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8	Attorneys for Plaintiffs JOSE HERNANDEZ, on behalf of himself
9	and others similarly situated; CARLOS HERNANDEZ; and
10	MIGUEL HERNANDEZ
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#### SECOND AMENDED JOINT STIPULATION OF CLASS ACTION SETTLEMENT

This Second Amended Joint Stipulation of Class Action Settlement ("Agreement" or "Settlement Agreement") is made and entered into by and between (1) Plaintiffs JOSE HERNANDEZ, CARLOS HERNANDEZ, and MIGUEL HERNANDEZ (collectively, "Plaintiffs"), individually and on behalf of all others similarly situated, the State of California, and all alleged aggrieved employees; and (2) Defendants HILTON MANAGEMENT LLC and HILTON HOTEL EMPLOYER LLC; (collectively, Hilton" (Hilton collectively with Plaintiffs, the "Parties").

This settlement shall be binding on (1) Plaintiffs, all Participating Class Members, the State of California (including but not limited to the California Labor and Workface Development Agency), and all alleged aggrieved employees, all of whom Plaintiffs purport to represent; and (2) Hilton, subject to the terms and conditions hereof and the approval of the Court.

## **RECITALS**

2. 1. On August 31, 2018, Plaintiffs Carlos Hernandez and Miguel Hernandez filed a civil Complaint against Defendants in Los Angeles County Superior Court entitled Carlos Hernandez and Miguel Hernandez v. Hilton Management LLC; Hilton Worldwide, Inc.; Hilton Domestic Operating Company LLC; and Does 1 to 100, Inclusive, Case Number BC720343, alleging a single cause of action for penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698 et seq. for alleged violations of Labor Code §§ 226, 226.7, 510, 512, 1194, 1197 and 1198 ("PAGA Action"). On October 29, 2018, Defendants filed and served their Answer to the Complaint in the PAGA Action. Plaintiffs represent that the California Labor Workforce Development Agency ("LWDA") elected not to investigate Plaintiffs' claims as set forth in all written notices to the LWDA within the relevant statutorily-provided period. On June 25, 2018, Plaintiffs Carlos Hernandez and Miguel Hernandez exhausted their administrative remedies pursuant to California Labor Code § 2699, et seq. by providing notice of their claims to the Labor and Workforce Development Agency ("LWDA"), which notices were amended on June 26, 2018 and September 22, 2020. Neither Plaintiff Carlos Hernandez nor Plaintiff Miguel Hernandez received a response from the LWDA. On December 28, 2018, Plaintiff Jose

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Hernandez filed a civil Complaint against Defendants in Los Angeles County Superior Court entitled Jose Hernandez, on behalf of himself and others similarly situated v. Hilton Management LLC; Hilton Worldwide, Inc.; Hilton Domestic Operating Company LLC; and Does 1 to 100, Inclusive, Case Number 18STCV10071 ("Class Action"), alleging the following claims: (1) failure to pay wages for all hours of work at the legal minimum wage rate in violation of Labor Code sections 1194, 1194.2, and 1197, and the Wage Orders; (2) failure to pay overtime in violation of Labor Code sections 510, 1194, 1198, and the Wage Orders; (3) failure to include all remuneration when calculating the overtime rate of pay and meal and rest period premiums in violation of Labor Code sections 510, 1194, 226.7, and the Wage Orders; (4) failure to provide all legally required and legally compliant meal periods in violation of Labor Code sections 226.7, 512, 1198, and the Wage Orders; (5) failure to provide all legally required and legally compliant rest periods in violation of Labor Code sections 226.7, 1198, and the Wage Orders, (6) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (7) failure to timely pay wages due at tine of separation of employment in violation of Labor Code sections 201, 202, and 203; and (8) unfair business practices in violation of Business and Professions Code section 17200 et seq. on behalf of the following putative classes:

Minimum Wage Class: All current and former non-exempt banquet employees<sup>1</sup> a. employed in California at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class, who were under control of Defendants and/or working for time periods Defendants did not pay wages at the legal minimum wage rate.

<sup>&</sup>lt;sup>1</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.

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- Overtime Class: All current and former non-exempt banquet employees<sup>2</sup> employed b. by Defendants in California at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class who worked in excess of eight hours in a workday, 40 hours in a workweek, or on a seventh consecutive day in a workweek and were only paid their regular rate of pay for that time (includes overtime and double-time).
- Regular Rate Class: All current and former non-exempt employees<sup>3</sup> employed by c. Defendants in California at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class, who earned commissions, bonuses, service charges, shift-differential pay or other non-hourly compensation which were not included in calculating the paid sick leave, overtime and/or double-time pay earned during pay periods the employees earned the bonuses and worked in excess of eight hours in a workday, 40 hours in a workweek, or on a seventh consecutive day in a workweek.
- Meal Period Class: All current and former non-exempt employees<sup>4</sup> employed by d.



<sup>&</sup>lt;sup>2</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.

<sup>&</sup>lt;sup>3</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.

<sup>&</sup>lt;sup>4</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior: Hilda Velasquez: Elia Ouezada: Alfredo Ortiz: Roman Leos: David Ceron: Rigoberto Canela: Salatiel Martinez: Jose

Defendants in California at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class who worked more than 5 hours during a workday and were not provided all legally required and/or legally compliant meal periods and/or did not receive wages to compensate them for Defendants' failure to provide all legally required and/or legally complaint meal periods.

- e. Rest Period Class: All current and former non-exempt employees<sup>5</sup> employed by Defendants in California at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class who worked more than 3.5 hours during a workday and were not permitted to take all legally required and/or legally compliant rest periods and/or did not receive wages to compensate them for Defendants' failure to provide all legally required and/or legally complaint rest periods.
- f. <u>Wage Statement Class:</u> All current and former non-exempt employees<sup>6</sup> employed by Defendants in California at any time within the one year prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified

Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.



<sup>&</sup>lt;sup>5</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.

<sup>&</sup>lt;sup>6</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio.

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class who received inaccurate or incomplete wage statements.

- Waiting Time Class: All former non-exempt employees employed by Defendants in g. California at any time within the three years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class whose employment ended and they did not receive payment of all unpaid wages within the statutory time period after separation of employment.
- 3. On February 15, 2019, Defendants filed and served Notices of Appearance in the Class Action in lieu of a responsive pleading pursuant the Court's Initial Status Conference Order.
- 4. Plaintiffs intend to file a First Amended Complaint ("FAC") in the Class Action to (1) add Hilton Hotel Employer LLC as a named defendant; (2) define the Minimum Wage Class as including all current and former non-exempt employees of Defendants who worked at the Beverly Hilton Hotel; (3) define the Overtime Wage Class as including all current and former non-exempt employees of Defendants who worked at the Beverly Hilton Hotel; (4) define all classes as including all current and former nonexempt employees of Defendants who worked at the Beverly Hilton Hotel within the time periods applicable to the claims; and (5) set forth claims raised during the Class Action and PAGA Action on a class-wide and PAGA representative basis on behalf of all current and former non-exempt employees of Defendants who worked at the Beverly Hilton Hotel. A copy of the proposed FAC in the Class Action is attached hereto as **Exhibit A**.
- 5. Plaintiffs will attach a copy of the proposed FAC to the Motion for Preliminary Approval and request leave of Court to file the FAC. Defendants will have no obligation to file a responsive pleading to the FAC unless the Settlement Agreement is rescinded or nullified pursuant to paragraphs 75, 76, or 80 below. In the event the FAC is filed and the Settlement Agreement is thereafter rescinded or nullified, Defendants will have 30 days from notice of the termination to file responsive pleadings to the FAC.
- 6. Defendants deny all material allegations set forth in the PAGA Action, the Class Action, the FAC and this Joint Stipulation, and have asserted numerous affirmative and other defenses, which the Defendants contend are well-taken. Notwithstanding, in the interest of avoiding further litigation, the Parties desire to fully and finally settle all actual or potential claims by Plaintiffs, the putative Class Members, and the alleged PAGA aggrieved employees.



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- 7. Plaintiffs' counsel in the PAGA Action and Class Action diligently investigated the proposed putative class members' and aggrieved employees' claims against Defendants, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information pursuant to informal discovery methods, review of numerous corporate policies and practices, and review and analysis of extensive time and payroll data.
- On October 18 and November 12, 2019, the Parties participated in two sessions of mediation with Hon. Carl West (Ret.) of JAMS but were unable to reach a settlement. On September 8, 2020, the Parties participated in a third session of mediation with Mark S. Rudy, Esq., a highly respected mediator of wage and hour class actions, but were unable to reach a settlement that day. On March 23, 2021, with the assistance of Mr. Rudy, the Parties reached agreement on the principal terms of a class action settlement that would fully resolve the Action.
- 9. The settlement discussions before, during and after the mediation were conducted at arm's length and the settlement is the result of an informed and detailed analysis of the uncertainties associated with Defendants' alleged potential liability in relation to the costs and risks associated with continued litigation.
- 10. Based on the data and documents produced pursuant to informal discovery, as well as Class Counsel's own independent investigation and evaluation, and the efforts of mediators Judge West and Mark Rudy, Class Counsel believe that the settlement with Hilton for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the putative class members and alleged aggrieved employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendants, the sharply contested legal and factual issues involved, and numerous appellate issues.
- 11. This Settlement Agreement is made and entered into by and between Plaintiffs, individually and on behalf of all others similarly situated and aggrieved, on the one hand, and Hilton, on the other hand, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of any liability or wrongdoing by Defendants. If, for any reason the Settlement Agreement is not approved, it will be of no

force or effect, and the Parties shall be returned to their original respective positions.

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#### **DEFINITIONS**

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The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

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- "PAGA Action" means Carlos Hernandez and Miguel Hernandez v. Hilton Management 11. LLC; Hilton Worldwide, Inc.; Hilton Domestic Operating Company LLC; and Does 1 to 100, Inclusive, Los Angeles County Superior Court Case Number BC720343, alleging a single cause of action for benalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698 et keq. for alleged violations of Labor Code §§ 226, 226.7, 510, 512, 1194, 1197 and 1198.
- 12. "Class Action" means Jose Hernandez, on behalf of himself and others similarly situated v. Hilton Management LLC; Hilton Worldwide, Inc.; Hilton Domestic Operating Company LLC; and Does 1 to 100, Inclusive, Los Angeles County Superior Court Case Number 18STCV10071, including but not limited to the FAC of the Class Action attached hereto as Exhibit A. The PAGA Action and Class Action are jointly referred to herein as the "Action."
- 13. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, securing the Court's approval of the Settlement, responding to any objections to the settlement and appeals arising therefrom, administering the Settlement, obtaining entry of a judgment terminating the Action, and expenses for any experts. Class Counsel will request attorneys' fees not in excess of Thirty-Three and One-Third Percent (33 1/3%) of the Maximum Settlement Amount, or up to One Million Eight Hundred Sixty-One Thousand Six Hundred Sixty-Six Dollars and Five Cents (\$1,861,666.00). The Attorneys' Fees and Costs will also mean and include the additional reimbursement of Class Counsel's actual costs associated with Class Counsel's litigation and settlement of the Action per Class Counsel's billing statements, up to Forty Thousand Dollars and Zero Cents (\$40,000.00), subject to the Court's approval. Defendants have agreed not to oppose Class Counsel's request for fees and reimbursement of costs as set forth above.

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- 14. "Class Counsel" means Joseph Lavi, Vincent C. Granberry, and Melissa A. Huether of Lavi & Ebrahimian, LLP, which will seek to be appointed counsel for the Settlement Class.
- 15. "Class List" means a complete list of all Class Members that Hilton will diligently and in good faith compile from its records and provide to the Settlement Administrator within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Members' names, last-known addresses, social security numbers, dates of employment (i.e., the start and end dates of employment for each Class Member), shift counts (i.e., the number of shifts each Class Member worked during the Class Period), and whether the employee was a banquet or non-banquet employee.
- 16. "Class Member(s)" or "Settlement Class" means all non-exempt employees who work or formerly worked for Defendants at the Beverly Hilton Hotel (the "Hotel") in Beverly Hills, California at any time during the Class Period, except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla, Milton A. Bonilla, Vilma Dardon, Rose Lee, Morena G. Orellana, Amalia Alegria, Luis A. Aleman, Rosa Almendarez, Rachida El Omari, Elsa Hernandez, Juan Lopez, Francisco J. Loria, Marina C. Mancia, Maria M. Rodas, and Sara S. Rubio (collectively "Individual Plaintiffs")
- 17. The Settlement Class does not include any person who previously settled or released any of the claims covered by this Settlement, or any other person who previously was paid or received awards through civil or administrative actions for the claims covered by this Settlement. Defendants represent that there are approximately 1,504 individuals as of July 26, 2022 who compose the Settlement Class.
- "Banquet Class Members" means Class Members who worked in the Hotel's Banquet (a) Department during the Class Period.





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- (b) "Non-Banquet Class Members" mean all other Class Members who did not work in the Hotel's Banquet Department during the Class Period.
  - "Class Period" means the period from December 28, 2014 through July 26, 2022. 18.
- 19. "Class Representative" mean Plaintiff Jose Hernandez in the Class Action, who will seek to be appointed as the representative for the Settlement Class.
- 20. "PAGA Representatives" mean Plaintiffs Carlos Hernandez and Miguel Hernandez in the PAGA Action.
- 21. "Class and PAGA Representatives Enhancement Payments" means the amounts to be paid to the Class Representative and the PAGA Representatives in recognition of their effort and work in prosecuting the Class Action on behalf of Class Members, the PAGA Action, and negotiating the Settlement. Hilton agrees not to dispute that the Class Representative and PAGA Representatives will be paid, subject to Court approval, up to Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) each, for a total not to exceed Twenty Six Thousand Seven Hundred Dollars and Zero Cents (\$26,700.00), from the Maximum Settlement Amount for their services on behalf of the class and alleged aggrieved employees, subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals. Should the Court reduce the Class and PAGA Representatives Enhancement Payments, any such reduction shall revert to the Net Settlement to be distributed to Participating Class Members.
- 22. "Court" means the Superior Court of California, County of Los Angeles or any other court taking jurisdiction of the Action.
- 23. "Defendants" mean Hilton Management LLC; Park Hotels & Resorts Inc. (f/k/a Hilton Worldwide, Inc.); Hilton Domestic Operating Company Inc. (erroneously sued as Hilton Domestic Operating Company LLC); and Hilton Hotel Employer LLC.
- 12. "Effective Date" means the date on which the settlement embodied in this Settlement Agreement shall become effective after all of the following events have occurred: (i) this Settlement Agreement has been executed by all parties and by counsel for the Settlement Class and Defendants; (ii) the Court has given preliminary approval to the Settlement; (iii) notice has been given to the putative members of the Settlement Class, providing them with an opportunity to object to the terms of the

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Settlement or to opt-out of the Settlement; (iv) the Court has held a formal fairness hearing and entered a final order and judgment certifying the Class, dismissing the Action with prejudice, and approving this Settlement Agreement; (v) sixty-five (65) calendar days have passed following the Court's entry of a final order and judgment certifying the Settlement Class and approving the settlement; and (vi) in the event there are written objections filed prior to the formal fairness hearing which are not later withdrawn or denied, the later of the following events: (a) five (5) business days after the period for filing any appeal, writ or other appellate proceeding opposing the Court's final order approving the Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or (b) five (5) business days after any appeal, writ or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief.

- 13. "Individual Settlement Payment" means each Participating Class Member's share of the Net Banquet Settlement Amount or Net Non-Banquet Settlement Amount, to be distributed to the Class Members who do not submit a valid Request for Exclusion. Settlement payments are also referenced to herein as "settlement awards."
- means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §\$ 2698, et seq., "PAGA"). The Parties have agreed that Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the Maximum Settlement Amount will be allocated to the resolution of any Class Members' claims arising under PAGA ("PAGA Settlement Amount"). The PAGA Settlement Amount will be split among the Non-Banquet PAGA Members and Banquet PAGA Members proportionately. The Non-Banquet PAGA Settlement Amount will be \$38,457.90 and the Banquet PAGA Settlement Amount will be \$11,542.10. Pursuant to PAGA, Seventy-Five Percent (75%), of the Non-Banquet PAGA Settlement Amount and Banquet PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency, and Twenty-Five Percent (25%) of the Non-Banquet PAGA Settlement Amount and Banquet PAGA Settlement Amount (the "Net Non-Banquet PAGA Settlement Amount" and "Net Banquet PAGA Settlement Amount" respectively), will be distributed to Non-Banquet PAGA Members and Banquet PAGA Members, respectively, based on the number of Shifts

they worked during the PAGA Period ("Individual PAGA Payment").

