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Attorneys for Defendants
VERONICA GALLARDO and
VERONICA'S AUTO INSURANCE SERVICES, INC.

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

LISET VIAMONTES, individually, and
ALDO ALPIZAR, individually, and on behalf
of all others similarly situated,

Plaintiff,

vs.

ADRIANA'S INSURANCE SERVICES,
INC., a California corporation d/b/a
ADRIANA'S INSURANCE; JUST AUTO
INSURANCE SERVICES, INC., a
California corporation d/b/a JUST AUTO
INSURANCE; VERONICA'S AUTO
INSURANCE SERVICES, INC., a
California corporation d/b/a VERONICA'S
AUTO INSURANCE; LEON FREGOSO, an
individual; ADRIANA GALLARDO
FREGOSO, an individual; and VERONICA
GALLARDO, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO. BC502472

[Assigned for all purposes to Honorable
Kenneth R. Freeman, Dept. SS-14]

CLASS ACTION

**AMENDED SETTLEMENT
AGREEMENT AND RELEASE OF
PAGA CLAIMS**

Complaint Filed: March 7, 2013
Trial Date: None

1 Plaintiff Liset Viamontes, individually and on behalf of other aggrieved employees, and
2 defendants Veronica Gallardo and Veronica's Auto Insurance Services, Inc. ("Defendants")
3 hereby enter into this Amended Settlement Agreement and Release of Private Attorneys General
4 Act of 2004 Claims ("Settlement Agreement") as follows:

5 **I. DEFINITIONS**

6 As used in this Settlement Agreement, the following terms shall have the following
7 meanings:

8 A. "Action" means the civil action entitled *Liset Viamontes, et al. v. Adriana's*
9 *Insurance Services, Inc. et al.*, Los Angeles Superior Court Case No. BC502472.

10 B. "Adriana's Defendants" means Adriana's Insurance Services, Inc., Just Auto
11 Insurance Services, Inc., Leon Fregoso and Adriana Gallardo Fregoso.

12 C. "Aggrieved Employees" means all persons directly employed by Defendants as
13 non-exempt employees at locations operated by Veronica's Auto Insurance in California during
14 the PAGA Period.

15 D. "Court" means the Superior Court of the State of California for the County of Los
16 Angeles.

17 E. "Defense Counsel" means Koray J. Bulut, Seth Burns, and Stephen Taeusch of
18 Goodwin Procter LLP.

19 F. "Effective Date" means the date upon which the Court's order granting approval
20 of the Settlement becomes Final.

21 G. "Employee Information" means information regarding Aggrieved Employees that
22 Defendants shall in good faith compile from their records and shall be authorized by the Court to
23 transmit in a secured manner to the Settlement Administrator. Employee Information shall be
24 transmitted in electronic form and shall include each Aggrieved Employee's full name; last
25 known address; Social Security number; and total number of Qualifying Pay Periods. If any
26 Employee Information is unavailable to Defendants, Defendants will use their best efforts to
27 deduce or reconstruct the information prior to when it must be submitted to the Settlement
28 Administrator.

1 H. "Final" means: (1) that the Settlement has been finally approved by the Court and
2 either (1) the California Court of Appeal has rendered a final judgment affirming the Court's final
3 approval without material modification and the date for further appeal has passed without further
4 appeal; or (2) the applicable date for seeking appellate review of the Court's final approval of the
5 Settlement has passed without a timely appeal or request for review having been made.

6 I. "Individual PAGA Payment" means the amount payable from the PAGA Fund to
7 each Aggrieved Employee.

8 J. "LWDA" means the California Labor & Workforce Development Agency.

9 K. "Maximum Settlement Amount" means the maximum amount that Defendants
10 shall have to pay in connection with this Settlement, which shall be inclusive of all Individual
11 PAGA Payments to Aggrieved Employees, Plaintiff's Counsel Payment, Settlement
12 Administration Costs, and the PAGA payment to the LWDA. Subject to Court approval, the
13 Maximum Settlement Amount shall not exceed Six Hundred ^{SIXTY} ~~Seventy~~-Five Thousand Dollars
14 (\$⁶~~75~~⁶⁵,000.00).

15 L. "Notice" means the Notice of PAGA Settlement, substantially in the form attached
16 as Exhibit 1, which shall be subject to Court approval and which the Settlement Administrator
17 shall mail to each Aggrieved Employee explaining the terms of the Settlement.

18 M. "PAGA" means the Labor Code Private Attorneys General Act of 2004,
19 California Labor Code Sections 2698 *et seq.*

20 N. "PAGA Fund" means the Maximum Settlement Amount, less Plaintiff's Counsel
21 Payment and Settlement Administration Costs.

22 O. "PAGA Period" means the period from December 21, 2011 through the date of
23 entry of an order by the Court in this Action approving this Settlement.

