9-3-25

N. Patel

Sky Hotels, Inc.

Nick Patel

Printed Name

Manager

Title

9 DATED: 9-3-25

N. Patel

Modco 2, LLC

Nick Patel

Printed Name

Manager

Title

15 DATED: 9-3-25

N. Patel

J.R.P. Hospitality, Inc.

Nick Patel

Printed Name

Manager

Title

21 DATED: 9-3-25

N. Patel

CY3, LLC

Nick Patel

Printed Name

Manager

Title

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DATED: 9-3-25

N. Patel  
Nimesh Patel

DATED: 9-3-25

Surekha Patel  
Surekha Patel

DATED: 9-3-25

Mahesh Patel  
Mahesh Patel

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# **EXHIBIT A**

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

*(Gray, et al. v. Sky Hotels, Inc., et al., Stanislaus County Superior Court Case No. CV-22-004004)*

**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:**

|                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Do Nothing and Receive a Payment</b> | To receive a cash payment from the Settlement, you do <b>not</b> have to do anything.<br><b>Your estimated Individual Settlement Payment is: \$&lt;&lt;[REDACTED]&gt;&gt;.</b> See the explanation below.<br>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. |
| <b>Exclude Yourself</b>                 | 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 <b>no money from the Settlement</b> . If you are an Aggrieved Employee, you will still receive your PAGA Payment Share.<br>Instructions are set forth below.                                                                                                                                                               |
| <b>Object</b>                           | You may write to the Court about why you believe the settlement should not be approved.<br>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 Stanislaus (the "Court") has been reached between Plaintiffs Edward Gray, Jessica Muto, Tammy Lallier, Jonathan Harrison-Liam Olson II, and Keily Villeda ("Plaintiffs") and Defendants Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel ("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.**

The Class is defined as:

All non-exempt employees who are or previously were employed by Defendants Sky Hotels, Inc., Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel and performed work in California during the Class

Period.

The “Class Period” is the period from September 6, 2018 to [REDACTED].

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 September 6, 2022, Plaintiffs Edward Gray and Jessica Muto filed a Class Action Complaint in the Superior Court of the State of California, County of Stanislaus, as Case No. CV-22-004004, asserting various causes of action and allegations, as more specifically set forth in the Class Action Complaint itself. Collectively, the Class Action Complaint, any subsequent amendments to the Class Action Complaint, and all allegations and causes of action set forth in the complaints, shall all be referred to as the “Action.”

Defendants expressly deny any liability or wrongdoing of any kind, dispute the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representatives as being owed, and further contend that the Action is not appropriate for class or representative action treatment. Defendants further contend, among other things, that at all times they complied with the law, the California Labor Code and the Industrial Welfare Commission Wage Orders.

The Parties have recently reached a settlement of the Action. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC, Bibiyan Law Group, PC, and Messrelian Law to serve as Class Counsel.

## **3. What are the terms of the Settlement?**

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Four Hundred Eighty-Five Thousand Dollars and Zero Cents (\$485,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Claims Administration Expenses, the PAGA Payment, and the Service Awards to the Plaintiffs.

After the Effective Date, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator in two separate installments as follows: (i) \$242,500.00 shall be due sixty (60) calendar days after the Effective Date, plus any employer side payroll taxes on the wage portion of the Individual Settlement Payments, and (ii) \$242,500.00 shall be due six (6) months (182 calendar days) following the Effective Date. Individual Settlement Payments and PAGA Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members’ and/or Aggrieved Employees’ last known mailing address no later than fifteen (15) calendar days after the date of the first installment payment. The “Effective Date” means the later of the following dates: (i) the date the Court enters final judgment and no appeal, writ or other challenge to the finality of the judgment has been filed; or (ii) five (5) days after the day when all appeals, writs or other

challenges to the final judgment have been resolved in a manner that affirms the finality of the judgment and the time for the filing of any further appeals, writs or other challenges has lapsed.