- 15. "Maximum Settlement Amount" means the maximum settlement amount of Five Million Five Hundred Eighty-Five Thousand Dollars and Zero Cents (\$5,585,000.00) to be paid by Hilton in full satisfaction of all claims arising from the PAGA Action, Class Action, and the FACs, which includes all Individual Settlement Payments to Participating Class Members and to the PAGA Members, the Class and PAGA Representatives Enhancement Payments, Settlement Administration Costs to the Settlement Administrator, the PAGA Settlement Amount, and the Attorneys' Fees and Costs to Class Counsel. This Maximum Settlement Amount has been agreed to by Plaintiffs and Hilton based on the aggregation of the agreed-upon settlement value of individual claims. In no event will Defendants be liable for more than the Maximum Settlement Amount except as otherwise explicitly set forth herein. The Maximum Settlement Amount is non-reversionary.
- (a) "Banquet Settlement Amount" means the portion of the Maximum Settlement Amount allocated to resolving all claims asserted on behalf of the Banquet Class and Banquet PAGA Members, or One Million Two Hundred Sixty-Three Thousand Dollars and Zero Cents (\$1,263,000.00).
- (b) "Non-Banquet Settlement Amount" means the portion of the Maximum Settlement Amount allocated to resolving all claims asserted on behalf of the Non-Banquet Class and Non-Banquet PAGA Members, or Four Million Three Hundred Twenty-Two Thousand Dollars and Zero Cents (\$4,322,000.00).
- 16. "Net Banquet Settlement Amount" means the portion of the Banquet Settlement Amount remaining after deduction of 50% of the approved Class and PAGA Representatives Enhancement Payments, 50% of the Settlement Administration Costs, Banquet PAGA Settlement Amount, and 50% of the Attorneys' Fees and Costs. The Net Banquet Settlement Amount will be distributed to Participating Banquet Class Members.
- 17. Net Non-Banquet Settlement Amount" means the portion of the Non-Banquet Settlement Amount remaining after deduction of the approved 50% of the Class and PAGA Representatives Enhancement Payments, 50% of the Settlement Administration Costs, Non-Banquet PAGA Settlement Amount, and 50% of the Attorneys' Fees and Costs. The Net Non-Banquet Settlement Amount will be distributed to Participating Non-Banquet Class Members.



- 18. "Notice of Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, telephone number, and the last four digits of the objector's social security number, (b) the dates the objector was employed by Defendant in California, and (c) a written statement of all grounds for the objection and copies of supporting documents, if any.
- 19. "Notice Packet" or "Notice" means the Notice of Class Action Settlement, substantially in the form attached as **Exhibit B**.
- 20. "Banquet PAGA Members" means all Banquet Class Members and Individual Plaintiffs who were employed at the Hotel at any time during the PAGA Period.
- 21. "Non-Banquet PAGA Members" means all Non-Banquet Class Members and Individual Plaintiffs who were employed at the Hotel at any time during the PAGA Period.
- 22. "PAGA Members" means collectively the Non-Banquet PAGA Members and Banquet PAGA Members.
  - 23. "PAGA Period" means the period from June 25, 2017 through July 26, 2022.
  - 24. "Parties" means Plaintiffs and Defendants collectively.
- 25. "Participating Banquet Class Members" means all Banquet Class Members who do not timely submit valid Requests for Exclusion.
- 26. "Participating Non-Banquet Class Members" means all Non-Banquet Class Members who do not timely submit valid Requests for Exclusion.
- 27. "Participating Class Members" means all the Participating Banquet Class Members and Participating Non-Banquet Class Members.
- 28. "Plaintiffs" means Carlos Hernandez, Miguel Hernandez, and Jose Hernandez collectively.
- 29. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.
- 30. "Released Class Claims" means all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever released by Plaintiffs and the Participating Class Members including without limitation statutory, constitutional, contractual, or common law claims,

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whether known or unknown, against the Released Parties (as defined below), or any of them, for any type of relief and penalties that accrued during the Class Period, and as a result of Class Members' employment with Defendants, which relate to or arise under any state or local law or state administrative order that were pled or could have been pled based on the claims alleged in the operative complaint and FAC in the Class Action, the merits of which Defendants dispute, include, without limitation, all claims for and related to unpaid wages, including but not limited to: (1) failure to properly calculate and to pay wages for all hours of work at the legal minimum wage rate in violation of all applicable sections of the California Labor Code ("Labor Code") and the Wage Orders; (2) failure to properly calculate and pay overtime, double-time, reporting time, and paid sick leave in violation of all applicable sections of the Labor Code the Wage Orders; (3) failure to include all remuneration when calculating the overtime and double-time rate of pay in violation of all applicable sections of the Labor Code and the Wage Orders; (4) failure to provide all legally required and legally compliant meal periods in violation of all applicable sections of the Labor Code and the Wage Orders; (5) failure to provide all legally required and legally compliant rest periods in violation of all applicable sections of the Labor Code and the Wage Orders; 14 (6) failure to pay premiums for missed, late, short or interrupted meal or rest periods and failure to pay 16 such premiums at the regular rate of compensation in violation of all applicable sections of the Labor Code and the Wage Orders; (7) failure to provide complete and accurate wage statements and maintain 18 accurate records in violation of all applicable sections of the Labor Code; (8) failure to timely pay wages 19 due at time of separation of employment in violation of all applicable sections of the Labor Code; (9) 20 failure to treat mandatory service charges as tip wages; (10) unfair business practices in violation of Business and Professions Code section 17200 et seq.; (11) any claim for penalties arising out of or related to the claims in this Paragraph 30, including but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting time penalties; (12) penalties pursuant to the 24 Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698 et seq. for violations of the Labor Code that were alleged in the FAC or which could have been alleged based on the facts therein, 26 including but not limited to §§ 226, 226.7, 510, 512, 1194, 1197 and 1198; (13) claims for injunctive relief; (14) punitive damages; (15) liquidated damages; (16) penalties of any nature; (17) interest; (18) attorneys' fees; and (19) costs. The Released Class Claims also include claims arising under the



California Labor Code (including but not limited to Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218, 218.5, 218.6, 223, 225, 225.5, 226, 226.7, 233, 245, 246, 248.5, 510, 512, 516, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198) and the Wage Orders as to the facts alleged in the FAC and all claims that could have been pled based on facts alleged therein; the California Civil Code, including but not limited to sections 3287 and 3289; and California Code of Civil Procedure section 1021.5.

- 31. "Released PAGA Claims" means all claims against the Released Parties for civil and statutory penalties, attorneys' fees, and costs arising under PAGA released by Plaintiffs, the State of California (including the LWDA), and the PAGA Members that accrued during the PAGA Period, and as a result of the PAGA Members' employment with Defendants, that were pled or could have been pled based on the claims alleged in the operative complaint and FAC in the PAGA Action and Plaintiffs' June 25, 2018, June 26, 2018, and October 9, 2020 notices to the LWDA.
- 32. "Released Parties" means: (i) Defendants; (ii) Oasis West Realty LLC ("Owner"); (iii) each of Defendants' and Owner's past, present and future parents, subsidiaries, divisions, concepts, related and affiliated entities including, without limitation, and any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, or is under common control with Defendants and/or Owner; (iv) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, payroll service providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.
- 33. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member received the Notice, does not wish to participate in the settlement, and wants to be excluded from the settlement; (d) be returned by first class mail or equivalent to the Settlement Administrator at the specified address; and, (e) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been

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timely submitted. A Class Member who does not request exclusion from the settlement will be deemed a Class Member and will be bound by all terms of the settlement, if the settlement is granted final approval by the Court. The Parties agree that there is no right for any Class Member to opt out or otherwise exclude himself or herself from the Settlement of the PAGA Action.

- 34. "Response Deadline" means the deadline by which Class Members must postmark to the Settlement Administrator valid Requests for Exclusion or objections to the settlement or disputes to the Shifts. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 45<sup>th</sup> day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or objections or disputes to the Shifts will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice Packet by the Settlement Administrator, unless the 15th day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defense Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the deadline for Class Members to submit a Request for Exclusion or objection to the settlement or disputes to the Shifts.
- 35. "Settlement Administrator" means CPT Group or any other third-party class action settlement claims administrator agreed to by the Parties and approved by the Court for purposes of administering this settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.
- 36. "Settlement Administration Costs" means the costs payable from the Maximum Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per Class Member, tax reporting, distributing the appropriate settlement amounts, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. The Settlement Administration Costs will be

paid from the Maximum Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the settlement. The Settlement Administration Costs are currently estimated to be Twenty-Three Thousand Dollars and No Cents (\$23,000.00). To the extent actual Settlement Administration Costs are greater than \$23,000.00, such excess amount will be deducted from the Maximum Settlement Amount.

37. "Shifts" means the number of shifts worked by each Class Member as a non-exempt employee at the Hotel during the Class Period.

## **CLASS CERTIFICATION**

- 38. Solely for purposes of settling the Action, and not for purposes of class certification should the matter not be settled or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met. More specifically, the Parties stipulate and agree for purposes of this settlement only that:
- (a) The Settlement Class is ascertainable and so numerous as to make it impracticable to join all Class Members;
- (b) There are common questions of law and fact including, but not limited to, the following:
- i. Whether Defendants violated the California Labor Code, including, but not limited to Sections 1194, 1194.2 and/or 1197 by not paying employees' wages at a minimum wage rate for all time that Class Members were subject to Defendants' control but were not paid;
- ii. Whether Defendants violated California the Labor Code, including but not limited to Sections 510 and/or 1194 by not paying employees' wages at an overtime wage rate for all overtime hours that Class Members were subject to Defendants' control but were not paid;
- iii. Whether Defendants violated the Labor Code, including but not limited to Sections 510 and 1194 by failing to include all remuneration when calculating the overtime rate of pay for the members of Class Members;
- iv. Whether Defendants unlawfully failed to provide Class Members with proper meal periods or an hour wage for every day such periods were not provided;

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42. With respect to the Settlement Class, the Class Representative believes that questions of law and fact common to the members of the Settlement Class predominate over any questions affecting any individual member in such Class, and a class action is superior to other available means for the fair and efficient adjudication of the controversy; should this Settlement not be approved or be terminated, this stipulation shall be null and void and shall not be admissible, in this or any other action, for any purpose whatsoever.

#### **TERMS OF AGREEMENT**

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

- 43. Funding of the Maximum Settlement Amount. Within seven (7) business days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Hilton pursuant to the terms of the Settlement. Within twenty (20) days after the Settlement Administrator provides the Parties with the accounting of amounts to be paid, Hilton will make a one-time deposit of Five Million Five Hundred Eighty-Five Thousand Dollars and Zero Cents (\$5,585,000.00) for payment of all Court approved amounts from the Maximum Settlement Amount and an amount sufficient to pay employer's share of payroll taxes on the wage portion of the Individual Settlement Payments into a Qualified Settlement Account to be established by the Settlement Administrator. Within fourteen (14) business days of the funding of the Settlement, the Settlement Administrator will issue payments to (a) Participating Class Members; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; and (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the settlement.
- 44. <u>Attorneys' Fees and Costs</u>. Defendants agree not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees and Costs of up to One Million Eight Hundred Sixty-One Thousand Six Hundred Sixty-Six Dollars and Zero Cents (\$1,861,666.00) in Attorneys' Fees, plus the reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action per Class Counsel's billing statements up to Forty Thousand Dollars and Zero Cents (\$40,000.00), both of which will be paid from the Maximum Settlement Amount.

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- 45. Class and Representative Enhancement Payments and General Release. In exchange for a general release, and in recognition of their effort and work in prosecuting the Action on behalf of Class Members and negotiating the Settlement, Defendants agree not to oppose or impede any application or motion for Class and PAGA Representative Enhancement Payments of up to a total of Twenty-Six Thousand Seven Hundred Dollars and Zero Cents (\$26,700.00) to the Class Representative and PAGA Representatives, with up to Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) each to Plaintiffs Jose Hernandez, Carlos Hernandez, and Miguel Hernandez, subject to the Court's approval. The Class and PAGA Representative Enhancement Payments, which will be paid from the Maximum Settlement Amount, will be in addition to Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. In light of their requested Class Representative Enhancement Payments, which Defendants agree not to oppose, Plaintiffs each agree to a general release of all claims, including a waiver of California Civil Code § 1542, in addition to the Released Claims described above, against Defendants for this payment. The Settlement Administrator will issue IRS Forms 1099 for the Class and PAGA Representative Enhancement Payments to Plaintiffs, and Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amount received. Plaintiffs each agree to indemnify and hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as a result of their respective Class and PAGA Representative Enhancement Payments. Should the Court reduce the Class and PAGA Representative Enhancement Payments, any such reduction shall revert to the Net Settlement distributed to Participating Class Members.
- 46. Plaintiffs' Released Claims: In partial consideration for the Class and PAGA Representative Enhancement Payments and other benefits under this Settlement, Plaintiffs provide the following additional releases: as of the Effective Date and Defendants' full funding of the Settlement, Plaintiffs shall fully, finally, and forever release and discharge each and every one of the Released Parties from all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, whether known or unknown, whether sounding in tort, in contract, in law, in equity or otherwise, and including but not limited to all claims for violation of any local, state, or federal statute, rule, or regulation, which plaintiff now has, owns, or holds, or claims to have, own, or hold, or which

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they ever had, owned or held, whether known or unknown, suspected or unsuspected, at any time prior to the date they execute this Settlement (collectively "Plaintiffs' Released Claims"). Plaintiffs' Released Claims include, without limitation, any claims under Title VII of the Civil Rights Act of 1964, any claims for fraud, promises without the intent to perform, intentional or negligent misrepresentation, breach of contract, breach of the implied covenant of good faith and fair dealing, wrongful termination in violation of public policy, retaliatory discharge, violations of the California Labor Code, violations of the Fair Labor Standards Act, accounting, intentional or negligent infliction of emotional distress, violations of California Business and Professions Code section 17200 et seq., or violations of the California Fair Employment and Housing Act.

With respect to Plaintiffs' Released Claims, Plaintiffs stipulate and agree that, upon the Effective Date and Hilton's full funding of the Settlement, they shall be deemed to have expressly waived and relinquished to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code or any other similar provision under federal, state, or local law. Section 1542 provides:

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

Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of Plaintiffs' Released Claims, but Plaintiffs, upon the Effective Date and Hilton's full funding of the Settlement, shall be deemed to have fully, finally, and forever settled and released any and all of Plaintiffs' Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, without limitation, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.





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(\$23,000.00). These costs, which will be paid from the Maximum Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 IRS Forms, distributing the Notice Packet in English and Spanish, calculating and distributing the Maximum Settlement Amount and Attorneys' Fees and Costs, and providing necessary reports and declarations.

48. <u>Labor and Workforce Development Agency Payment</u>. Subject to Court approval, the Parties have agreed to pay to the Labor and Workforce Development Agency Payment as set forth in Paragraph 14 herein.

reasonable costs of administration of the Settlement and distribution of payments from the Maximum

Settlement Amount, which is currently estimated to be Twenty-Three Thousand Dollars and No Cents

Settlement Administration Costs. The Settlement Administrator will be paid for the

Net Settlement Amount. The Net Banquet Settlement Amount and Net Non-Banquet

50. Acknowledgement of Potential Administration Cost Increases. The Parties hereby acknowledge that Settlement Administration Costs may increase above the current estimate of \$23,000.00 and that any such additional Settlement Administration Costs will be taken out of the Maximum Settlement Amount. Any portion of the estimated or designated Settlement Administration Costs which are not in fact required to fulfill the total Settlement Administration Costs become part of the Net Settlement Amount.

Settlement Amount will be used to satisfy Individual Settlement Payments to Participating Class

Members from the Settlement Class in accordance with the terms of this Agreement.

- 51. <u>Individual Settlement Payment Calculations</u>. Individual Settlement Payments will be calculated and apportioned from the Net Banquet Settlement Amount and Net Non-Banquet Settlement Amount based on the number of Shifts a Participating Banquet Class Member and Participating Non-Banquet Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:
- a. Defendants' shift counts data will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible written evidence. All shift count disputes will be resolved and decided by the Settlement Administrator in consultation with Class Counsel and counsel for Defendants. The Settlement Administrator's decision on all shift count disputes

will be final and non-appealable.

b. To determine each Non-Banquet Class Member's "Individual Settlement Payment" the Settlement Administrator will use the following formula: Individual Settlement Payment = (Net Non-Banquet Settlement Amount  $\div$  Total Non-Banquet Shifts during the Class Period) x individual Shifts for each individual Participating Non-Banquet Class Member during the Class Period.