24 P. "Parties" means Plaintiff and Defendants.

25 Q. "Plaintiff" means plaintiff Liset Viamontes.

26 R. "Plaintiff's Counsel" means Matthew J. Matern, Launa Adolph, and Kayvon
27 Sabourian of Matern Law Group, PC.

1 S. “Plaintiff’s Counsel Payment” means the reasonable attorneys’ fees for Plaintiff’s
2 Counsel’s litigation and resolution of this Action (not to exceed one-third of the Maximum
3 Settlement Amount), and Plaintiff’s Counsel’s expenses and costs reasonably incurred in
4 connection with this Action, as approved by the Court.

5 T. “Prior Settlement Agreement” means the Settlement Agreement and Release of
6 Private Attorneys General Act of 2004 Claims executed by Plaintiff on June 2, 2019.

7 U. “Qualifying Pay Periods” means the total number of pay periods during which an
8 Aggrieved Employee was employed as a non-exempt employee of Defendants in California
9 during the PAGA Period.

10 V. “Released Claims” means any claims for civil penalties under PAGA, including
11 claims based on alleged violations of California Labor Code sections 201 to 203, 204, 210, 221,
12 223, 224, 225.5, 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198,
13 1199, 2699, and 2802, and the California Industrial Welfare Commission Wage Order, which
14 may have arisen during the PAGA Period.

15 W. “Released Parties” means the Adriana’s Defendants, Defendants, and their past,
16 present, and future subsidiaries, parents, affiliates, predecessors, insurers, agents, employees,
17 successors, assigns, officers, officials, directors, attorneys, personal representatives, executors,
18 and shareholders.

19 X. “Settlement” means the final and complete disposition of the Action pursuant to
20 the terms of this Settlement Agreement.

21 Y. “Settlement Administration Costs” means the reasonable costs and fees of
22 administering the Settlement to be paid from the Maximum Settlement Amount, including, but
23 not limited to: (i) translating into Spanish, printing, mailing, and re-mailing (if necessary) of the
24 Notice to Aggrieved Employees; (ii) preparing and submitting to Aggrieved Employees and the
25 LWDA all appropriate tax filings and forms; (iii) computing the amount of and distributing
26 Individual PAGA Payments, Plaintiff’s Counsel Payment, and the PAGA payment to the LWDA;
27 (iv) any cost associated with the escheatment process for any uncashed or undeliverable
28

1 settlement checks; and (v) establishing a Qualified Settlement Fund, as defined by the Internal
2 Revenue Code.

3 Z. "Settlement Administrator" means CPT Group, Inc. the third-party settlement
4 administrator agreed to by the Parties to administer the Settlement.

5 AA. "Settlement Packet" means the Notice and Individual PAGA Payment to be
6 mailed to each Aggrieved Employee by the Settlement Administrator.

7 **II. RECITALS**

8 A. On December 21, 2012, Plaintiff's Counsel sent a letter to Defendants and the
9 LWDA on behalf of Plaintiff and all Aggrieved Employees, in compliance with California Labor
10 Code section 2699.3. More than 33 days passed after the letter was sent to the LWDA, and the
11 LWDA did not indicated that it intends to investigate the alleged violations referenced in the
12 letter.

13 B. On March 7, 2013, plaintiffs Liset Viamontes and Aldo Alpizar (collectively,
14 "Plaintiffs") filed a putative wage and hour class and PAGA action against Defendants and
15 Adriana's Defendants in Los Angeles County Superior Court, alleging the following causes of
16 action: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3)
17 failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due
18 to discharged and quitting employees; (6) failure to maintain required records; (7) failure to
19 furnish accurate itemized wage statements; (9) unfair and unlawful business practices; and (9)
20 penalties under the Labor Code Private Attorneys General Act.

21 C. On October 21, 2013, Defendants and Adriana's Defendants filed a Petition to
22 Compel Arbitration of Plaintiffs' Individual Claims, which the Court denied. On December 23,
23 2013, Defendants and Adriana's Defendants filed a Notice of Appeal in connection with the
24 Court's denial of its Petition to Compel Arbitration of Plaintiffs' Individual Claims. On March 3,
25 2016, the Court of Appeal reversed the Court's denial of the Petition to Compel Arbitration of
26 Plaintiffs' Individual Claims and directed the Court to allow Defendants and Adriana's
27 Defendants to submit additional evidence. On August, 6, 2016, Defendants and Adriana's
28 Defendants filed motions to compel arbitration of Plaintiffs' claims. On September 6, 2016 and

1 November 15, 2016, the Court issued orders granting Defendants' and Adriana's Defendants'
2 motions to compel arbitration as to all non-PAGA claims and stayed the PAGA claim pending
3 arbitration. Thereafter, the Parties and Adriana's Defendants agreed to arbitrate this matter with
4 Hon. Enrique Romero (Ret.).