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:

- Claims Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$9,790.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- Attorneys' Fees and Expenses. Payment to Class Counsel of Attorneys' Fees of no more than 1/3 of the Gross Settlement Amount (currently \$161,666.67) and Attorneys' Expenses of not more than \$30,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions 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.
- Service Awards. Service Award of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$30,000.00 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$22,500.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$7,500.00 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Attorneys' Fees, Attorneys' Expenses, the Service Awards, the PAGA Payment, and the Claims 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"). Settlement Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member is employed and received any form of compensation from Defendants.
- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA 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 Employee" means all non-exempt employees who are or previously were employed by Defendants Sky Hotels, Inc.,

Modco 2, LLC, CY3, LLC, J.R.P. Hospitality, Inc., Nimesh Patel, Surekha Patel, and Mahesh Patel and performed work in California during the PAGA Period. The PAGA Period means the period from July 1, 2021 to [REDACTED].

**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 Notice Packet. 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.

Tax Matters. Ten percent (10%) 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 seven and a half percent (87.5%) of each Individual Settlement Payment is allocated to interest and penalties, and two and a half percent (2.5%) is allocated to reimbursements. Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for the penalty, interest and reimbursement portions of the Individual Settlement Payments. In addition, PAGA Payments to the Aggrieved Employees are allocated 100% to penalties and no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees. 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.

No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members and/or Aggrieved Employees may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members and/or Aggrieved Employees may be entitled under any benefit plans.

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 Class 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. The Released Class Claims means and includes, but is not limited to all claims alleged by Plaintiffs in any complaints in the Action, or which could have been alleged by Plaintiffs in any complaints in the Action by reason of or in connection with any matter or fact set forth or referred to in the operative complaint(s), which include claims for (i) unfair competition in violation of California Business & Professions Code



section 17200 et seq., (ii) failure to pay minimum wages in violation of Cal. Labor Code sections 1194, 1197, & 1197.1, (iii) failure to pay overtime wages in violation of Cal. Labor Code sections 510 et seq., (iv) failure to provide required meal periods in violation of Cal. Labor Code sections 226.7 and 512 and applicable wage order, (v) failure to provide required rest periods in violation of Cal. Labor Code sections 226.7 and 512 and applicable wage order, (vi) failure to reimburse employees for required expenses in violation of Cal. Labor Code sections 2802, (vii) failure to provide accurate itemized statements in violation of Cal. Labor Code section 226, and (viii) failure to provide wages when due in violation of Cal. Labor Code sections 201, 202, and 203, and which also include without limitation any and all claims, debts, liabilities, demands, actions, causes of action, damages, interest, penalties, wages, and equitable relief arising from or relating to the Released Class Claims during the Class Period, as defined herein. Without limiting the foregoing, the Released Class Claims shall also include claims for (i) failure to compensate for all hours worked (California Industrial Welfare Commission Order 4-2001/5-2001, California Code of Regulations Title 8 Section 11040/11050, and California Labor Code section 1198), (ii) failure to pay minimum wages (California Labor Code sections 1194, 1194.2, 1197), (iii) failure to pay overtime wages (California Industrial Welfare Commission Order 4-2001/5-2001, California Code of Regulations Title 8 Section 11040/11050, California Labor Code section 510), (iv) failure to provide accurate itemized wage statements (California Labor Code section 226), (v) failure to pay wages owed every pay period (California Labor Code section 204), (vi) failure to pay wages when employment ends (California Labor Code sections 201, 203), (vii) failure to provide rest breaks/rest periods, (viii) failure to provide meal breaks/meal periods, (ix) failure to reimburse business expenses and failure to indemnify, (x) waiting time penalties, (xi) violation of Cal. Labor Code section 227.3, (xii) failure to pay all wages due upon termination, (xiii) failure to timely pay wages during employment, and (xiv) violation of Business & Professions Code section 17200 and unfair competition, as well as claims for failure to provide unpaid wages, including but not limited to failure to pay minimum wages, straight time compensation, overtime compensation, and interest; failure to timely pay regular and preliminary wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and recovery period obligations; compensation due by reason of a split shift; reporting time pay; sick time and sick pay claims; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; making unlawful deductions; failing to reimburse business expenses; unfair business practices; any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil penalties associated with any of the foregoing. Such Released Class Claims shall also include, but are not limited to those claims arising under California Labor Code sections 98, 98.6, 200, 201-204, 204b, 206, 210, 212, 213, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 227.3, 232, 232.5 233, 234, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 400-410, 432, 432.5, 432.6, 432.7, 432.8, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1197.14, 1198, 1198.5 1199, 1527, 2800, 2802, 2804, 2810.5, 2698 et seq., 2699 et seq., 3366, 3457, 6401, 6402, 6403, 6409.6, 6432, 8397.4, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 5, 7, 8, 9, 11, 12, 13, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)], which may include but are not limited to Wage Orders 1-2001, 7-2001, and/or 9-2001); 8 C.C.R. § 3395; California Business and