- c. To determine each Banquet Class Member's "Individual Settlement Payment" the Settlement Administrator will use the following formula: Individual Settlement Payment = (Net Banquet Settlement Amount ÷ Total Banquet Shifts during the Class Period) x individual Shifts for each individual Participating Banquet Class Member during the Class Period.
- d. To determine each Non-Banquet PAGA Member's "Individual PAGA Payment" the Settlement Administrator will use the following formula: Individual PAGA Payment = (Non-Banquet PAGA Settlement Amount ÷ Total Non-Banquet Shifts during the PAGA Period) x individual Shifts for each individual Participating Non-Banquet PAGA Member during the PAGA Period.
- e. To determine each Banquet PAGA Member's "Individual PAGA Payment" the Settlement Administrator will use the following formula: Individual PAGA Payment = (Banquet PAGA Settlement Amount ÷ Total Banquet Shifts during the PAGA Period) x individual Shifts for each individual Participating Banquet PAGA Member during the PAGA Period.
- 52. Settlement Awards Do Not Trigger Additional Benefits. All settlement awards to Class Members shall be deemed to be paid to such Class Members solely in the year in which such payments actually are received by the Class Members. It is expressly understood and agreed that the receipt of such individual settlement awards will not entitle any Class Member to additional compensation or benefits under any of Released Parties' bonus, commission or other compensation or benefit plan or agreement in place during the period covered by the Settlement, including but not limited to any collective bargaining agreement or related benefit agreement, nor will it entitle any Class Member to any increased retirement fund, 401K benefits or matching benefits, benefit plan, or deferred compensation benefits. It is the intent of this Settlement that the individual settlement awards provided for in this Settlement are the sole payments to be made by Hilton to the Class Members, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having



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received the individual settlement awards (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

- 53. Settlement Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.
- 54. Delivery of the Class List. Within forty-five (45) calendar days of Preliminary Approval, Hilton will provide the Class List to the Settlement Administrator.
- 55. Notice by First-Class U.S. Mail. Within thirty (30) calendar days of receipt of the Class List, the Settlement Administrator will mail a Notice Packet to all Class Members in both English and Spanish, via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.
- 56. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or (b) the Response Deadline to fax or postmark a Request for Exclusion, or submit an objection to the Settlement.
- 57. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Class definition; (d) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (e) the dates which comprise

 the Class Period; (f) instructions on how to submit valid Requests for Exclusion or objections; (g) the deadlines by which the Class Member must fax or postmark Requests for Exclusions or submit objections to the Settlement; (h) the claims to be released, as set forth herein; and (i) the date for the Final Approval Hearing.

- Disputed Information on Notice Packets. Class Members will have an opportunity to dispute the information provided in their Notice Packets. To the extent Class Members dispute the number of shifts he/she worked during the Class Period, or the amount of their Individual Settlement Payment, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate in writing by the Response Deadline. The dispute must also include the Class Member's name, address, social security number, and signature, and supporting documents, if any. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member in consultation with Class Counsel and counsel for Defendants and will make the final decision as to the Individual Settlement Payment to which the Class Member may be entitled.
- Settlement Agreement must sign and postmark a written Request for Exclusion to the Settlement Administrator within the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendants' Counsel the Requests for Exclusion that were timely submitted. Any Class Member who submits a Request for Exclusion shall be prohibited from objecting to the Settlement Agreement. The Parties agree that there is no right for any Class Member to opt out or otherwise exclude himself or herself from the Settlement of the PAGA claims in the Action.
- 60. <u>Settlement Terms Bind All Class Members Who Do Not Opt-Out</u>. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Claims as well as any Judgment that may be entered by the Court if it grants final approval to the

Settlement. The Settlement terms bind all PAGA Members.

61. Objection Procedures. To object to the Settlement Agreement, a Class Member shall submit a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline. The Settlement Administrator shall serve all objections as received on Class Counsel and Defendants' Counsel, as well as file all such objections with the Court. The Notice of Objection shall be signed by the Class Member and contain all information required by this Settlement Agreement. The postmark date of submission to the Settlement Administrator will be deemed the exclusive means for determining that the Notice of Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. The Parties agree that there is no right for any Class Member to object to the Settlement of the PAGA claims in the Action.

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62. <u>Certification Reports Regarding Individual Settlement Payment Calculations</u>. The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; and (b) whether any Class Member has submitted a challenge to any information contained in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

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63. <u>Uncashed Settlement Checks</u>. Any checks issued by the Settlement Administrator to Participating Class Members will expire 180 calendar days from the date the check was issued. Upon the expiration of 180 calendar days, uncashed settlement award checks will not be re-issued, except for good cause and as mutually agreed upon by the Parties in writing. All uncashed checks will not be reissued and will be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §§ 1500 et seq., for the benefit of those Settlement Class Members and PAGA Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as Settlement Awards will be paid out to Settlement Class Members and PAGA Members, whether or not they cash their Settlement Checks, and that Defendant will not be required to

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- 64. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.
- 65. Administration Costs if Settlement Fails. If the Settlement is voided or rejected by the Court, any costs incurred by the Settlement Administrator will be paid equally by the Parties (half by Defendants and half by Class Counsel), unless otherwise specified in this Agreement.
- 66. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: of each Individual Settlement Payment 25% will be allocated as alleged unpaid wages, 37.5% will be allocated as alleged unpaid interest, and the remaining 37.5% will be allocated as alleged unpaid civil penalties. The 25% of each Individual Settlement Payment allocated as wages will be reported on an IRS Form W-2 by the Settlement Administrator. The remaining 75% of each Individual Settlement Payment allocated as interest and penalties will be reported on an IRS Form 1099 by the Settlement Administrator. All Individual PAGA Settlement Payments shall be allocated as alleged unpaid civil penalties and reported on an IRS Form 1099 by the Settlement Administrator.
- 67. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. Within seven (7) business days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Hilton pursuant to the terms of the Settlement, including the amount of the employer contribution for payroll taxes. The Settlement Administrator will also be responsible for timely forwarding all payroll taxes and penalties to the appropriate government authorities.
- 68. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs, Participating Class Members, the PAGA Aggrieved Employees, and Class Counsel are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiffs, Participating Class Members, the PAGA Aggrieved Employees, and Class Counsel understand and agree that they will be solely

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responsible for the payment of any taxes and penalties assessed on the payments described herein and will defend, indemnify, and hold Defendants free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

69. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR **PART** 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

70. No Prior Assignments. The Plaintiffs and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause

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of action or right herein released and discharged.

- 71. <u>Release of Class Claims</u>. Upon the Effective Date and Defendants' full funding of the Settlement, Plaintiffs and all Participating Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties any and all Released Class Claims during the Class Period.
- Release of PAGA Claims. Upon the Effective Date and Defendants' full funding of the Settlement, Plaintiffs, the State of California (including the LWDA), and all PAGA Aggrieved Employees will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties any and all Released PAGA Claims during the PAGA Period. The Parties agree that there is no right for any Class Member to opt out or otherwise exclude himself or herself from the Settlement of the PAGA claims in the Action. PAGA Aggrieved Employees will release the Released PAGA Claims even if they exclude themselves from the Class.
- 73. <u>Duties of the Parties Prior to Court Approval.</u> The Parties shall promptly submit this Settlement Agreement to the Court in support of Plaintiffs' Motion for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an order:
- a. Scheduling a fairness hearing on the question of whether the proposed settlement, including but not limited to, payment of attorneys' fees and costs, and the Class Representatives' Enhancement Payments, should be finally approved as fair, reasonable and adequate as to the members of the Settlement Class;
  - b. Certifying the Settlement Class;
  - c. Approving, as to form and content, the proposed Notice;
- d. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice;
  - e. Directing the mailing of the Notice, by first class mail to the Class Members;
- f. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court; and

- g. Enjoining Plaintiffs and all Class Members from filing or prosecuting any claims, suits or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement and the Labor and Workforce Development Agency) regarding the Released Claims unless and until such Class Members have filed valid Requests for Exclusion with the Settlement Administrator.
- 74. <u>Duties of the Parties Following Final Court Approval</u>. Following final approval by the Court of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a proposed final order of approval and judgment:
- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
  - (b) Approving Class Counsel's application for an award of attorneys' fees and costs;
- (c) Approving the Class and PAGA Representative Enhancement Payments to the Class Representatives;
- (d) Approving the Settlement Administration Costs of the Settlement Administrator; and
- (e) Entering judgment in this Action barring and enjoining all members of the Settlement Class from prosecuting against any of the Released Parties, any individual or class, collective or representative claims released herein, upon satisfaction of all payments and obligations hereunder.
  - 75. <u>Escalator Clause and Rescission of Settlement Agreement by Plaintiffs.</u>
- (a) Defendants represent that the number of shifts worked by Banquet Class Members was approximately 73,599 during the Class Period.
- (b) Defendants represent that the number of shifts worked by Non-Banquet Class Members was approximately 639,991 during the Class Period.
- (c) If it is determined from the Class List that the total number of shifts worked by all Class Members has increased by more than five percent (5%) during the Class Period (i.e., by more than 35,679 shifts), then Plaintiffs may, at their option, rescind and void the Settlement and/or re-negotiate the Maximum Settlement Amount and all actions taken in furtherance of it will thereby be null and void. Plaintiffs must exercise this right of rescission, in writing, to Defendants' Counsel within twenty-one (21)

calendar days after notice of the number of shifts determined from the Class List.

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76. Rescission of Settlement Agreement by Defendants. If Class Members comprising more than three percent (3%) of the total shifts worked by Class Members during the Class Period opt-out of the Settlement by submitting Request for Exclusion forms, Defendants may, at their option, rescind and void the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class Counsel within twenty-one (21) calendar days after the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion received by the Response Deadline and total number of shifts associated with such Requests for Exclusion. If the option to rescind is exercised by Defendants, Defendants shall be solely responsible for all costs of the Settlement Administrator accrued to that point.

- 77. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.
- 78. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed FAC, attached as **Exhibit A**, and the proposed Notice Packet; i.e., the proposed Notice of Class Action Settlement document, attached as **Exhibit B**. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Defendants agree not to oppose the Motion for Preliminary Approval.

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- Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to Requests for Exclusion, or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for (a) Individual Settlement Payments and Individual PAGA Payments; (b) the Labor and Workforce Development Agency Payment; (c) the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payments; and (e) all Settlement Administration Costs. The Final Approval/Settlement Fairness Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to obtain final approval, including responding to any objections and appeals arising therefrom. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.
- 80. Termination of Settlement. Subject to the obligation(s) of cooperation set forth herein, either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order or final judgment in substantially the form submitted by the Parties, or the Settlement Agreement as agreed does not become final because of appellate court action. The Terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate pursuant to this Paragraph no later than ten (10) business days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:
- a. The Settlement Agreement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms;
- b. In the event the Settlement is terminated, Defendants shall have no obligation to make any payments to any Party, Class Member or Class Counsel, except that the Terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the settlement has been terminated;
- c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order of class certification, shall be vacated;
- d. The Settlement Agreement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored

to their respective positions in the Action prior to the settlement;

- e. Neither this Stipulated Settlement, nor any ancillary documents, actions, statements or filings in furtherance of settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever.
- 81. <u>Judgment and Continued Jurisdiction</u>. Upon final approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment pursuant to California Code of Civil Procedure section 664.6 to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.
- 82. <u>Exhibits Incorporated by Reference</u>. The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.
- press releases, initiate any contact with the media or press, respond to any media or press inquiry, or have any communication with the media or press about the fact, amount, or terms of the Settlement. In addition, the Parties and their counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement of this case. Class Counsel may refer to the settlement in adequacy of counsel declarations, and following Preliminary Approval, may state on their websites that they settled a wage and hour class action in the Superior Court and generally describe the claims at issue, provided that they describe Defendants only as a "Defendant Employer." Plaintiffs and Class Counsel will not make any public disclosure of the Settlement or the Confidential Memorandum of Understanding through the filing of a motion for preliminary approval with the Court. Class Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will instruct Plaintiffs to adhere to, the restrictions set forth in this paragraph. Any communication about the Settlement to Class Members prior to the Court-approved mailing will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved notice. Nothing set forth herein,

however, shall prohibit the Parties from providing this Agreement to the Court in connection with the Parties' efforts to seek the Court's approval of this Settlement. Neither Plaintiffs nor Class Counsel shall hold a press conference or otherwise seek to affirmatively contact the media about the Settlement. Plaintiffs and Class Counsel agree not to disparage or otherwise take any action which could reasonably be expected to adversely affect the personal or professional reputation of Defendant or the Settlement.

- 84. Other Lawsuits. To the fullest extent permissible under applicable law, and solely for the purposes of this Settlement Agreement and not for any other purpose, counsel for Plaintiffs represent and warrant on behalf of themselves and all others acting on their behalf, that they: (i) have not been retained by any other individuals with claims against Defendants (other than those of which Defendants and/or its counsel have been advised); (ii) have not been informed by any other plaintiff, class member, or attorney of any intended claims against Defendants including, but not limited to, any claim based on the subject matter of the Class Action, PAGA Action, or the FACs; and (iii) do not currently intend to bring any other claim against Defendants. Nothing in the foregoing is intended to limit or restrict Plaintiffs' counsel's ability to practice law, or to otherwise violate California Rules of Professional Conduct, Rule 1-500. To the extent any portion of this paragraph is found to violate Rule 1-500, or any other Rule of Professional Conduct, such offending language will be deem stricken and will be treated as if it is of no force and effect.
- 85. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Agreement.
- 86. <u>Amendment or Modification</u>. This Settlement Agreement may be amended or modified only by a written instrument signed by the Parties and counsel for the Parties or their successors-in-interest.
  - 87. <u>Authorization to Enter Into Settlement Agreement</u>. Counsel for all Parties warrant and





- represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.
- 88. <u>Signatories</u>. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement Agreement. The Notice, attached hereto as <u>Exhibit B</u>, will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Settlement Agreement were executed by each member of the Class.
- 89. <u>Binding on Successors and Assigns</u>. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
- 90. <u>California Law Governs</u>. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.
- 91. <u>Execution and Counterparts</u>. This Settlement Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.
- 92. <u>Acknowledgement that the Settlement is Fair and Reasonable</u>. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

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- 93. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.
- 94. Plaintiffs' Waiver of Right to Be Excluded and Object. Plaintiffs agree to sign this Settlement Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein. For good and valuable consideration, Plaintiffs further agree that they will not request to be excluded from the Settlement Agreement, nor object to any terms herein. Any such request for exclusion or objection by Plaintiffs will be void and of no force or effect. Any efforts by Plaintiffs to circumvent the terms of this paragraph will be void and of no force or effect.
- 95. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may appeal any reduction in the Attorneys' Fees and Costs below the amount requested from the Court, and either Party may terminate this Settlement or appeal any Court order which is not in substantially the form submitted by the Parties.
- 96. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or any wrongful conduct or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

 Nothing in this Agreement or the settlement of the claims released by it shall in any way limit, restrict, or modify the Defendants' rights to pursue indemnity, reimbursement, or insurance for any payments, costs, expenses, or obligations form any other entities or third parties, and the Defendants expressly reserve all such rights.