1 Professions Code section 17200 et seq. (including, without limitation, California Business and  
2 Professions Code §§ 17200 through 17208, 16600, 16700); the California Civil Code sections 3287,  
3 3289, and 3294; California Code of Civil Procedure sections 1021.5 and 1032; California  
4 Government Code section 12952, and any related claims under the Fair Labor Standards Act  
5 (“FLSA”) (29 U.S.C. §§ 201, et seq.). The Parties intend that these releases be construed as broadly  
6 as possible to encompass all claims alleged by Plaintiffs, or those which could have been alleged by  
7 Plaintiffs based on the factual allegations in the operative complaint(s) in the Action. These releases  
8 exclude the release of claims not permitted by law. This Agreement is the compromise of all possible  
9 disputed claims related to wages and fully and finally settles all possible claims between the Parties  
10 regarding Plaintiffs’ and Class Members’ wages. The Parties warrant and represent that these  
11 releases resolve, pursuant to Labor Code sections 206 and 206.5, and applicable case law (including  
12 but not limited to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute  
13 regarding any and all wages, if any, owed to Plaintiffs and Class Members through their last day of  
14 employment with Released Parties within the Class Period.

15 Released PAGA Claims. Upon funding in full of the Gross Settlement Amount by Defendants, all  
16 Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-  
17 out of the class settlement and will be bound by this PAGA Release (the “PAGA Release”). The  
18 “Released PAGA Claims” means and includes, but is not limited to, the PAGA cause of action (and  
19 any other claims and corresponding requests for relief) asserted by Plaintiffs on behalf of Plaintiffs  
20 and the Aggrieved Employees in the Action, namely all claims, rights, demands, liabilities,  
21 allegations, and causes of action arising from PAGA that were pled, alleged, or reasonably could  
22 have been alleged based on the facts asserted in any complaints in the Action and based on all  
23 Plaintiffs’ PAGA notices filed and submitted in connection with this Action, violations of the PAGA  
24 (Labor Code sections 2698 et seq.), and any claims for PAGA penalties under California Labor Code  
25 sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174(d), 1174.5, 1194, 1197.1,  
26 1198, and 2802. As a result of these releases, the Plaintiffs and Aggrieved Employees shall be  
27 precluded from bringing claims against Defendants in connection with PAGA and the Released  
28 PAGA Claims.

18 This means that, if you do not timely and formally exclude yourself from the settlement, you cannot  
19 sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved  
20 by this Settlement. It also means that all of the Court’s orders in this Action will apply to you and  
21 legally bind you. Irrespective of whether you exclude yourself from the Settlement, you will be  
22 bound by the PAGA Release if you are an Aggrieved Employee, you will be deemed to have released  
23 the Released PAGA Claims, and you will receive a share of the PAGA Payment.

#### 24 5. How much will my payment be?

25 Defendants’ records reflect that you have << >> Workweeks worked during the Class  
26 Period (September 6, 2018 to <>).

27 Based on this information, your estimated Settlement Share is << >>.

28 Defendants’ records reflect that you have << >> pay periods worked during the PAGA  
Period (July 1, 2021 to <>).

1  
2 **Based on this information, your estimated PAGA Payment Share is << >>.**

3 If you wish to challenge the information set forth above, then you must submit a written, signed  
4 dispute challenging the information along with supporting documents, to the Settlement  
5 Administrator at the address provided in this Notice no later than [forty-five (45)  
6 days after the Notice or fifteen (15) days after the re-mailed Notice].

6 **6. How can I get a payment?**

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

11 The Court will hold a hearing on [redacted] to decide whether to finally approve the  
12 Settlement. If the Court approves the Settlement and there are no objections or appeals, payments  
13 will be mailed within a few months after this hearing. If there are objections or appeals, resolving  
14 them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the  
15 Settlement Administrator will provide notice of the final judgment to the Class Members by posting  
16 a copy of the Judgment on the administrator's website at [www.apexclassaction.com](http://www.apexclassaction.com).

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

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

20 To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed  
21 and dated request for exclusion postmarked no later than \_\_\_\_\_. The address for the  
22 Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel. (800) 355-0700.  
23 The request for exclusion must state in substance that the Class Member has read the Class Notice  
24 and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Gray,*  
*et al. v. Sky Hotels, Inc., et al.*, currently pending in Superior Court of Stanislaus, Case No. CV-22-  
004004. 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.

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

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

2 Any Class Member who has not opted out and believes that the Settlement should not be  
3 finally approved by the Court for any reason, may object to the proposed Settlement. Objections  
4 may be in writing and state the Class Member's name, current address, telephone number, and  
5 describe why you believe the Settlement is unfair and whether you intend to appear at the final  
6 approval hearing. All written objections or other correspondence must also state the name and  
7 number of the case, which is *Gray, et al. v. Sky Hotels, Inc., et al., Stanislaus County Superior  
Court Case No. CV-22-004004*. You may also object without submitting a written objection by  
8 appearing at the final approval hearing scheduled as described in Section 9 below.

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

13 **Written objections must be delivered or mailed to the Settlement Administrator no later**  
14 **than [REDACTED]**. The address for the Settlement Administrator is 18 Technology Drive,  
15 Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

16 The addresses for the Parties' counsel are as follows:

17 **Class Counsel:**

18 Jean-Claude Lapuyade, Esq.  
19 JCL Law Firm, APC  
20 5440 Morehouse Drive, Suite 3600  
21 San Diego, CA 92121  
22 Tel.: (619) 599-8292  
23 E-Mail: [jlapuyade@jcl-lawfirm.com](mailto:jlapuyade@jcl-lawfirm.com)

24 **Counsel for Defendants:**

25 Ian B. Wieland, Esq.  
26 Paul M. Parvanian, Esq.  
27 Sagaser, Watkins & Wieland, PC  
28 5260 North Palm Avenue, Suite 400  
Fresno, CA 93704  
Tel: (559) 421-7000  
Fax: (559) 473-1483  
E-Mail: [ian@sw2law.com](mailto:ian@sw2law.com)  
[paulp@sw2law.com](mailto:paulp@sw2law.com)

29 **Class Counsel:**

30 Shani O. Zakay, Esq.  
31 Zakay Law Group, APLC  
32 5440 Morehouse Drive, Suite 3600  
33 San Diego, CA 92121  
34 Tel: (619) 599-8292  
35 Email: [shani@zakaylaw.com](mailto:shani@zakaylaw.com)

36 **Class Counsel:**

37 David D. Bibiyan, Esq.  
38 Bibiyan Law Group, PC  
39 1460 Westwood Boulevard

Los Angeles, CA 90024  
Tel : (310) 438-5555  
Email : [david@tomorrowlaw.com](mailto:david@tomorrowlaw.com)

**Class Counsel:**

Harout Messrelian  
Messrelian Law  
500 N. Central Avenue, Suite 840  
Glendale, California, 91203  
Tel: (818) 484-6531  
Fax: (818) 956-1983  
Email: [hm@messrelianlaw.com](mailto:hm@messrelianlaw.com)

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

The Court will hold a Final Approval Hearing at \_\_\_\_\_ on \_\_\_\_\_, at the Stanislaus County Superior Court, Department 23, located at 801 10<sup>th</sup> Street, Modesto, CA 95354 before Judge John D. Freeland. At this hearing, the Court will consider 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 *Gray, et al. v. Sky Hotels, Inc., et al., Stanislaus County Superior Court Case No. CV-22-004004*, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o Apex Class Action, LLC.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121 or by visiting the administrator's website at [www.apexclassaction.com](http://www.apexclassaction.com).