- 97. <u>Captions</u>. The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Agreement.
- 98. <u>Waiver</u>. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.
- 99. <u>Enforcement Actions</u>. In the event that one or more of the Parties institute any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.
- 100. <u>Mutual Preparation</u>. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.
- 101. <u>Representation By Counsel</u>. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.
- 102. <u>All Terms Subject to Final Court Approval</u>. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.
- 103. <u>Notices.</u> Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of

1 the third business day after mailing by United States registered or certified mail, return receipt requested, 2 addressed as follows: 3 /// 4 **To Plaintiffs and the Settlement Class:** 5 Joseph Lavi, Esq. Vincent C. Granberry, Esq. 6 Melissa A. Huether, Esq. LAVI & EBRAHIMIAN, LLP 7 8889 West Olympic Boulevard, Suite 200 Beverly Hills, CA 90211 8 **To Defendants:** 9 Robert D. Vogel (SBN 063091) 10 Cynthia L. Filla (SBN 184638) Connie L. Chen (SBN 275649) 11 JACKSON LEWIS P.C. 725 South Figueroa Street, Suite 2500 12 Los Angeles, California 90017-5408 13 Cooperation and Execution of Necessary Documents. All Parties will cooperate in good 104. 14 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this 15 Settlement Agreement. 16 105. Integration Clause. This Settlement Agreement contains the entire agreement between 17 the Parties relating to the settlement and transaction contemplated hereby, and all prior or 18 contemporaneous agreements, understandings, representations, and statements, whether oral or written 19 and whether by a party or such party's legal counsel, relating to the settlement are merged herein. No 20 rights hereunder may be waived except in writing. 21 106. Binding Agreement. The Parties warrant that they understand and have full authority to 22 enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding 23 on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce 24 its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under 25 federal or state law. 26 /// 27

<b>,</b>    ,	<i>''</i> //	
1   //	// ///	
$\begin{bmatrix} 2 \\ 2 \end{bmatrix} / $		
4    _		EOF, the Parties hereto knowingly and voluntarily executed the
5    J	Ioint Stipulation of Settlement and Re	elease Between the Parties as of the date(s) set forth below:
6		<u>SIGNATURES</u>
7	READ (	CAREFULLY BEFORE SIGNING
9		PLAINTIFFS:  DocuSigned by:
$0 \parallel_{\Gamma}$	Dated: March 3, 2023	Jose L. Hernandez
1		Jose Hernandez  Docusigned by:
$2 \parallel_{\Gamma}$	Dated: March 3, 2023	Carbs Hernord
3    -		Carlos Hernandez
4	Dated: marzo 3, 2023	Miguel Hos
5	Dated:marzo 3, 2023	Miguel Hernandez
6		
7		<b>DEFENDANT:</b> Hilton Management LLC
$8 \parallel_{\Gamma}$	Dated:	
9		
0		Please Print Name of Authorized Signatory
1		<b>DEFENDANT:</b> Hilton Hotel Employer LLC
$2 \parallel_{\Gamma}$	Dated:	
3		
4		Please Print Name of Authorized Signatory
5		
6		LAVI & EBRAHIMIAN, LLP
7   _		Joseph Lavi
$8 \parallel_{\mathrm{L}}$	Dated: March 3, 2023	Joseph Lavi
		THE DIS DIS

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1	///		
2	///		
3	///		
4		IN WITNESS W	WHEREOF, the Parties hereto knowingly and voluntarily executed this
5	Joint Sti	pulation of Settlement a	and Release Between the Parties as of the date(s) set forth below:
6			<b>SIGNATURES</b>
7		RI	EAD CAREFULLY BEFORE SIGNING
8			PLAINTIFFS:
9			
10 11	Dated: _		Jose Hernandez
12			
13	Dated:		Carlos Hernandez
14			
15	Dated: _		
16			Miguel Hellandez
17			<b>DEFENDANT:</b> Hilton Management LLC
18	Dated: _	3/7/2023	Owen Wilcox
19			Owen Wilcox
20			Please Print Name of Authorized Signatory
21			<b>DEFENDANT:</b> Hilton Hotel Employer LLC
22	Dated:	3/7/2023	Owen Wilcox
23	Dated.		Owen Wilcox
24			Please Print Name of Authorized Signatory
25			
26			LAVI & EBRAHIMIAN, LLP
27	Dated:		
28			Joseph Lavi
			40
		SECOND AMENDED IO	DINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

   DocuSign Env	 /elope ID: DAB48675-7167-472F-A2C0-0E04BE79946C 	
1		Vincent Granberry
2		Melissa A. Huether Attorneys for Plaintiffs Jose Hernandez, Carlos
3		Hernandez, and Miguel Hernandez
4		
5		IA CIVCON I ENVIO D.C
6	March 7, 2023	JACKSON LEWIS P.C.
7	Dated:	Robert D. Vogel
8		Cynthia L. Filla Connie L. Chen
9		Attorneys for Defendants Hilton Management LLC; Park Hotels & Resorts Inc. (f/k/a Hilton Worldwide, Inc.);
10		Hilton Domestic Operating Company Inc; and Hilton Hotel Employer LLC
11		Hotel Employer EEC
12		
13		
14	4885-4024-3284, v. 1	
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28		— DS — DS — DS
		sut No Hos

## Exhibit A

1	Joseph Lavi, Esq. (SBN 209776)				
2	<u>jlavi@lelawfirm.com</u> Vincent C. Granberry, Esq. (SBN 276483)				
3	vgranberry@lelawfirm.com Melissa A. Huether, Esq. (SBN 316604)				
4	aburton@lelawfirm.com LAVI & EBRAHIMIAN, LLP				
5	8889 West Olympic Boulevard, Suite 200 Beverly Hills, CA, 90211				
6	Telephone: (310) 432-0000 Facsimile: (310) 432-0001				
7	Attorneys for PLAINTIFFS JOSE HERNANDEZ, CARLOS HERNANDEZ, and MIGUEL HERNA				
8	on behalf of themselves and others similarly situate				
9					
10	SUPERIOR COURT OF THI	E STATE OF CALIFORNIA			
11	FOR THE COUNTY OF LOS ANGELE	S – SPRING STREET COURTHOUSE			
12	JOSE HERNANDEZ on behalf of himself and others similarly situated.	Case No.: 18STCV10071			
13	PLAINTIFF,	Related Case Nos.:			
14	TLAMVIIII,	BC720343 BC711591			
15	VS.	18STCV09501			
16		18STCV04860			
17	HILTON MANAGEMENT LLC; HILTON WORLDWIDE, INC.; HILTON DOMESTIC	CLASS ACTION			
18	OPERATING COMPANY LLC; and DOES 1 to 100, inclusive,	[ASSIGNED FOR ALL PURPOSES TO THE HON. STUART M. RICE, DEPT. 1]			
19	DEFENDANTS.	PLAINTIFFS JOSE HERNANDEZ,			
20	DELETIDITIVIO.	CARLOS HERNANDEZ, AND MIGUEL HERNANDEZ'S FIRST AMENDED			
21		COMPLAINT FOR DAMAGES AND RESTITUTION FOR:			
22		1. FAILURE TO PAY WAGES FOR			
<ul><li>23</li><li>24</li></ul>		ALL HOURS OF WORK AT THE LEGAL MINIMUM WAGE RATE IN VIOLATION OF LABOR CODE			
25		SECTIONS 1194, 1194.2, & 1197 AND THE WAGE ORDERS;			
26		2. FAILURE TO PAY OVERTIME IN			
27		VIOLATION OF LABOR CODE SECTIONS 510, 1194, 1198, AND			
28		THE WAGE ORDERS;			

1 2		3.	FAILURE TO INCLUDE ALL REMUNERATION WHEN CALCULATING THE OVERTIME RATE OF PAY, IN VIOLATION OF LABOR CODE SECTIONS 510
3			& 1194 AND THE WAGE ORDERS;
4 5		4.	FAILURE TO PROVIDE ALL LEGALLY REQUIRED AND
6			LEGALLY COMPLIANT MEAL PERIODS IN VIOLATION OF
7			LABOR CODE SECTIONS 226.7, 512, 1198, AND THE WAGE ORDERS
8		5.	FAILURE TO PROVIDE ALL
9		5.	LEGALLY REQUIRED AND LEGALLY COMPLIANT REST
10			PERIODS IN VIOLATION OF LABOR CODE SECTIONS 226.7,
11			1198, AND THE WAGE ORDERS
12		6.	FAILURE TO PROVIDE
13			COMPLETE AND ACCURATE WAGE STATEMENTS IN
14			VIOLATION OF LABOR CODE SECTION 226
15		7.	FAILURE TO TIMELY PAY
16			WAGES DUE AT TIME OF SEPARATION OF
17			EMPLOYMENT, IN VIOLATION OF LABOR CODE SECTIONS 201, 202, AND 203
18		8.	UNFAIR BUSINESS PRACTICES
19		0.	IN VIOLATION OF BUSINESS
20			AND PROFESSIONS CODE SECTION 17200, et seq.
21		9.	CIVIL PENALTIES PURSUANT
22			TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004 ("PACA") LABOR CODE
23			("PAGA"), LABOR CODE SECTION 2698, et seq.
24			DEMAND FOR JURY TRIAL
25			
26	NOW COMES Plaintiffs JOSE HERNAL	NDEZ (	"Plaintiff J. HERNANDEZ"), CARLOS
27	HERNANDEZ ("Plaintiff C. HERNANDEZ"),	and M	IIGUEL HERNANDEZ ("Plaintiff M
28	,: , ,		(

HERNANDEZ"), who allege and complain against defendants HILTON MANAGEMENT LLC; HILTON WORLDWIDE, INC.; HILTON DOMESTIC OPERATING COMPANY LLC; and DOES 1 to 50, inclusive, (hereinafter, collectively referred to as "Defendants" or "DEFENDANTS"), and DOES 51 to 100 as follows:

#### I. <u>INTRODUCTION</u>

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This is a wage and hour class action lawsuit on behalf of Plaintiff J. HERNANDEZ 1. and other current and former non-exempt employees<sup>1</sup> of Defendants in California seeking: unpaid wages to compensate employees for all hours worked at the minimum wage rate; unpaid overtime for all overtime worked, wages for workdays Defendants failed to provide all legally required and legally compliant meal periods; wages for workdays Defendants failed to provide all legally required and legally compliant rest periods; statutory penalties for failure to provide accurate and complete wage statements; waiting time penalties in the form of continuation wages for failure to timely pay employees all wages due upon separation of employment; applicable civil penalties; injunctive relief and other equitable relief, reasonable attorney's fees pursuant to Labor Code sections 226(e), 1194, 2699(g)(1), costs, and interest, if applicable, brought on behalf of Plaintiff J. HERNANDEZ and others similarly situated. This is a representative action pursuant to the Private Attorneys General Act of 2004 ("PAGA) on behalf of Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other current and former non-exempt employees of DEFENDANTS in California seeking civil penalties, reasonable attorney's fees, costs, and any other applicable relief based on Defendants' failure to pay employees for all hours worked at the minimum wage and/or applicable overtime rates of pay; failure to include all remuneration when calculating the applicable overtime rate of pay; failure to provide legally compliant meal periods and/or pay meal period premium wages; failure to provide legally compliant rest breaks and/or pay rest break premium wages

#### II. <u>JURISDICTION AND VENUE</u>

2. This Court has jurisdiction over Plaintiffs and the Class Members' claims because

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<sup>&</sup>lt;sup>1</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla

# Plaintiffs' lawsuit seeks permanent injunction and damages for himself and the class in excess of \$25,000 and Defendants employed class members and injuries occurred in California including in Los Angeles County at Defendants' facilities operated at 9876 Wilshire Blvd., Beverly Hills, CA 90210.

#### III. PARTIES

- 3. Plaintiffs bring this action on behalf of themselves and other members of the general public similarly-situated. The named Plaintiffs and the class and aggrieved employees on whose behalf this action is filed are current, former and/or future employees of Defendants who worked, work, or will work for Defendants as non-exempt hourly employees in California within the 4 years prior to the filing of the initial complaint in this action. At all times mentioned herein, the currently named Plaintiffs are and were domiciled and a resident and citizen of California and was employed by Defendants in a non-exempt position within the 4 years prior to the filing of the complaint.
- 4. Plaintiffs re informed and believe and thereon allege that Defendant HILTON MANAGEMENT LLC is a Delaware corporation with its principal place of business in Beverly Hills, California and is authorized to do business within the State of California, and is doing business in the State of California and/or that Defendants DOES 51-100 are/were at all times relevant persons acting on behalf of HILTON MANAGEMENT LLC who violated or caused to be violated provisions of the Labor Code and/or the Industrial Welfare Commission's wage orders regulating hours and days of work. Plaintiffs are informed and believe and thereon allege that HILTON MANAGEMENT LLC was Plaintiffs' employer and suffered and permitted Plaintiffs and similarly situated non-exempt employees to work and exercised control over the wages, hours and working conditions of employment of Plaintiffs and similarly situated non-exempt employees during the 4 years prior to the filing of the complaint.
- 5. Plaintiffs are informed and believe and thereon allege that Defendant HILTON WORLDWIDE, INC. is a Delaware corporation with its principal place of business in Beverly Hills, California and is authorized to do business within the State of California, and is doing business in the State of California and/or that Defendants DOES 51-100 are/were at all times relevant persons acting on behalf of HILTON WORLDWIDE, INC. who violated or caused to be violated provisions of the

- 6. Plaintiffs are informed and believe and thereon allege that Defendant HILTON DOMESTIC OPERATING COMPANY LLC is a Delaware corporation with its principal place of business in Beverly Hills, California and is authorized to do business within the State of California, and is doing business in the State of California and/or that Defendants DOES 51-100 are/were at all times relevant persons acting on behalf of HILTON DOMESTIC OPERATING COMPANY LLC who violated or caused to be violated provisions of the Labor Code and/or the Industrial Welfare Commission's wage orders regulating hours and days of work. Plaintiffs are informed and believe and thereon alleges that HILTON DOMESTIC OPERATING COMPANY LLC was Plaintiffs' employer and suffered and permitted Plaintiffs and similarly situated non-exempt employees to work and exercised control over the wages, hours and working conditions of employment of Plaintiffs and similarly situated non-exempt employees during the 4 years prior to the filing of the complaint.
- 7. Plaintiffs are informed and believe and thereon allege that Defendant HILTON HOTEL EMPLOYER LLC is a Delaware corporation with its principal place of business in Beverly Hills, California and is authorized to do business within the State of California, and is doing business in the State of California and/or that Defendants DOES 51-100 are/were at all times relevant persons acting on behalf of HILTON HOTEL EMPLOYER LLC who violated or caused to be violated provisions of the Labor Code and/or the Industrial Welfare Commission's wage orders regulating hours and days of work. Plaintiffs are informed and believe and thereon alleges that HILTON HOTEL EMPLOYER LLC was Plaintiffs' employer and suffered and permitted Plaintiffs and similarly situated non-exempt employees to work and exercised control over the wages, hours and working conditions of employment of Plaintiffs and similarly situated non-exempt employees during the 4 years prior to the filing of the complaint.

- 8. Plaintiffs are informed and believes and thereon alleges that Defendants DOES 1 through 50 are corporations, or are other business entities or organizations of a nature unknown to Plaintiffs that employed PLAINTIFFS and the similarly situated California non-exempt employees, permitted Plaintiffs and similarly situated non-exempt employees to work, and exercised control over the wages, hours and working conditions of employment of Plaintiffs and similarly situated non-exempt employees within four years prior to the filing of the complaint.
- 9. Plaintiffs are informed and believe and thereon allege that Defendants DOES 51 through 100 are individuals unknown to Plaintiffs. Each of the individual defendants is sued individually and in his or her capacity as an agent, shareholder, owner, representative, manager, supervisor, independent contractor and/or employee of each defendant who violated or caused to be violated the minimum wage and overtime provisions of the Labor Code and/or any provision of the Industrial Welfare Commission's wage orders regulating hours and days of work.
- 10. Plaintiff is unaware of the true names of Defendants DOES 1 through 100. Plaintiffs sues said defendants by said fictitious names and will amend this complaint when the true names and capacities are ascertained or when such facts pertaining to liability are ascertained, or as permitted by law or by the Court. Plaintiffs are informed and believe that each of the fictitiously named defendants is in some manner responsible for the events and allegations set forth in this complaint.
- 11. Plaintiffs make the allegations in this complaint without any admission that, as to any particular allegation, Plaintiffs bears the burden of pleading, proving, or persuading and Plaintiffs reserves all of Plaintiff's right to plead in the alternative.

#### IV. <u>DESCRIPTION OF ILLEGAL PAY PRACTICES</u>

12. **Failure to pay wages for all hours worked at the legal minimum wage rate**: In California, an employer is required to pay an employee for all "hours worked" which includes all time that an employee is under control of the employer and including all time that the employee is suffered and permitted to work. This includes the time an employee spends, either directly or indirectly, performing services which inure to the benefit of the employer and any time during which an employer's policies and procedures do not allow employees to use time effectively for their own purposes. (*Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 586-588; *Bono Enterprises, Inc. v.* 

*Bradshaw* (1995) 32 Cal.App.4th 968.) In turn, this includes activities that are undertaken by the employee only because she is compelled to do so by the necessities of the employer's business and times during which an employee is prevented from using time effectively for his or her own purposes to the benefit of the employer. Labor Code sections 1194 and 1197 require that an employer compensate employees for "hours worked" at least at a minimum wage rate of pay as established by the wage orders.

- 13. In this case, Defendants failed to pay Plaintiffs and similarly situated employees at least minimum wage for all the hours that they worked for at least two reasons:
- (a) Defendants maintained a policy, practice, and/or procedure whereby they required Plaintiffs and similarly situated employees to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events without paying Plaintiffs and similarly situated employees for that time.
- (b) Defendants maintained a policy, practice, and/or procedure whereby they "rounded" or "shaved" down Plaintiffs and similarly situated employees' daily hours worked to the benefit of Defendants without paying Plaintiffs and similarly situated employees for that time.
- 14. Defendants' policies and procedures were applied to Plaintiffs and similarly situated employees in California and resulted in non-exempt employees working time which was not compensated any wages in violation of Labor Code sections 1194, 1197, and the Wage Orders.
- 15. Plaintiffs also allege that Defendants failed to pay Plaintiffs and similarly situated employees for sick time as required pursuant to Labor Code sections 233, 245, and 246.
- 16. **Failure to pay overtime**: Defendants employed many of their employees, including Plaintiffs, as non-exempt, hourly employees. In California, an employer is required to pay hourly employees for all "hours worked," which includes all time that an employee is under control of the employer and all time the employee is suffered and permitted to work. This includes the time an employee spends, either directly or indirectly, performing services that inure to the benefit of the employer.
- 17. California Labor Code Sections 510 and 1194 require an employer to compensate employees a higher rate of pay for hours worked in excess of 8 hours in a workday, 40 hours in a

workweek, and on any seventh consecutive day of work in a workweek.