**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 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 to

the Community Law Project, a Cy Pres. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

# **EXHIBIT 2**

# **EXHIBIT 3**



**JCL LAW FIRM, APC**  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel: (619) 599-8292  
Fax: (619) 599-8291

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**FIRM RESUME**

Areas of Practice: Employee Class Actions, Wage and Hour Class Actions, Civil Litigation, and Unlawful Housing Practices.

**ATTORNEY BIOGRAPHIES**

**Jean-Claude Lapuyade, Esq.**  
California Bar Number 248676  
Founding Partner

**Biography:**

Mr. Lapuyade is a San Diego based labor and employment attorney representing aggrieved California employees and the victims of unlawful housing practices throughout the State of California. Mr. Lapuyade's litigation practice focuses on representing California employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, and misclassification, wrongful termination cases and tenants in unlawful housing class actions. Mr. Lapuyade prides himself on providing his clients with aggressive, attentive and result driven representation through the litigation process, trial and arbitration. Since 2007, Mr. Lapuyade successfully recovered in excess of \$200 million in monetary awards for his clients.

Mr. Lapuyade served as co-editor of the Insurance Column for Consumer Attorneys of San Diego from 2011 to 2014. As editor, Mr. Lapuyade was responsible for publishing monthly articles in the Trial Bar News periodical analyzing complex insurance coverage issues. Mr. Lapuyade is a four-time recipient of the Super Lawyers Rising Star by Thomson Reuters. To be eligible for inclusion in Rising Stars, a candidate must be either 40 years old or younger or in practice for 10 years or less. While up to 5 percent of the lawyers in a state are named to Super Lawyers, no more than 2.5 percent are named to Rising Stars.

**Bar Admissions:**

- California
- U.S. District Court Southern District of California
- U.S. District Court Central District of California
- U.S. District Court Eastern District of California
- U.S. District Court Northern District of California

**Professional Associations:**

- California Employment Lawyers Association, 2007 to Present
- Consumer Attorneys of San Diego, 2007 to 2020
- American Bar Association, Section of Litigation, Member, 2007 to 2020
- American Bar Association, Labor & Employment Section, Member, 2007 to 2020
- American Bar Association, Tort, Trial & Insurance Section, Member, 2007 to 2020
- California Bar Association, Labor & Employment Section, Member, 2007 to Present
- California Bar Association, Litigation Section, Member, 2007 to Present

**Education:**

- **California Western School of Law**
  - J.D. - 2006
  - Honors: Deans Merit Scholarship, California Western School of Law 2005 - 2006
- **University of Arizona**
  - B.A. - 2001
  - Major: History

**Honors:**

- Super Lawyers Rising Star, Thomson Reuters, 2015 - 2018
- Distinguished Advocate Award for Outstanding Oral Advocacy, 2005 – 2006

**Perssia Razma, Esq.**

California Bar Number 351398

Associate Attorney

**Biography:**

Ms. Razma is a San Diego based labor and employment attorney representing California employees throughout the state of California. Ms. Razma's litigation practice focuses on representing current and former employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, misclassification, and wrongful termination.

Perssia was born and raised in Los Angeles, California. She earned a Bachelor of Arts in 2020 at San Diego State University in Psychology. In 2023, Perssia earned her Juris Doctor from the University of San Diego School of Law.

**Education:**

- **University of San Diego School of Law**
  - J.D. - 2023
- **San Diego State University**
  - B.A. – 2020
  - Major: Psychology

**Sydney Castillo-Johnson, Esq.**

California Bar Number 343881

Associate Attorney

**Biography:**

Ms. Castillo-Johnson is a San Diego based labor and employment attorney representing California employees throughout the state of California. Ms. Castillo-Johnson's litigation practice focuses on representing current and former employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, misclassification, and wrongful termination.

Ms. Castillo-Johnson volunteered her time at California Western School of Law first as a student intern and later as a student manager with the Community Law Project which offers legal services to the low-income community of San Diego.