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Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. (Lab. Code §510.)

18. In this case, Defendants failed to pay Plaintiffs and similarly situated employees overtime wages for overtime hours that they worked for at least two reasons:

- Defendants maintained a policy, practice, and/or procedure whereby they required Plaintiffs and similarly situated employees to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events without paying Plaintiffs and similarly situated employees for that time.
- (b) Defendants maintained a policy, practice, and/or procedure whereby they "rounded" or "shaved" down Plaintiffs' and similarly situated employees' daily hours worked to the benefit of Defendants without paying Plaintiffs and similarly situated employees for that time.
- 19. To the extent Defendants required Plaintiffs and similarly situated employees to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events or "rounded" or "shaved" down Plaintiff's and similarly situated employees' daily hours worked when the worked more than eight hours in a workday or more than 40 hours in a workweek, Defendants failed to pay Plaintiffs and similarly situated employees for overtime hours worked at their overtime rate of pay. Defendants' policies and procedures were applied to Plaintiffs and similarly situated employees in California and resulted in non-exempt employees working overtime hours which were not compensated at their overtime rate of pay in violation of Labor Code sections 510, 1194, 1198, and the Wage Orders.
- Plaintiffs similarly allege that Defendants failed to pay Plaintiffs and similarly situated 20. employees double time wages when they worked in excess of twelve (12) hours in a day.

21. Failure to pay overtime at the proper overtime rate by failing to include all remuneration in calculating the regular rate of pay for purposes of paying overtime: Under California law, the determination of the regular rate of pay for purposes of determining the amount of overtime pay and meal and rest period premiums must include all remuneration earned by the employee including, but not limited to, employees' commissions, bonuses, service charges, shift-differential pay or other non-hourly compensation.

22. Defendants entirely excluded certain remuneration, including but not limited to commissions, bonuses, service charges, shift-differential pay or other non-hourly compensation, in calculating the overtime rate of pay for Plaintiffs and similarly situated employees during the periods the remuneration was earned. This practice resulted in Plaintiffs and similarly situated employees working hours in excess of 8 hours in a day, 40 hours in a week, or on a 7th consecutive day of work and Defendants paying them less overtime then the employees had earned under California law.

23. Failure to pay premium wages to non-exempt employees to compensate them for workdays Defendants failed to provide all legally required and legally compliant meal breaks: California law requires an employer to provide an employee an uninterrupted meal period of no less than 30-minutes before the end of a 5-hour work period during which employees are relieved of all duties. (Lab. Code §§226.7, 512, 1198; Wage Orders, subd. 11.) An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes before the end of the 10th hour of work. (*Id.*) To be "duty-free" an employer must allow an employee to leave the premises in addition to being relieved of all duties including time spent waiting to perform work. (*Bono Enterprises, Inc. v. Bradshaw* (1995) 32 Cal.App.4th 968; see *Mendiola v. CPS Security Solutions, Inc.* (2015) 60 Cal.4th 833, 839 [considering even on call sleeping time as compensable hours worked].)

24. If an employer fails to provide an employee a meal period in accordance with the law, the employer must pay the employee one hour of pay at the employee's regular rate of compensation for each work day that a legally required meal period was not provided or did not otherwise comply with the law (*e.g.*, was interrupted, was not duty free, was untimely, etc.). (*Id.*).

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- 25. In this case, Plaintiffs and similarly situated employees regularly worked shifts of more 5 hours. Nevertheless, Defendants regularly failed to provide Plaintiffs and similarly situated employees with legally compliant meal periods by requiring them to remain onsite and/or on-call during their 30-minute meal periods; resulting in meal periods that were not duty-free as required.
- 26. Defendants did not have a procedure in place to pay a premium wage to Plaintiffs and similarly situated employees when they did not receive a timely meal period. This practice resulted in Plaintiffs and similarly situated employees not receiving wages to compensate them for workdays during which Defendants did not provide them with legally compliant meal periods in compliance with California law.
- 27. Failure to pay premium wages to non-exempt employees to compensate them for workdays Defendants failed to provide all legally required and legally compliant rest breaks: California law states that "[e]very employer shall authorize and permit all employees to take rest breaks, which insofar as practicable shall be in the middle of each work period. The authorized rest break time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. ... If an employer fails to provide an employee a rest break in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest break is not provided." Wage Order 5, subd. 12; see Lab. Code § 226.7. Under California law, "[e]mployees are entitled to 10 minutes' rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum) (2012) 53 Cal.4th 1004, 1029; Lab. Code §226.7; Wage Order 5, subd. 12. Rest breaks must be in the middle of each work period. Wage Order 5, subd. 12. Additionally, the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. Augustus v. ABM Security Services, Inc., (2016) 5 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. *Id*.
- 28. In this case, Plaintiffs and similarly situated employees regularly worked shifts of more 3.5 hours. Nevertheless, Defendants regularly failed to provide Plaintiffs and similarly situated

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- 29. Defendants lacked a policy and procedure for compensating Plaintiffs and similarly situated employees with premium wages when they did not receive all legally required and legally compliant rest periods. This practice resulted in Plaintiffs and similarly situated employees not receiving wages to compensate them for workdays which Defendants did not provide them with legally required and legally compliant rest periods in compliance with California law.
- Pay Stub Violations: California Labor Code section 226(a) provides (inter alia) that, 30. upon paying an employee his or her wages, the employer must "furnish each of his or her employees ... an itemized statement in writing showing: (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the pay period for which the employee is paid, (7) the name of the employee and his or her social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee." California Labor Code section 1174(d) also requires that employers "keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years."
- 31. Defendants failed to provide accurate and complete wage statements to Plaintiffs and similarly situated employees. Defendants provided to employees wage statements which were inadequate as a result of the aforementioned conduct (i.e., failure to pay all minimum wage and

1	overtime for all hours worked and failure to pay meal and rest period premiums), the wage statements		
2	inaccurately stated: the gross wages earned, total hours worked by the employee, the net wages		
3	earned, and applicable hourly rates in effect in a pay period with corresponding number of hours		
4	worked. Defendants also failed to maintain accurate payroll records with regards to Plaintiffs and		
5	similarly situated employees.		
6	32. Defendants applied these policies and procedures to Plaintiffs and other similarly		
7	situated employees which resulted in Defendants failing to provide complete and accurate wage		
8	statements to non-exempt employees in compliance with Labor Code section 226, subdivision (a).		
9	33. Failure to Pay Former California Non-Exempt Employees All Wages Due at		
10	Time of Termination/Resignation: An employer is required to pay all unpaid wages timely after an		
11	employee's employment ends. The wages are due immediately upon termination (Lab. Code §201)		
12	or within 72 hours of resignation (Lab. Code §202).		
13	34. Defendants failed to pay Plaintiffs and other similarly situated employees with all		
14	wages (including unpaid overtime pay, unpaid minimum wage and premium wages for failure to		

yees with all wages (including unpaid overtime pay, unpaid minimum wage and premium wages for failure to provide legally compliant meal and/or rest breaks) during their employment and never paid these amounts after Plaintiffs and other similarly situated employees separated employment with Defendants. As a result, Defendants failed to pay those employees timely after each employee's termination and/or resignation in violation of Labor Code sections 201, 202 and 203.

#### V. **CLASS DEFINITIONS AND CLASS ALLEGATIONS**

35. Plaintiff J. HERNANDEZ brings this action on behalf of himself, on behalf of all others similarly situated, and on behalf of the General Public, and as a member of a Class defined as follows:

Minimum Wage Class: All current and former non-exempt employees<sup>2</sup> Α. employed in California who worked at the Beverly Hilton Hotel at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a

Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla.

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<sup>&</sup>lt;sup>2</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez;

certified class, who were under control of Defendants and/or working for time periods Defendants 1 did not pay wages at the legal minimum wage rate. 2 **Overtime Class:** All current and former non-exempt employees<sup>3</sup> employed by 3 Defendants in California who worked at the Beverly Hilton Hotel at any time within the four years 4 prior to the filing of the initial complaint in this action and through the date notice is mailed to a 5 certified class who worked in excess of eight hours in a workday, 40 hours in a workweek, or on a 6 seventh consecutive day in a workweek and were not paid at their overtime rate of pay for that time. 7 C. Regular Rate Class: All current and former non-exempt employees<sup>4</sup> 8 employed by Defendants in California who worked at the Beverly Hilton Hotel at any time within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed 10 to a certified class, who earned commissions, bonuses, service charges, shift-differential pay or other 11 non-hourly compensation which were not included in calculating the overtime pay earned during pay 12 periods the employees earned the bonuses and worked in excess of 8 hours in a workday, 40 hours in 13 a workweek, or on a seventh consecutive day of work in a workweek. 14

D. **Meal Period Class**: All current and former non-exempt employees<sup>5</sup> employed by Defendants in California who worked at the Beverly Hilton Hotel within the four years prior to the filing of the initial complaint in this action and through the date notice is mailed to a certified class who worked more than 5 hours during a workday and did not receive wages to compensate them for Defendants' failure to provide all legally required and/or legally compliant meal periods.

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E. **Rest Period Class**: All current and former non-exempt employees<sup>6</sup> employed

<sup>&</sup>lt;sup>3</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla.

<sup>&</sup>lt;sup>4</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla.

<sup>&</sup>lt;sup>5</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla.

<sup>&</sup>lt;sup>6</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto

3	class who worked more than 3.5 hours during a workday and did not receive wages to compensate
4	them for Defendants' failure to provide all legally required and/or legally compliant rest periods.
5	F. Wage Statement Class: All current and former non-exempt employees <sup>7</sup>
6	employed by Defendants in California who worked at the Beverly Hilton Hotel at any time within the
7	one year prior to the filing of the initial complaint in this action and through the date notice is mailed
8	to a certified class who received inaccurate or incomplete wage statements.
9	G. Waiting Time Class: All former non-exempt employees employed by
10	Defendants in California who worked at the Beverly Hilton Hotel at any time within the four years
11	prior to the filing of the initial complaint in this action and through the date notice is mailed to a
12	certified class whose employment ended and they did not receive payment of all unpaid wages within
13	the statutory time period after separation of employment.
14	H. California Class: All aforementioned classes are here collectively referred to
15	as the "California Class".
16	36. There is a well-defined community of interest in the litigation and the classes are
17	ascertainable:
18	A. <b>Numerosity</b> : While the exact number of class members in each class is
19	unknown to plaintiff at this time, the Plaintiff J. HERNANDEZ classes are so numerous that the
20	individual joinder of all members is impractical under the circumstances of this case.
21	B. Common Questions Predominate: Common questions of law and fact exist
22	as to all members of the Plaintiff J. HERNANDEZ's classes and predominate over any questions that
23	affect only individual members of each class. The common questions of law and fact include, but are
24	not limited to:
<ul><li>25</li><li>26</li></ul>	Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez; Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel Martinez; Jose Ortiz and Aurelio Padilla

by Defendants in California who worked at the Beverly Hilton Hotel within the four years prior to

the filing of the initial complaint in this action and through the date notice is mailed to a certified

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Martinez; Jose Ortiz and Aurelio Padilla

<sup>7</sup> Except Carlos Hernandez; Edwin Garcia; Wilber Acevedo; Goliat Barrios; David Beenen, Edgar Bermudez; Doroteo Cordoval; Roberto Ceja; Israel Cruz; Cristobal Hernandez; Miguel Hernandez; Javier Maldonado; Neville Torrez; Bella Martinez; Edgar Ruano; Annatte Saca; Jose Lopez; Roberto Munoz; Pedro Lugo; Tomas Hernandez; Valente Magallanes; Cashimier Smith; Francisca Torres; Victor Gomez; Hector Navarro; Antonio Vasquez;

Victor Gomez; Luis Lopez; Charles Prior; Hilda Velasquez; Elia Quezada; Alfredo Ortiz; Roman Leos; David Ceron; Rigoberto Canela; Salatiel

rate. Plaintiff J. HERNANDEZ and members of the Regular Rate Class were not paid overtime which properly included calculation based on all remuneration earned. Plaintiff J. HERNANDEZ and members of the Meal Period and Rest Period Classes sustained damages and/or loss of vested wages based on Defendants' failure to provide wages for workdays Defendants failed to provide all legally required and legally compliant meal or rest breaks. Plaintiff J. HERNANDEZ and the members of the Wage Statement Class sustained damages arising out of Defendants' failure to furnish them with accurate and/or complete itemized wage statements in compliance with Labor Code section 226. Plaintiff J. HERNANDEZ and the members of the Waiting Time Classes sustained damages arising out of Defendants' failure to timely provide all unpaid and final wages due upon the end of their employment.

- D. Adequacy of Representation: Plaintiff J. HERNANDEZ will fairly and adequately protect the interests of the members of each class. Plaintiff J. HERNANDEZ has no interest that is adverse to the interests of the other class members. Plaintiff J. HERNANDEZ's Counsel is qualified to conduct the litigation.
- E. Superiority: A class action is superior to other available means for the fair and efficient adjudication of this controversy. Because individual joinder of all members of each class is impractical, class action treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without the unnecessary duplication of effort and expense that numerous individual actions would engender. The expenses and burdens of individual litigation would make it difficult or impossible for individual members of each class to redress the wrongs done to them, while important public interests will be served by addressing the matter as a class action. The cost to and burden on the court system of adjudication of individualized litigation would be substantial, and substantially more than the costs and burdens of a class action. Individualized litigation would also present the potential for inconsistent or contradictory judgments.
- F. **Public Policy Consideration**: Employers throughout the state violate wage and hour laws. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because they perceive their former

1	employers can blacklist them in their future endeavors through negative references and by other
2	means. Class actions provide the class members who are not named in the complaint with a type of
3	anonymity that allows for vindication of their rights.
4	FIRST CAUSE OF ACTION
5	FAILURE TO PAY WAGES FOR ALL HOURS OF WORK AT THE LEGAL MINIMUM
6	WAGE RATE IN VIOLATION OF LABOR CODE SECTIONS 1194, 1194.2, & 1197 AND
7	THE WAGE ORDERS
8	(On Behalf of the Minimum Wage Class against All Defendants and Does Defendants)
9	37. Plaintiff J. HERNANDEZ incorporates all paragraphs above as though fully set forth
10	herein.
11	38. At all times relevant to this Complaint, Plaintiff J. HERNANDEZ and members of the
12	Minimum Wage Class were hourly employees of Defendants.
13	39. Pursuant to Labor Code Sections 1194, 1194.2, and 1197, and the IWC Wage Orders
14	Plaintiff and the Minimum Wage Class are entitled to receive wages for all hours worked, i.e., al
15	time subject to Defendants' control, and those wages must be paid at least at the minimum wage rate
16	in effect during the time the employees earned the wages.
17	40. In this case, Defendants failed to pay Plaintiff J. HERNANDEZ and Minimum Wago
18	Class Members at least overtime wages for overtime hours that they worked for at least two reasons
19	(a) Defendants maintained a policy, practice, and/or procedure whereby they
20	required Plaintiff J. HERNANDEZ and Minimum Wage Class Members to report to work prior to
21	the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms fo
22	specified events without paying Plaintiff J. HERNANDEZ and Minimum Wage Class Members fo
23	that time.
24	(b) Defendants maintained a policy, practice, and/or procedure whereby they
25	"rounded" or "shaved" down Plaintiff J. HERNANDEZ's and Minimum Wage Class Members' daily
26	hours worked to the benefit of Defendants without paying Plaintiff and Minimum Wage Class
27	Members for that time.
28	

Defendants' policies and procedures were applied to Plaintiff J. HERNANDEZ and

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employer is required to pay an employee for all "hours worked" which includes all time that an employee is under control of the employer and including all time that the employee is suffered and permitted to work whether or not the employee is required to work. This includes the time an employee spends, either directly or indirectly, performing services which inure to the benefit of the employer. In turn, this includes activities that are undertaken by the employee only because she is compelled to do so by the necessities of the employer's business and times during which an employee is prevented from using time effectively for his or her own purposes to the benefit of the employer. Labor Code sections 510 and 1194 require that an employer compensate employees for "hours worked" at a proper overtime rate for all hours that constitute overtime.