**Education:**

- **California Western School of Law**
  - J.D.- 2022
  - Honors:
    - Dean's Honor List: Spring 2021, Fall 2021
    - Public Service Honor Society Fall 2021
    - 3L Academic Merit Scholarship
    - Dean's Diversity, Service, and Leadership Scholarship
  - Activities: Community Law Project Student Manager
- **Azusa Pacific University**
  - B.A. – 2018
  - Major: Criminal Justice

### JCL Law Firm, APC - REPORTED CASES

- *Blanchette et al., v. Superior Court (GHA Homes)*, 8 Cal.App.5th 521 (2017).
- *Duran v. Employbridge Holding Co.*, 92 Cal.App.5th 59 (2023).

### EXAMPLES OF THE JCL LAW FIRM'S REPRESENTATIVE CLASS ACTION & REPRESENTATIVE CASES

- *Ware v. Shake Shack Enterprises, LLC*, Alameda Superior Court Case No. 21CV002063 (October 19, 2023) Hon. Brad Seligman approved a \$1,330,000.00 class action and PAGA action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Trinh v. Precision Metal Products, Inc., et al.*, San Diego Superior Court Case No. 37-2022-00000965-CU-OE-CTL (October 16, 2023) Hon. Matthew C. Braner approved a \$450,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off the clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Anderson v. Barton Myers Associates, Inc., et al.*, Los Angeles Superior Court Case No. 21STCV43314 (October 12, 2023) Hon. Elihu M. Berl approved a \$900,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *DeSanctis v. Douglas Products and Packaging Company, LLC*, Contra Costa Superior Court Case No. C21-01874 (October 11, 2023) Hon. Charles S. Treat approved a \$372,500.00 class action and PAGA action settlement for, *inter alia*, failure to pay for all hours worked. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Jackson v. White Fir, LLC, et al.*, Sacramento Superior Court Case No. 34-2021-00301656 (October 6, 2023) Hon. Lauri A. Damrell approved a \$750,000.00 class action and PAGA action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Kneisly v. SR Machining, Inc., et al.*, Riverside Superior Court Case No. CVRI2201491 (October 5, 2023) Hon. Harold W. Hopp approved a \$220,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Mendez v. Bondz, Inc., et al.*, San Joaquin Superior Court Case No. STK-CV-UOE-2020-0007486 (September 14, 2023) Hon. George J. Abdallah, Jr. approved a \$180,000.00 class action and PAGA action settlement for, *inter alia*, failure to comply with piece-rate laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Baray v. Curation Foods, Inc., et al.*, Santa Barbara Superior Court Case No. 21CV02834 (August 29, 2023) Hon. James F. Rigali approved a \$495,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Rodriguez, et al. v. Ferma Greenbox, Inc., et al.*, Alameda Superior Court Case No. RG21101104 (August 23, 2023) Hon. Evelio Grillo approved a \$200,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *O'Quinn v. Laugh Factory, Inc.*, Los Angeles Superior Court Case No. 19STCV28155 (August 1, 2023) Hon. Carolyn B. Kuhl approved a \$144,000.00 class action and PAGA action settlement for, *inter alia*, unlawful tip pooling. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Toler v. Total Testing Solutions, LLC*, Los Angeles Superior Court Case No. 21STCV38452 (July 27, 2023) Hon. Elihu M. Berle approved a \$160,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Rodriguez v. EAH, Inc.*, Santa Cruz Superior Court Case No. 21CV00884 (July 25, 2023) Hon. Marjorie Carter approved a \$1,450,000.00 class action and PAGA action settlement for, *inter alia*, failure to compensate overtime and redeemed sick pay at the regular rate of pay. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Neutall v. Urban Alchemy*, San Francisco Superior Court Case No. CGC-20-588622 (July 13, 2023) Hon. Richard B. Ulmer approved a \$980,000.00 class action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel.
- *Rodriguez v. RM Parks Place, Inc.*, San Joaquin Superior Court Case No. STK-CV-UOE-2021-6050 (June 7, 2023) Hon. Erin Guy Castillo approved a \$175,000.00 class action and PAGA action settlement for, *inter alia*, wage statement violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.