- 49. In this case, Defendants failed to pay Plaintiff J. HERNANDEZ and Overtime Class Members overtime wages for overtime hours that they worked for at least two reasons:
- (a) Defendants maintained a policy, practice, and/or procedure whereby they required Plaintiff J. HERNANDEZ and similarly situated employees to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events without paying Plaintiff J. HERNANDEZ and similarly situated employees for that time.
- (b) Defendants maintained a policy, practice, and/or procedure whereby they "rounded" or "shaved" down Plaintiff J. HERNANDEZ's and similarly situated employees' daily hours worked to the benefit of Defendants without paying Plaintiff and similarly situated employees for that time.
- 50. To the extent Defendants required Plaintiff J. HERNANDEZ and Overtime Class Members to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events or "rounded" or "shaved" down Plaintiff J. HERNANDEZ's and Overtime Class Members' daily hours worked when the worked more than eight hours in a workday or more than 40 hours in a workweek, Defendants failed to pay Plaintiff J. HERNANDEZ and Overtime Class Members for overtime hours worked at their overtime rate of pay. Defendants' policies and procedures were applied to Plaintiff J. HERNANDEZ and Overtime Class Members and resulted in non-exempt employees working overtime hours which were not

58. Labor Code Section 510, subdivision (a), states in relevant part:

Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. Nothing in this Section requires an employer to combine more than one rate of overtime compensation in order to calculate the amount to be paid to an employee for any hour of overtime work.

- 59. Under California law, the determination of the regular rate of pay for purposes of determining the amount of overtime pay and meal and rest period premiums must include all remuneration earned by the employee including the employee's commissions, bonuses, shift-differential pay or other non-hourly compensation.
- 60. At all times herein mentioned, Plaintiff J. HERNANDEZ and the Regular Rate Class were non-exempt employees in California and subject to the overtime provisions set-forth above. Plaintiff J. HERNANDEZ alleges that he and members of the Regular Rate Class received additional remuneration, including commissions, bonuses, service charges, shift-differential pay or other non-hourly compensation during pay periods in which they had worked over eight hours in a day, over forty hours in a week, or on a seventh consecutive day of work in a workweek. Defendants failed to account for the additional remuneration when calculating the regular rate of pay for purposes of paying overtime. This resulted in Plaintiff J. HERNANDEZ and members of the Regular Rate Class receiving less overtime than they were entitled to during time periods that they earned additional remuneration and worked overtime.
- 61. As a result of Defendants' unlawful conduct, Plaintiff J. HERNANDEZ and the members of the Regular Rate Class have suffered damages in an amount subject to proof, to the extent that they were not paid all overtime due when receiving additional remuneration.
- 62. Pursuant to California Labor Code Section 1194, Plaintiff J. HERNANDEZ and the Regular Rate Class are entitled to recover the full amount of their unpaid overtime wages,

prejudgment in	nterest and	attorneys'	fees and	costs.
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#### **FOURTH CAUSE OF ACTION**

## FAILURE TO PROVIDE ALL LEGALLY REQUIRED AND/OR LEGALLY COMPLIANT MEAL PERIODS IN VIOLATION OF LABOR CODE SECTIONS 226.7, 512, 1198, AND THE WAGE ORDERS

(On Behalf of the Meal Period Class against All Defendants and Does Defendants)

- 63. 49. Plaintiff J. HERNANDEZ incorporates all paragraphs above as though fully set forth herein.
- 64. At all times relevant to this Complaint, Plaintiff J. HERNANDEZ and the members of the Meal Period Class were non-exempt employees of Defendants in California and covered by California Labor Code sections 226.7, 512, 1198, and the Wage Orders.
- 65. California law requires an employer to provide an employee an uninterrupted meal period of no less than 30-minutes before the end of each 5-hour work period worked in a workday during which the employee is relieved of all duties. (Lab. Code §512; Wage Orders, subd. 11.) An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes before the end of the 10th hour of work. (Id.) If an employer fails to provide an employee a second meal period in accordance with the law, the employer must pay the employee one hour of pay at the employee's regular rate of compensation for each work day that a legally required meal period was not provided or was not duty free. (Id.)
- 66. Plaintiff J. HERNANDEZ and members of the Meal Period Class regularly worked shifts of more 5 hours. Nevertheless, Defendants regularly failed to provide Plaintiff J. HERNANDEZ and members of the Meal Period Class with legally compliant meal periods by requiring them to remain onsite and/or on-call during their 30-minute meal periods.
- 67. Defendants did not have a procedure in place to pay a premium wage to Plaintiff J. HERNANDEZ and members of the Meal Period Class when they did not receive a timely meal period. Accordingly, Defendants did not pay Plaintiff J. HERNANDEZ and members of the Meal Period Class a premium wage when they did not receive a timely meal period.

hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." *Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Lab. Code §226.7; Wage Order 5, subd. 12. Rest breaks must be in the middle of each work period. Wage Order 5, subd. 12. Additionally, the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. *Id.* 

- 74. In this case, Plaintiff J. HERNANDEZ and members of the Rest Break Class regularly worked shifts of more 3.5 hours. Nevertheless, Defendants regularly failed to provide Plaintiff J. HERNANDEZ and members of the Rest Break Class with legally compliant rest breaks by requiring them to remain onsite and/or on-call during their rest breaks. Defendants also failed to pay Plaintiff J. HERNANDEZ and members of the Rest Break Class one hour of pay at their regular rate of pay for each workday they did not receive all legally required and legally compliant rest periods. Defendants lacked a policy and procedure for compensating Plaintiff J. HERNANDEZ and members of the Rest Break Class with premium wages when they did not receive all legally required and legally compliant rest periods.
- 75. This practice resulted in Plaintiff J. HERNANDEZ and members of the Rest Break Class not receiving wages to compensate them for workdays which Defendants did not provide them with legally required and legally compliant rest periods in compliance with California law.
- 76. Because Defendants failed to afford employees rest periods in compliance with the law, Defendants are liable to Plaintiff J. HERNANDEZ and the Rest Period Class for one hour of additional pay at the regular rate of compensation for each workday that Defendants did not provide all legally required and legally compliant rest periods to employees.
- 77. Plaintiff J. HERNANDEZ, on behalf of himself and the Rest Period Class, seeks damages and all other relief allowable including a premium rest break wage for each workday the employees were not provided with all legally required and legally compliant rest periods.

#### **SIXTH CAUSE OF ACTION**

FAILURE TO PROVIDE COMPLETE AND ACCURATE WAGE STATEMENTS IN

#### **VIOLATION OF LABOR CODE SECTION 226**

#### (On Behalf of the Wage Statement Class against All Defendants and Does Defendants)

- 78. Plaintiff J. HERNANDEZ incorporates by reference all paragraphs above as if fully alleged herein.
- 79. At all relevant times, Plaintiff J. HERNANDEZ and the members of the Wage Statement Class were non-exempt employees of Defendants and covered by Labor Code Section 226.
- 80. Pursuant to Labor Code Section 226, subdivision (a), Plaintiff J. HERNANDEZ and members of the Wage Statement Class were entitled to receive, semimonthly or at the time of each payment of wages, an itemized wage statement accurately stating the following:
  - (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.
- 81. Defendants' illegal practices (described in more detail above and below including but not limited to Defendants' failure to pay all minimum wage and overtime for all hours worked and failure to pay meal and rest period premiums) resulted in Defendants not providing Plaintiff J. HERNANDEZ and other California non-exempt employees with accurate and complete itemized wage statements in violation of Labor Code section 226. The wage statements Defendants provided to employees were inadequate for reasons including but not limited to Defendants inaccurately or failing to state the following: the number of hours worked, the gross wages earned, the net wages earned, and hourly rates in place during the pay period with corresponding hours worked.
- 82. Defendants' failure to provide Plaintiff J. HERNANDEZ and members of the Wage Statement Class with accurate and complete wage statements was knowing and intentional.

Defendants had the ability to provide Plaintiff J. HERNANDEZ and members of the Class with accurate and complete wage statements but intentionally provided wage statements that Defendants knew were not accurate. Defendants knowingly and intentionally put in place practices which deprived employees of wages and resulted in Defendants' knowing and intentional providing of inaccurate wage statements.

- 83. As a result of Defendants unlawful conduct, Plaintiff J. HERNANDEZ and members of the Class have suffered injury in that the wage statements inaccurately stated and/or failed to state the aforementioned items of information and Plaintiff J. HERNANDEZ and the members of the class could not promptly and easily determine from the wage statement alone an accurate statement of: the gross wages earned, and the net wages earned.
- 84. Pursuant to Labor Code Section 226(e), Plaintiff J. HERNANDEZ and members of the Wage Statement Class are entitled to recover actual damages or fifty dollars for the initial pay period in which a violation of Labor Code Section 226 occurred and one-hundred dollars for each violation of Labor Code Section 226 in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars per employee.
- 85. Pursuant to Labor Code Section 226(g), Plaintiff J. HERNANDEZ and members of the Wage Statement Class are entitled to bring an action for injunctive relief to ensure Defendants' compliance with Labor Code Section 226(a). Injunctive relief is warranted because Defendants continue to provide currently employed members of the Class with inaccurate wage statements in violation of Labor Code Section 226(a) and currently employed members of the Class have no adequate legal remedy for the continuing injuries that will be suffered as a result of Defendants' ongoing unlawful conduct. Injunctive relief is the only remedy available for ensuring Defendants comply with Labor Code Section 226(a).
- 86. Pursuant to Labor Code Sections 226(e) and 226(g), Plaintiff J. HERNANDEZ and members of the Class are entitled to recover the full amount of penalties due under Labor Code Section 226(e), reasonable attorney fees, and costs of suit.

#### **SEVENTH CAUSE OF ACTION**

FAILURE TO PAY ALL WAGES TIMELY UPON SEPARATION OF EMPLOYMENT, IN

#### **VIOLATION OF LABOR CODE SECTIONS 201, 202, and 203**

#### (On Behalf of the Waiting Time Class against All Defendants and Does Defendants)

- 87. Plaintiff J. HERNANDEZ incorporates all paragraphs above as though fully set forth herein.
- 88. At all times relevant to this Complaint, Plaintiff J. HERNANDEZ and the other members of the Waiting Time Class were employees of Defendants, covered by California Labor Code sections 201 or 202.
- 89. Pursuant to California Labor Code sections 201 and 202, Plaintiff J. HERNANDEZ and members of the Waiting Time Class were entitled upon termination to timely payment of all wages earned and unpaid prior to termination. Discharged employees were entitled to payment of all wages earned and unpaid prior to discharge immediately upon termination. Employees who resigned were entitled to payment of all wages earned and unpaid prior to resignation within 72 hours after giving notice of resignation or, if they gave 72 hours previous notice, they were entitled to payment of all wages earned and unpaid prior to resignation at the time of resignation.
- 90. Defendants failed to pay Plaintiff J. HERNANDEZ and members of the Waiting Time Class all wages earned and unpaid prior to separation of employment, in accordance with either California Labor Code Sections 201 or 202. Plaintiff J. HERNANDEZ is informed and believes and thereon alleges that at all relevant times within the limitations period applicable to this cause of action Defendants maintained policies and practices of failing to pay at least minimum wage for all time worked, including overtime hours, failing to pay premium wages for workdays Defendants did not provide employees all meal periods in compliance with California law, and failing to pay premium wages for workdays Defendants did not provide employees all rest periods in compliance with California law.
- 91. Defendants' failure to pay Plaintiff J. HERNANDEZ and members of the Waiting Time Class all wages earned prior to separation of employment timely in accordance with California Labor Code Sections 201 and 202 was willful. Defendants had the ability to pay all wages earned by Plaintiff J. HERNANDEZ and members of the Waiting Time Class prior to separation of employment in accordance with California Labor Code Sections 201 and 202, but intentionally adopted policies

or practices incompatible with the requirements of California Labor Code Sections 201 and 202.

Defendants' practices. When Defendants failed to pay Plaintiff J. HERNANDEZ and members of the

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period premium wages, complete and accurate wage statements, all as described in more detail above. Due to Defendants' unfair and unlawful business practices in violation of the Labor Code, Defendants have gained a competitive advantage over other comparable companies doing business in the State of California that comply with their obligations to provide their employees with: payment for all hours worked, overtime, legally required and legally compliant meal periods and rest periods, and complete and accurate wage statement, all as described in more detail above.

- 99. As a result of Defendants' unfair competition as alleged herein, Plaintiff J. HERNANDEZ and members of the California Class have suffered injury in fact and lost money or property, as described in more detail above.
- and members of the California Class are entitled to restitution of all wages (minimum wage, overtime, meal period wages, rest period wages, and vested vacation pay) and other monies rightfully belonging to them that Defendants failed to pay them and wrongfully retained by means of their unlawful and unfair business practices. Plaintiff J. HERNANDEZ also seeks an injunction against Defendants on behalf of the California Class enjoining them, and any and all persons acting in concert with them, from engaging in each of the unlawful practices, policies and patterns set forth herein.

#### NINTH CAUSE OF ACTION

## CIVIL PENALTIES AND WAGES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004, LABOR CODE SECTION 2698, et seq.

(Against all Defendants)

- 101. Failure to pay wages for all hours worked at the legal minimum wage: Defendants employed many of their employees, including Plaintiffs C. HERNANDEZ and M. HERNANDEZ, as non-exempt, hourly employees. In California, an employer is required to pay hourly employees for all "hours worked," which includes all time that an employee is under control of the employer and all time the employee is suffered and permitted to work. This includes the time an employee spends, either directly or indirectly, performing services that inure to the benefit of the employer.
- 102. In this case, Defendants failed to pay Plaintiffs C. HERNANDEZ and M. HERNANDEZ at least minimum wage for all the hours that they worked for at least three reasons:

- (a) Defendants maintained a policy, practice, and/or procedure whereby they required Plaintiffs C. HERNANDEZ and M. HERNANDEZ to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events without paying Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees for that time.
- (b) Defendants required Plaintiffs C. HERNANDEZ and M. HERNANDEZ to call in, report for work, and listen to a pre-recoded schedule of names to determine whether they would be scheduled to work the next day. Defendants did not pay Plaintiffs for this time.
- (c) Defendants maintained a policy, practice, and/or procedure whereby they "rounded" or "shaved" down Plaintiffs' C. HERNANDEZ and M. HERNANDEZ daily hours worked to the benefit of Defendants without paying Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees for that time.
- 103. California Labor Code Sections 1194, 1194.2, and 1197 require an employer to compensate employees for all "hours worked" at least at a minimum wage rate of pay as established by the IWC and the Wage Orders. However, the foregoing policies, practices, and/or procedures resulted in Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees working time for which they were not compensated any wages, in violation of California Labor Code Sections 1194, 1194.2, and 1197; and the IWC Wage Order.
- Defendants employed many of their employees, including Plaintiffs C. HERNANDEZ and M. HERNANDEZ, as non-exempt, hourly employees. In California, an employer is required to pay hourly employees for all "hours worked," which includes all time that an employee is under control of the employer and all time the employee is suffered and permitted to work. This includes the time an employee spends, either directly or indirectly, performing services that inure to the benefit of the employer.
- 105. California Labor Code Sections 510 and 1194 require an employer to compensate employees at a higher rate of pay for hours worked in excess of 8 hours in a workday, 40 hours in a workweek, and on any seventh consecutive day of work in a workweek.

Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. (Lab. Code §510.)

106. Further, California Labor Code section 1198 provides,

The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful. (Lab. Code § 1198)

- 107. In this case, Defendants failed to pay Plaintiffs C. HERNANDEZ and M. HERNANDEZ at least minimum wage for all the hours that they worked for at least three reasons:
- (d) Defendants maintained a policy, practice, and/or procedure whereby they required Plaintiffs C. HERNANDEZ and M. HERNANDEZ to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events without paying Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees for that time.
- (e) Defendants required Plaintiffs C. HERNANDEZ and M. HERNANDEZ to call in, report for work, and listen to a pre-recoded schedule of names to determine whether they would be scheduled to work the next day. Defendants did not pay Plaintiffs C. HERNANDEZ and M. HERNANDEZ for this time.
- 108. Defendants maintained a policy, practice, and/or procedure whereby they "rounded" or "shaved" down Plaintiffs C. HERNANDEZ and M. HERNANDEZ's daily hours worked to the benefit of Defendants without paying Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees for that time.
- 109. To the extent Defendants required Plaintiffs C. HERNANDEZ and M. HERNANDEZ to report to work prior to the beginning of their shifts to work off-the-clock preparing banquet halls and conference rooms for specified events; call in, report for work, and listen to a pre-recoded

- schedule of names to determine whether they would be scheduled to work the next day; or "rounded" or "shaved" down Plaintiffs C. HERNANDEZ and M. HERNANDEZ's daily hours worked when the worked more than eight hours in a workday or more than 40 hours in a workweek, Defendants failed to pay Plaintiffs C. HERNANDEZ and M. HERNANDEZ at their overtime rate of pay. Defendants' policies and procedures were applied to Plaintiffs C. HERNANDEZ and M. HERNANDEZ and resulted in them working overtime hours which were not compensated at their overtime rate of pay in violation of Labor Code sections 510, 1194, 1198, and the Wage Orders.
- 110. Defendants also failed to Plaintiffs C. HERNANDEZ and M. HERNANDEZ at their double time rate of pay when they worked shifts more than twelve (12) hours in a day.
- and the Wage Orders require that "[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage."
- aggrieved employees to call in, report for work, and listen to a pre-recoded schedule of names to determine whether they would be scheduled to work the next day. Defendants requirement that Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees call in, report for work, and listen to the pre-recorded schedule to determine whether they would be scheduled to work the next day resulted in Plaintiffs and aggrieved employees being put to work for less than half of their usual or scheduled day's work. Despite the foregoing, Defendants failed to pay Plaintiffs C. HERNANDEZ and M. HERNANDEZ and aggrieved employees reporting time pay in violation of California law.
- 113. Failure to pay overtime at the proper overtime rate by failing to include all remuneration in calculating the regular rate of pay for purposes of paying overtime: Under California law, when determining the regular rate of pay for purposes of calculating the proper overtime premium pay the employer must consider not only straight hourly wage compensation but

must also include payment of all remuneration earned during the applicable time period. Additionally, service charges are to be included in the employee's regular rate of pay because unlike gratuities, which are discretionary, services charges are amounts that a patron is required to pay. Therefore, when an employer distributes all or part of a service charge to its employees, the distribution may be at the discretion of the employer and the service charges should be included in the regular rate of pay when calculating overtime payments. Division of Labor Standards Enforcement, *Tips and Gratuities*, (2018), <a href="https://www.dir.ca.gov/dlse/faq\_tipsandgratuities.htm">https://www.dir.ca.gov/dlse/faq\_tipsandgratuities.htm</a>.