- *Chrestensen v. Northeastern Rural Health Clinics Lassen*, Superior Court Case No. 63703 (April 13, 2023) Hon. Leonard J. La Casse approved a \$270,000.00 class action and PAGA action settlement for, *inter alia*, unpaid overtime wages. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Hernandez, et al. v. Parenting Network, Inc.*, Tulare Superior Court Case No. VCU287027 (March 14, 2023) Hon. Bret Hilman approved a \$225,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Sarmiento v. Caduceus Healthcare Inc.*, San Diego Superior Court Case No. 37-2021-00002597 (March 10, 2023) Hon. Richard S. Whitney approved a \$315,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Garces, et al. v. DriverDo, LLC*, Los Angeles Superior Court Case No. 19STCV32773 (January 24, 2023) Hon. Carolyn B. Kuhl approved a \$700,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *De Jesus v. Guardian Angel Home Care, Inc.*, San Diego Superior Court Case No. 37-2020-00021049-CU-OE-CTL (July 29, 2022) Hon. Ronald F. Frazier approved a \$300,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Kaur v. Aces 2020 I, LLC, et al.*, Contra Costa Superior Court Case No. MSC20-02482 (December 22, 2022) Hon. Edward G. Weil approved a \$585,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Molina v. Hawaiian Airlines, Inc.*, Los Angeles Superior Court Case No. 20STCV28079 (November 23, 2022) Hon. Maren Nelson approved a \$250,000 class action settlement for meal and rest period violations. The JCL Law Firm, APC, represented the Plaintiff.
- *Lang Jr. v. Pathways Community Services LLC*, San Diego Superior Court Case No. 37-2019-00049969-CU-OE-CTL (September 9, 2022) Hon. James A. Mangione approved a \$160,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Martinello v. Century Wilshire, Inc.*, Los Angeles Superior Court Case No. 20STCV32613 (March 1, 2022) Hon. Carolyn Kuhl approved a \$550 billing rate and appointed Jean Claude Lapuyade, Esq. of the JCL Law Firm, APC, as Class Counsel.
- *Wilson v. Spreen Inc. (dba Spreen Honda)*, San Bernardino Superior Court Case No. CIVSB2119857 (April 6, 2022) Hon. David Cohn approved a \$300,000 PAGA action settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Ledesma v. TVJ Sons I, Inc.; Porter and Howard, Inc.* Santa Barbara Superior Court Case No. 20CV03573 (November 10, 2021) Hon. Jed Beebe approved a \$350,000 PAGA action settlement for meal and rest period violations. The JCL Law Firm, APC represented the State of California and the Aggrieved Employees.
- *Jacobs v. Rush Media Company, LLC; XLT Management Services, Inc.*, Los Angeles Superior Court Case No. 20STCV32350 (May 2, 2022) Hon. Daniel J. Buckley appointed the JCL Law Firm, APC as Class Counsel and approved a \$330,000 class action settlement for, *inter alia*, independent contractor misclassification.
- *Chavez v. HTL Conrad Domestic, LLC; HTL Conrad Domestic Employer, LLC*, San Diego Superior Court Case No. 37-2020-00016193-CU-OE-CTL (June 9, 2022) Hon. John S. Meyer approved a \$850,000 PAGA action settlement for, *inter alia*, failure to compensate overtime at the regular rate of pay. The JCL Law Firm, APC acted as representative PAGA counsel for the State of California and the Aggrieved Employees.
- *Renteria v. Love's Country Stores of California*, San Bernardino Superior Court Case No. CIVDS20164481 (June 14, 2022) Hon. David Cohn approved a \$2.2 million dollar class action and PAGA action settlement for, *inter alia*, unpaid overtime and sick pay. The JCL Law Firm, APC acted as Class Counsel and as representative PAGA counsel for the State of California.
- *Lopez v. Adidas America, Inc.*, Ventura Superior Court Case No. 56-2021-005498444-CU-OE-VTA (April 4, 2022) Hon. Mark Borrell approved a \$1.5 million dollar class action and PAGA action settlement for, *inter alia*, inaccurate overtime calculations, and appointed the JCL Law Firm, APC as Class Counsel.
- *Felix v. TVI, Inc., d.b.a. Savers*, Santa Clara Superior Court Case No. 21CV376407 (February 18, 2022) Hon. Sunil R. Kulkarni approved a \$1.8 million dollar class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Munoz v. AMTCR*, San Bernardino Superior Court Case No. CIV-DS2001914 (August 24, 2021) Hon. David Cohn approved a \$1.8 million dollar class and PAGA settlement for, *inter alia*, inaccurate itemized wage statements. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)