- 114. At times, Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees received additional remuneration, including but not limited to service charges, during pay periods in which they had worked over eight hours in a day, over forty hours in a week, or on a seventh consecutive day of work in a workweek. Defendants failed to account for the additional remuneration when calculating employees' overtime rate of pay. This policy and practice resulted in Defendants paying their hourly non-exempt employees less overtime then they should have received.
- 115. Defendants' policies and procedures were applied to all hourly non-exempt employees in California and resulted in hourly non-exempt employees not receiving all overtime wages due to them in violation of Labor Code Sections 510, 1194, and the Wage Orders.
- and/or pay non-exempt employees wages to compensate them for workdays Defendants failed to provide legally compliant meal periods: Defendants often employ non-exempt employees, including the named Plaintiffs C. HERNANDEZ and M. HERNANDEZ, for shifts of 5 hours or more in length. California law requires an employer to provide an employee an uninterrupted meal period of no less than 30-minutes before the end of a 5-hour work period. Lab. Code § 512. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes before the end of the tenth hour of work. *Id.* If an employer fails to provide an employee a meal period in accordance with the law, the employer must pay the employee one hour of pay at the employee's regular rate of compensation for each work day that a legally required meal period was not provided or was not duty free. *Id.* Additionally, if the employer requires the employee to remain at the work site or facility during the

- M. HERNANDEZ and other non-exempt employees to take legally compliant meal periods by, including but not limited to, maintaining a policy, practice, and/or procedure whereby they required they required Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees to remain onsite and/or on-call during their 30-minute meal periods thereby resulting in a meal-period that was not duty-free. Specifically, Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees would be required to remain on stand-by in case they were needed to perform any last-minute changes to the banquet table setup or food and beverage display/setup.
- 118. Defendants failed to provide the employees with premium wages for these non-compliant meal periods. Defendants' failure to provide the employees with all legally compliant meal periods was in violation of Labor Code Section 226.7 and the IWC Wage Orders. Accordingly, Defendants owe each hourly employee wages for these non-compliant meal periods. Alternatively, when Defendants did pay a meal period premium, the premium was not paid at the Plaintiffs C. HERNANDEZ and M. HERNANDEZ's and other non-exempt employees' regular rate of pay because it failed to include all remuneration, including, but not limited to service charges, as outlined above.
- and/or pay non-exempt employees' wages to compensate them for workdays Defendants failed to provide legally compliant rest breaks: Defendants often employ non-exempt employees, including the named Plaintiffs C. HERNANDEZ and M. HERNANDEZ for shifts longer than 3.5 hours in in length. California law states that "[e]very employer shall authorize and permit all employees to take rest breaks, which insofar as practicable shall be in the middle of each work period. The authorized rest break time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. ... If an employer fails to provide an employee a rest break in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each

workday that the rest break is not provided." Wage Order 4, subd. 12; see Lab. Code § 226.7. Under California law, "[e]mployees are entitled to 10 minutes' rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum) (2012) 53 Cal.4th 1004, 1029; Lab. Code §226.7; Wage Order 5, subd. 12. Rest breaks must be in the middle of each work period. Wage Order 5, subd. 12. Additionally, the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. Augustus v. ABM Security Services, Inc., (2016) 5 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. Id.

- 120. During the four years prior to the filing of the complaint, Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees would work in shifts of more than 6 hours which is long enough to entitle them to two rest breaks under California law.
- 121. In this case, Defendants did not authorize or permit its California-based, hourly, non-exempt employees to take legally compliant rest breaks by, including but not limited to, maintaining a policy, practice, and/or procedure whereby they required Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees to remain onsite and/or on-call during their rest breaks, thereby resulting in a rest break that was not duty-free. Specifically, Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees would be required to remain on stand-by in case they were needed to perform any last-minute changes to the banquet table setup or food and beverage display/setup.
- 122. Defendants failed to pay employees one hour of pay at their regular rate of pay for each workday Plaintiffs C. HERNANDEZ and M. HERNANDEZ and employees did not receive all legally compliant rest breaks. Defendants' failure to provide the employees with rest breaks was in violation of Labor Code Section 226.7 and the IWC Wage Orders. Defendants owe each of their hourly employees for these unpaid rest break wages. Alternatively, when Defendants did pay a rest break premium, the premium was not paid at the Plaintiffs C. HERNANDEZ and M. HERNANDEZ's and other non-exempt employees' regular rate of pay because it failed to include all remuneration, including, but not limited to service charges, as outlined above.

- 123. **Pay Stub Violations**: California Labor Code Section 226(a) provides (*inter alia*) that, upon paying an employee his or her wages, the employer must "furnish each of his or her employees ... an itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the pay period for which the employee is paid, (7) the name of the employee and his or her social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee."
- 124. Because Defendants failed to compensate Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees for all hours worked at the minimum wage and/or applicable overtime rates of pay, failed to include all remuneration when calculating the applicable overtime rate of pay, and/or premium pay for any and all missed or on-duty meal periods and/or rest breaks, Defendants therefore failed to provide Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees with complete and accurate itemized wage statements in violation of Labor Code Section 226(a). Defendants' intentionally provided inaccurate information, which prevented Plaintiffs C. HERNANDEZ and M. HERNANDEZ and other non-exempt employees from knowing the actual wages and calculating their actual wages which caused Plaintiffs C. HERNANDEZ and other non-exempt employees to suffer actual damages.
- 125. Labor Code sections 2699, subdivisions (a) and (g) authorize an aggrieved employee, on behalf of himself or herself and other current or former employees, to bring a civil action to recover civil penalties against all Defendants pursuant to the procedures specified in Labor Code section 2699.3.
- 126. Plaintiffs C. HERNANDEZ and M. HERNANDEZ have complied with the procedures for bringing suit specified in Labor Code section 2699.3. Plaintiff filed notice on June 25,

2018 with the Labor and Workforce Development Agency ("LWDA") giving the LWDA written notice of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Plaintiff sent the notices to Defendants by certified mail. True and correct copies of Plaintiffs C. HERNANDEZ and M. HERNANDEZ's letters are hereto attached as **Exhibit 1.** Plaintiffs then filed an amended notice with the LWDA the following day on June 26, 2018. Plaintiff sent the amended notices to Defendants by certified mail. True and correct copies of Plaintiffs C. HERNANDEZ and M. HERNANDEZ's letters are attached hereto as **Exhibit 2.** On September 22, 2020, Plaintiffs C. HERNANDEZ and M. HERNANDEZ submitted a second amended notice. True and correct copies of Plaintiffs C. HERNANDEZ and M. HERNANDEZ and M. HERNANDEZ and M. HERNANDEZ and M.

- 127. Pursuant to Labor Code section 2699.3, the LWDA must give written notice by certified mail to the parties that it intends to investigate the alleged violations of the Labor Code within 66 days of the date of the complainant's written notice. LWDA did not provide written notice via certified mail to the parties that it intends to investigate the alleged violations of the Labor Code within 66 days of the date of the complainant's written notice as of the filing of this First Amended Complaint, more than 66 days after the amended LWDA letter was sent on June 26, 2018.
- 128. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff C. HERNANDEZ and M. HERNANDEZ are entitled to recover civil penalties and unpaid wages if applicable for Defendants' violations of Labor Code 226, 226.7, 510, 512, 1194, 1197 and 1198 during the Civil Penalty Period in the following amounts:
- (\$100) for each employee per pay period for the initial violation and two hundred dollars (\$200) for each employee per pay period for each subsequent violation [penalty amounts established by Labor Code section 2699(f)(2)].
- (\$250) for each employee for each pay period for the initial violation, and for each subsequent violation, one thousand dollars (\$1000) for each underpaid employee for each pay period [penalty amounts established by Labor Code section 226.3].

1	Code of Civil	Procedure Section 1021.5.
2		ON THE FIRST CAUSE OF ACTION:
3	1.	That Defendants be found to have violated the minimum wage provisions of the
4	California La	bor Code and the IWC Wage Order as to Plaintiff J. HERNANDEZ and the Minimum
5	Wage Class;	
6	2.	For damages, according to proof, including but not necessarily limited to unpaid
7	wages;	
8	3.	For any and all legally applicable penalties;
9	4.	For liquidated damages pursuant to California Labor Code Section 1194.2;
10	5.	For pre-judgment interest, including but not limited to that recoverable under
11	California Labor Code Section 1194, and post-judgment interest;	
12	6.	For attorneys' fees and costs of suit, including but not limited to that recoverable under
13	California Labor Code Section 1194;	
14	7.	For such and other further relief, in law and/or equity, as the Court deems just or
15	appropriate.	
16		ON THE SECOND CAUSE OF ACTION:
17	1.	That the Defendants be found to have violated the overtime provisions of the Labor
18	Code and the IWC Wages Orders as to the Plaintiff J. HERNANDEZ and the Overtime Class;	
19	2.	For damages, according to proof, including but not necessarily limited to unpaid
20	wages;	
21	3.	For any and all legally applicable penalties;
22	4.	For pre-judgment interest, including but not limited to that recoverable under
23	California La	bor Code section 1194, and post-judgment interest;
24	5.	For attorneys' fees and costs of suit, including but not limited to that recoverable under
25	California Labor Code section 1194; and,	
26	6.	For such and other further relief, in law and/or equity, as the Court deems just or
27	appropriate.	
28		ON THE THIRD CAUSE OF ACTION:

1	1.	That the Defendants be found to have violated the overtime provisions of the Labor
2	Code and the	IWC Wages Orders as to the Plaintiff J. HERNANDEZ and the Regular Rate Class;
3	2.	For damages, according to proof, including but not necessarily limited to unpaid
4	wages;	
5	3.	For any and all legally applicable penalties;
6	4.	For pre-judgment interest, including but not limited to that recoverable under
7	California Labor Code Section 1194, and post-judgment interest;	
8	5.	For attorneys' fees and costs of suit, including but not limited to that recoverable under
9	California Labor Code Section 1194; and,	
10	6.	For such and other further relief, in law and/or equity, as the Court deems just or
11	appropriate.	
12		ON THE FOURTH CAUSE OF ACTION:
13	1.	That the Defendants be found to have violated the meal break provisions of the Labor
14	Code and the IWC Wages Orders as to the Plaintiff J. HERNANDEZ and the Meal Period Class;	
15	2.	For damages, according to proof, including unpaid wages;
16	3.	For any and all legally applicable penalties;
17	4.	For pre-judgment interest, including but not limited to that recoverable under
18	California La	abor Code section 218.6, and post-judgment interest; and
19	5.	For such and other further relief, in law and/or equity, as the Court deems just or
20	appropriate.	
21		ON THE FIFTH CAUSE OF ACTION:
22	1.	That the Defendants be found to have violated the rest break provisions of the Labor
23	Code and the	IWC Wages Orders as to the Plaintiff J. HERNANDEZ and the Rest Period Class;
24	2.	For damages, according to proof, including unpaid wages;
25	3.	For any and all legally applicable penalties;
26	4.	For pre-judgment interest, including but not limited to that recoverable under
27	California Labor Code section 218.6, and post-judgment interest; and	
28	5.	For such and other further relief, in law and/or equity, as the Court deems just or

1	appropriate.			
2	ON THE SIXTH CAUSE OF ACTION:			
3	1.	That the Defendants be found to have violated the provisions of the Labor Code		
4	regarding pro	regarding proper itemized paystubs as to the Wage Statement Class;		
5	2.	For damages and/or penalties, according to proof, including damages and/or statutory		
6	penalties under Labor Code section 226(e) and any other legally applicable damages or penalties;			
7	3.	For pre-judgment interest and post-judgment interest;		
8	4.	For attorneys' fees and costs of suit, including but not limited to that recoverable unde		
9	California Labor Code section 226(e); and,			
10	5.	For such and other further relief, in law and/or equity, as the Court deems just o		
11	appropriate.			
12	ON THE SEVENTH CAUSE OF ACTION:			
13	1.	That the Defendants be found to have violated the provisions of the Labor Code		
14	regarding payment of wages due upon resignation or termination as to the Waiting Time Class;			
15	2.	For damages and/or penalties, according to proof, including damages and/or statutor		
16	penalties under Labor Code section 203 and any other legally applicable damages or penalties;			
17	3.	For pre-judgment interest, including under California Labor Code section 218.6, and		
18	post-judgment interest; and,			
19	4.	For such and other further relief, in law and/or equity, as the Court deems just o		
20	appropriate.			
21		ON THE EIGHTH CAUSE OF ACTION:		
22	1.	That the Defendants be found to have violated Business and Professions Code section		
23	17200 for the conduct alleged herein as to all Classes;			
24	2.	A declaratory judgment that the practices complained herein are unlawful;		
25	3.	An injunction against Defendants enjoining them, and any and all persons acting in		
26	concert with	them, from engaging in each of the unlawful practices, policies and patterns set fort		
27	herein;			
28	4.	For restitution to the full extent permitted by law; and,		

1	5. F	For such and other further relief, in law and/or equity, as the Court deems just or		
2	appropriate.			
3		ON THE NINTH CAUSE OF ACTION:		
4	1. Т	That the Defendants be found to have violated the provisions of the Labor Code and		
5	the IWC Wages	Orders as to the Plaintiffs C. HERNANDEZ and M. HERNANDEZ and current or		
6	former employe	es;		
7	2 F	For any and all legally applicable penalties, including but not limited to that		
8	recoverable und	er California Labor Code section 2699(f), 226, 226.7, 510, 512, 1194, 1197 and 1198.		
9	3. F	for attorneys' fees and costs of suit, including but not limited to that recoverable under		
10	California Labor	r Code section 2699(g); and,		
11	4. F	For such and other further relief, in law and/or equity, as the Court deems just or		
12	appropriate.			
13	Dated: September, 2022 Respectfully submitted,			
14		LAVI & EBRAHIMIAN, LLP		
15		By:		
16 17		Joseph Lavi, Esq. Melissa A. Huether, Esq.		
18		Attorneys for PLAINTIFFS  DEMAND FOR HIRY TRIAL		
19	<u>DEMAND FOR JURY TRIAL</u>			
20	PLAINT	TIFF JOSE HERNANDEZ demands a trial by jury for himself and the Class on all		
21	claims so triable	) <u>.</u>		
22	Dated: Septemb			
23		LAVI & EBRAHIMIAN, LLP		
24		By:		
25		Joseph Lavi, Esq. Melissa A. Huether, Esq.		
26		Attorneys for PLAINTIFFS		
27				
28				
20				

# **Exhibit B**

#### 2NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

Jose Hernandez v. Hilton Management LLC, et al.
Superior Court of the State of California, County of Los Angeles, Case No. 18STCV10071

#### YOU ARE NOT BEING SUED. THIS IS NOT AN AD.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:		
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do <b>not</b> have to do anything.	
	Your estimated Individual Settlement Payment is: \$<<>. See the explanation in Section 5 below.	
	After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the settlement payment, you will release claims against the Defendants as detailed in Section 4 below. If your address has changed, you must notify the Settlement Administrator as explained in Section 7 below.	
Exclude Yourself and Get No Payment	To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement and you will not be bound by the Settlement.	
	You will still receive an Individual PAGA Payment and release the Released PAGA Claims if you are a PAGA Employee (described below).	
	Instructions are set forth in Section 8 below.	
Object	If you do not exclude yourself from the settlement, you may write to the Court about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection.	
	Directions are provided in Section 9 below.	

#### 1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of the above-captioned action pending in the Superior Court of the State of California, in and for the County of Los Angeles (the "Court") has been reached between Plaintiff Jose Hernandez ("Plaintiff") and Defendants Hilton Management LLC, Park Hotels and Resorts Inc (f/k/a Hilton Worldwide, Inc., Hilton Domestic Operating Company Inc. (erroneously sued as Hilton Domestic Operating Company LLC), and Hilton Hotel Employer LLC ("Defendants") and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Notice because you have been identified as a member of the Class, which means you may be a non-exempt employee who works or worked for Defendants at the Beverly

Hilton Hotel (the "Hotel") in Beverly Hills, California at any time during the Class Period. If you are a member of the "Class" you are either a Banquet Class Member or a Non-Banquet Class Member, as defined below:

"Banquet Class Members" means Class Members who worked in the Hotel's Banquet Department during the Class Period.

"Non-Banquet Class Members" means all other Class Members who did not work in the Hotel's Banquet Department during the Class Period.

The Class Period is the period of time from December 28, 2014 through July 26, 2022.

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 December 28, 2018, Plaintiff Jose Hernandez filed a civil Complaint against Defendants in Los Angeles County Superior Court entitled *Jose Hernandez*, on behalf of himself and others similarly situated v. Hilton Management LLC; Hilton Worldwide, Inc.; Hilton Domestic Operating Company LLC; and Does 1 to 100, Inclusive, Case Number 18STCV10071 (the "Action"). Carlos Hernandez and Miguel Hernandez were subsequently added as representative Plaintiffs. The Action, as amended, alleges that Plaintiffs and Class Members were not paid all earned wages and did not receive all required meal and rest breaks and/or compliant premiums, all wages were not paid upon separation of employment, and paystubs did not contain all required information required by law. Plaintiffs further allege that as a result, Defendants also engaged in unfair competition, and are liable for associated penalties under the California Labor Code and California Private Attorneys General Act of 2004 ("PAGA").

Defendants strongly deny and dispute all of the claims asserted against them. Specifically, Defendants contend that Plaintiff and the Class Members have been properly compensated and have been provided with all required meal and rest periods and/or required premiums. Defendants further contend that there were lawful wage and hour policies, practices, and procedures in effect during the Class Period, that Defendants complied with California wage statement requirements; that Defendants are not liable for any of the damages or penalties claimed or that could be claimed in the Action; and that the Action cannot be maintained as a class action. **The Court has made no ruling on the merits of Plaintiffs' claims.** 

The Court granted preliminary approval of the Settlement on [PRELIMINARY APPROVAL DATE]. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and for Joseph Lavi, Vincent Granberry, and Melissa A. Huether of Lavi & Ebrahimian, LLP to serve as Class Counsel.

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

Plaintiffs and Defendants have agreed to settle this case on behalf of themselves and the Class Members in exchange for the Maximum Settlement Amount of Five Million Five Hundred Eighty-Five Thousand Dollars and Zero Cents (\$5,585,000.00) to be paid by Hilton in full satisfaction of

all claims arising from the Action. The Maximum Settlement Amount includes (1) all Individual Settlement Payments to Participating Class Members and to the PAGA Members, (2) Class and PAGA Representative Enhancement Payments to Jose Hernandez, Carlos Hernandez, and Miguel Hernandez of Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) each, for a total of Twenty Six Thousand Seven Hundred Dollars and Zero Cents (\$26,700.00) for their time and effort in pursuing this case, (3) Settlement Administration Costs estimated to be Twenty-Three Thousand Dollars and Zero Cents (\$23,000.00), (4) a Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) payment to the California Labor and Workforce Development Agency ("LWDA") and a Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) payment to be distributed to all Class Members who were employed at the Hotel during the period from June 25, 2017 through July 26, 2022 ("PAGA Members") (collectively, the "PAGA Settlement Amount") for settlement of the PAGA claims, and (5) subject to Court approval of an application for fees and costs, an award of up to One Million Eight Hundred Sixty-One Thousand Six Hundred Sixty-Six Dollars and Zero Cents (\$1,861,666.00) in attorneys' fees and up to Forty Thousand Dollars and Zero Cents (\$40,000.00) in litigation costs to Class Counsel, who has been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses.

The Maximum Settlement Amount is split between the Banquet Class and the Non-Banquet Class as follows

- The "Banquet Settlement Amount" is the portion of the Maximum Settlement Amount allocated to resolving all claims asserted on behalf of the Banquet Class and Banquet PAGA Members, or One Million Two Hundred Twenty Thousand Dollars and Zero Cents (\$1,263,000.00). After deducting 50% of the Class and PAGA Representative Enhancement Payments to Plaintiffs, 50% of the Settlement Administration Costs, the Banquet PAGA Settlement Amount, and 50% of the attorneys' fees and costs, a total of approximately \$\bigsup\_{\text{unill}}\$ will be available to the Banquet Class Members who do not opt out of the Settlement ("Net Banquet Settlement Amount").
- The "Non-Banquet Settlement Amount" is the portion of the Maximum Settlement Amount allocated to resolving all claims asserted on behalf of the Non-Banquet Class and Non-Banquet PAGA Members, or Four Million Sixty-Five Thousand Dollars and Zero Cents (\$4,322,000.00). After deducting 50% of the Class and PAGA Representative Enhancement Payments to Plaintiffs, 50% of the Settlement Administration Costs, the Non-Banquet PAGA Settlement Amount, and 50% of the attorneys' fees and costs, a total of approximately \$\_\_\_\_\_\_ will be available to the Banquet Class Members who do not opt out of the Settlement ("Net Banquet Settlement Amount").

## 4. Plan of Distribution to Class Members

Banquet Class Members and Non-Banquet Class Members will be allocated a "Individual Settlement Payment" based on the number of "Shifts" each worked during the Class Period. "Shifts" means number of shifts worked by each Class Member as a non-exempt employee at the Hotel during the Class Period.

If you are a Banquet Class Member, your share will be calculated using the following formula: Individual Settlement Payment = (Net Banquet Settlement Amount ÷ Total Banquet Shifts during

the Class Period) x individual Shifts for each individual Participating Banquet Class Member during the Class Period.

If you are a Non-Banquet Class Member, your share will be calculated using the following formula: Individual Settlement Payment = (Net Non-Banquet Settlement Amount  $\div$  Total Non-Banquet Shifts during the Class Period) x individual Shifts for each individual Participating Non-Banquet Class Member during the Class Period.

In addition, all PAGA Members will receive an Individual PAGA Payment regardless of whether or not they opt out of the Settlement in exchange for their release the claims alleged in the Action under PAGA. You are a PAGA Member if you are a Banquet Class Member or Non-Banquet Class Member who worked for Defendants during the PAGA Period. The PAGA Period is from June 25, 2017 through July 26, 2022.

- The Non-Banquet PAGA Settlement Amount will be \$38,457.90. Of this seventy-five (75%), or \$28,843.43 will be distributed to the LWDA and the remaining 25%, or \$9,614.47 will be distributed to the Non-Banquet Class Members based on their number of Shifts during the PAGA Period using the following formula: Individual PAGA Payment = (Non-Banquet PAGA Settlement Amount ÷ Total Non-Banquet Shifts during the PAGA Period) x individual Shifts for each individual Participating Non-Banquet PAGA Member during the PAGA Period.
- The Banquet PAGA Settlement Amount will be \$11,542.10. Of this seventy-five (75%), or \$8,656.58 will be distributed to the LWDA and the remaining 25%, or \$2,885.52 will be distributed to the Banquet Class Members based on their number of Shifts during the PAGA Period using the following formula: Individual PAGA Payment = (Banquet PAGA Settlement Amount ÷ Total Banquet Shifts during the PAGA Period) x individual Shifts for each individual Participating Banquet PAGA Member during the PAGA Period

Tax Matters. IRS Forms W-2 and 1099-MISC will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments Class Members receive under the Settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, 25% of each Individual Settlement Payment will be allocated as alleged unpaid wages, 37.5% will be allocated as alleged unpaid interest, and the remaining 37.5% will be allocated as alleged unpaid civil penalties. Each Individual PAGA Payment shall be treated as 100% penalties and be reported on an IRS Form 1099. Neither Class Counsel nor Defendants' Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each individual are unique to him/her, and each individual may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

<u>Conditions of Settlement</u>. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering a judgment.

#### 5. What Do I Release Under the Settlement?

<u>Released Class Claims</u>. Upon the Effective Date and the full funding of the Settlement, Plaintiffs and all Participating Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties any and all Released Class Claims during the Class Period.

The "Released Class Claims" includes: all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever released by Plaintiffs and the Participating Class Members including without limitation statutory, constitutional, contractual, or common law claims, whether known or unknown, against the Released Parties (as defined below), or any of them, for any type of relief and penalties that accrued during the Class Period, and as a result of Class Members' employment with Defendants, which relate to or arise under any state or local law or state administrative order that were pled or could have been pled based on the claims alleged in the operative complaint and FAC in the Class Action, the merits of which Defendants dispute, include, without limitation, all claims for and related to unpaid wages, including but not limited to: (1) failure to properly calculate and to pay wages for all hours of work at the legal minimum wage rate in violation of all applicable sections of the California Labor Code ("Labor Code") and the Wage Orders; (2) failure to properly calculate and pay overtime, double-time, reporting time, and paid sick leave in violation of all applicable sections of the Labor Code the Wage Orders; (3) failure to include all remuneration when calculating the overtime and double-time rate of pay in violation of all applicable sections of the Labor Code and the Wage Orders; (4) failure to provide all legally required and legally compliant meal periods in violation of all applicable sections of the Labor Code and the Wage Orders; (5) failure to provide all legally required and legally compliant rest periods in violation of all applicable sections of the Labor Code and the Wage Orders; (6) failure to pay premiums for missed, late, short or interrupted meal or rest periods and failure to pay such premiums at the regular rate of compensation in violation of all applicable sections of the Labor Code and the Wage Orders; (7) failure to provide complete and accurate wage statements and maintain accurate records in violation of all applicable sections of the Labor Code; (8) failure to timely pay wages due at time of separation of employment in violation of all applicable sections of the Labor Code; (9) failure to treat mandatory service charges as tip wages; (10) unfair business practices in violation of Business and Professions Code section 17200 et seq.; (11) any claim for penalties arising out of or related to the claims in this Paragraph 42, including but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting time penalties; (12) penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698 et seq. for violations of the Labor Code that were alleged in the FAC or which could have been alleged based on the facts therein, including but not limited to §§ 226, 226.7, 510, 512, 1194, 1197 and 1198; (13) claims for injunctive relief; (14) punitive damages; (15) liquidated damages; (16) penalties of any nature; (17) interest; (18) attorneys' fees; and (19) costs. The Released Class Claims also include claims arising under the California Labor Code (including but not limited to Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218, 218.5, 218.6, 223, 225, 225.5, 226, 226.7, 233, 245, 246, 248.5, 510, 512, 516, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198) and the Wage Orders as to the facts alleged in the FAC and all claims that could have been pled based on facts alleged therein; the California Civil Code, including but not limited to sections 3287 and 3289; and California Code of Civil Procedure section 1021.5.

Released PAGA Claims. Upon the Effective Date and Defendants' full funding of the Settlement, Plaintiffs, the State of California (including the LWDA), and all PAGA Aggrieved Employees will also be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties any and all Released PAGA Claims during the PAGA Period. The Parties acknowledge and agree that there is no right for any Class Member

to opt out or otherwise exclude himself or herself from the Settlement of the PAGA claims in the Action.

The "Released PAGA Claims" are all claims against the Released Parties for civil and statutory penalties, attorneys' fees, and costs arising under PAGA released by Plaintiffs, the State of California (including the LWDA), and the PAGA Members that accrued during the PAGA Period, and as a result of the PAGA Members' employment with Defendants, that were pled or could have been pled based on the claims alleged in the operative complaint and FAC in the PAGA Action and Plaintiffs' June 25, 2018, June 26, 2018, and October 9, 2020 notices to the LWDA.

The "Released Parties" are (i) Defendants; (ii) Oasis West Realty LLC ("Owner"); (iii) each of Defendants' and Owner's past, present and future parents, subsidiaries, divisions, concepts, related and affiliated entities including, without limitation, and any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, or is under common control with Defendants and/or Owner; (iv) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, payroll service providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

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

#### 6. How much will my payment be?

Defendants' records reflect that you are a [Banquet Class Members or Non-Banquet Class Member].

Defendants' records reflect that you worked <<\_\_\_\_> Shifts for Defendants as an hourly non-exempt employee in California during the Class Period.

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

If you believe the information provided above as to the number of your Shifts is incorrect and wish to dispute it, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than [Response Deadline]. If you dispute the information stated above, the information Defendants provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

Defendants' records also reflect that you [are/are not] a PAGA Member. Based on this information your estimated Individual PAGA Payment is << >>.

## 7. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your Individual Settlement Payment and, if applicable, Individual PAGA Payment will be mailed automatically to the same address as this Class Notice if the Settlement is approved by the Court. **You are not required to go to court or pay anything to the lawyers in this case.** If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is:

(800)

The Court will hold a Final Approval Hearing on \_\_\_\_\_\_\_, at \_\_\_\_\_\_\_ to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately four months after this hearing. If there are objections or appeals, resolving them can take time, usually more than a year. Please be patient.

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

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." If you opt out, you will not receive an Individual Settlement Payment from the Settlement, and you will not be bound by the Settlement which means you will retain the right to sue Defendants for Released Class Claims.

To opt out, you must mail to the Settlement Administrator a written request to opt-out postmarked no later than [Response Deadline]. The written request to opt-out must be received by the Settlement Administrator and must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member received the Notice, does not wish to participate in the settlement, and wants to be excluded from the settlement; (d) be returned by first class mail or equivalent to the Settlement Administrator at the specified address; and (e) be postmarked by [Response Deadline] and returned to the Settlement Administrator at the specified address stated in the Class Notice.

The address for the Settlement Administrator is \_\_\_\_\_\_. Written requests for exclusion that are postmarked after [Response Deadline], or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

If you opt out, you will still receive your Individual PAGA Settlement Payment in exchange for your release of the claims alleged in this lawsuit under PAGA and be bound by the judgment in this case regarding the PAGA claims, but you will not be deemed to have released any other claims due to this Settlement or bound by any other aspect of the judgment in this case.

# 9. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out (i.e., Participating Class Member) and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the enhancement award, either in writing or in

person. A written objection ("Notice of Objection") must be in writing must include: (a) the objector's full name, signature, address, telephone number, and the last four digits of the objector's social security number; (b) the dates the objector was employed by Defendant in California; and (c) a written statement of all grounds for the objection and copies of supporting documents, if any. A Participating Class Member may also appear at the Final Approval hearing, either in person or through his or her own attorney, if he or she wishes to object to the Settlement.

All written objections must be mailed to the Settlement Administrator at \_\_\_\_\_\_, no later than [Response Deadline].

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object and you will still be mailed a check for your Individual Settlement Payment [and Individual PAGA Payment].

The addresses for Parties' counsel are as follows:

#### **Class Counsel:**

Joseph Lavi, Esq. (State Bar No. 209776) Vincent Granberry, Esq. (State Bar No. 276483) Melissa A. Huether, Esq. (State Bar No. 316604) LAVI & EBRAHIMIAN, LLP

8889 W. Olympic Blvd., Suite 200 Beverly Hills, California 90211 Telephone: (310) 432-0000

Facsimile: (310) 432-0001

#### **Counsel for Defendant:**

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

The Court will hold a Final Approval Hearing at \_\_\_\_\_\_ on \_\_\_\_\_\_, at the Los Angeles County Superior Court, Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, California 90012, in Department SSC1 before Judge Stuart M. Rice. 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. 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 if they wish, either in person or remotely using the LA CourtConnect procedure at https://www.lacourt.org/lacc/. If the hearing is continued, notice will posted Settlement Administrator's website be on the In addition, hearing dates are posted on the Internet via the Case Access page for the California Superior Court for the County of Los Angeles (http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil) and entering the Case No. 18STCV10071.

#### 11. How do I get more information about the Settlement?

You may call the Settlement Administrator at

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment or other Settlement documents by going to the Settlement Administrator's website at \_\_\_\_\_\_\_. You may also get more details by examining the Court's file on the Internet via the Case Access page for the California Superior Court for the County of Los Angeles and entering the Case No. 18STCV10071. If you wish to view the Court files in person, you must make an appointment with the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.