- *Nunes v. Home Depot U.S.A., Inc.*, San Joaquin Superior Court Case No. STK-CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross approved a \$1.5 million dollar class and PAGA settlement for, *inter alia*, miscalculated meal period premiums and appointed Jean-Claude Lapuyade, Esq. as Class Counsel.)
- *Pillsbury v. T&T Restaurants CA, Inc.*, Del Norte Superior Court Case No. CVUJ-20-1214 (December 14, 2021 – Hon. Darren McElfresh approved \$550 billing rate and appointed Jean-Claude Lapuyade, Esq. as Class Counsel in a wage and hour class action settlement.)
- *Latin v. OneMain General Service Corporation*, Stanislaus County Superior Court Case No. CV-20-002498 (October 22, 2021) Hon. Stacy Speiller approved a PAGA action settlement for \$700,000 wage statement violations. The JCL Law Firm, APC acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.
- *Elias Kaser v. Aviation Consultants, Inc.*, Orange County Superior Court Case No. 30-2021-01191204-CU-OE-CXC (September 22, 2021 – Hon. Peter J. Wilson approved \$550 billing rate in a representative California Labor Code Private Attorney General Act settlement).
- *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No. CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed the JCL Law Firm, APC as Class Counsel)
- *Jer Vang v. Bridge Property Management*, Alameda County Superior Court, Case No RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and PAGA settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)
- *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a PAGA Settlement negotiated on behalf of the State of California and the aggrieved employees by the JCL Law Firm, APC.)
- *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed the JCL Law Firm, APC as class counsel and approved a class and PAGA settlement for, *inter alia*, missed meal and rest periods.)
- *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court, Case No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA Settlement for, *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.)
- *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No. 37-2019-00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL Law Firm as Class Counsel and granted final approval of wage and hour class action for, *inter alia*, off-the-clock work.)
- *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-00036147 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class Counsel and granted final approval of wage and hour class action for off-the-clock work.)
- *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case No. SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm as class counsel and granted final approval of wage and hour class action for meal period violations.)
- *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No. 37-2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of PAGA Settlement for, among other things, off-the-clock work. JCL Law Firm, APC acted as lead counsel.)
- *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-2019-00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement for, *inter alia*, missed meal and rest periods. JCL Law Firm, APC, acted as lead counsel.)
- *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class certification of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as Class Counsel.)
- *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court Case No. 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law Firm, APC, as Class Counsel and granted final approval for an unlawful housing class action settlement arising out of Civil Code Section 1940.1.)
- *Hill v. Stemak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as class counsel and granted final approval of wage and hour class action for unpaid overtime.)
- *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No Case No. 37-2018-00043601 (May 31, 2019 – Hon. Gregory Pollack appointed JCL Law Firm, APC, as Class Counsel and granted preliminary approval for the wage and hour class action settlement involving nearly 900 current and former employees. Final approval scheduled for October 4, 2019)
- *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No. CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement for *inter alia*, missed meal and rest periods and independent contractor misclassification.)

- *Moschetto v. Pillow Global, Inc.* San Diego Superior Court, Case No. 37-2017-00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm, APC, as Class Counsel and granted final approval for a wage and hour wage class action settlement involving misclassified house cleaners.)
- *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an unlawful housing class action arising under Civil Code Section 1940.2)
- *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W. Pollock appointed JCL Law Firm, APC as Class Counsel and granted final approval for a wage and hour class action settlement for meal and rest period violations);
- *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court Case No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement involving claims for on duty meal and rest periods.);
- *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court Case No. BC603030 (2018 - certified and settled wage and hour class action.)
- *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and rest periods)
- *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-2016-00012373-CU-OE-CTL (2017 - Certified and settled class action for employee misclassification);
- *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No. BC617160 (2017 - Certified and settled wage and hour class action.);
- *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);
- *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices arising out of Civil Code Section 1940.1);