5 D. The Parties engaged in substantial formal and informal discovery. As part of the
6 settlement negotiations, Defendants provided Plaintiff with data regarding the total number of
7 Aggrieved Employees and total number of pay periods worked by Aggrieved Employees.

8 E. On February 12, 2019, the Parties reached agreement regarding the material terms
9 of a proposed settlement that would fully resolve the Action as to the Aggrieved Employees,
10 made subject to the Parties entering into a more comprehensive written settlement agreement.

11 F. Plaintiff's Counsel has thoroughly investigated the facts relating to the claims
12 alleged in the operative complaint and has made a thorough study of the legal principles
13 applicable to the claims asserted against Defendants. Based on its investigation and evaluation of
14 this case, Plaintiff's Counsel has concluded that the settlement is fair, reasonable, and adequate in
15 light of all known facts and circumstances, including the defenses asserted by Defendants,
16 potential adverse findings regarding liability, and numerous potential appellate issues.

17 G. Defendants deny, and continue to deny, each and every claim and contention
18 alleged in the Action, and have always maintained that they never engaged in any unlawful acts
19 regarding any of the matters alleged in the Action.

20 NOW, THEREFORE, in consideration of the mutual covenants, promises, and
21 conditions set forth, the Parties agree as follows:

22 III. NON-ADMISSION OF LIABILITY

23 A. Based on the factual and legal issues involved, the expense and time necessary to
24 prosecute the Action through trial, the risks, uncertainty, and costs of further prosecution, the
25 difficulty of proof necessary to establish liability, and the relative benefits to the Aggrieved
26 Employees of an expeditious resolution to the Action, the Parties have concluded that the terms
27 set forth in this Settlement Agreement are fair, reasonable, adequate, and in the best interests of
28 the Aggrieved Employees.

1 **B.** Defendants deny any liability for any of the claims in the Action, as well as any
2 other potential or unknown claims based on wage and hour violations under state or federal law.
3 Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any
4 action taken to carry out this Settlement, is, may be construed as, or may be used as, an
5 admission, concession, or indication by or against Defendants of any unlawful conduct, fault,
6 wrongdoing, or liability whatsoever. Defendants specifically deny that they have engaged in any
7 unlawful or wrongful conduct against Plaintiff or the Aggrieved Employees.

8 **IV. TERMS OF THE PAGA SETTLEMENT**

9 **A. Maximum Settlement Amount**

10 Defendants shall pay a Maximum Settlement Amount not to exceed Six Hundred Sixty-
11 Five Thousand Dollars (\$665,000.00). The Maximum Settlement Amount shall include
12 Plaintiff's Counsel Payment, Settlement Administration Costs, and the PAGA Fund.

13 **B. Plaintiff's Counsel Payment**

14 1. Plaintiff's Counsel will apply to the Court for an award of attorneys' fees
15 not to exceed one-third (1/3) of the Maximum Settlement Amount, which amounts to Two
16 Hundred Twenty-One Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents
17 (\$221,666.67). Plaintiff's Counsel will be responsible for submitting all documents to support its
18 request for attorneys' fees.

19 2. Plaintiff's Counsel also will seek reimbursement of reasonable litigation
20 costs associated with Plaintiff's Counsel's prosecution of the Action in an amount not to exceed
21 Twenty-Five Thousand Dollars (\$25,000.00). Plaintiff's Counsel will submit documentation for
22 reimbursement of reasonable litigation costs.

23 3. Defendants will not oppose or object to Plaintiff's Counsel's application
24 for attorneys' fees, not to exceed one-third (1/3) of the Maximum Settlement Amount, plus all
25 documented and reasonable litigation costs and expenses.

26 4. Plaintiff's Counsel Payment shall be paid from the Maximum Settlement
27 Amount. Any reductions by the Court of Plaintiff's Counsel's request for attorneys' fees or costs
28 shall revert to the PAGA Fund.

1 5. Plaintiff's Counsel shall provide the Settlement Administrator with a
2 properly completed and signed IRS Form W-9 in order for the Settlement Administrator to
3 process the Plaintiff's Counsel Award approved by the Court.

4 6. Plaintiff's Counsel shall be solely and legally responsible to pay all
5 applicable taxes on the Plaintiff's Counsel Award. The Settlement Administrator shall issue an
6 IRS Form 1099 to Plaintiff's Counsel for Plaintiff's Counsel Award. This Settlement is not
7 conditioned upon the Court awarding Plaintiff's Counsel any particular amount of attorneys' fees
8 or costs, unless the amount awarded is more than specified in this paragraph.

9 **C. Settlement Administration Fees And Costs**

10 Settlement administration shall be done by a Settlement Administrator. Settlement
11 Administration Costs, which are estimated not to exceed \$12,000.00, shall be paid from the
12 Maximum Settlement Amount.

13 **D. PAGA Fund**

14 1. After deducting the Plaintiff's Counsel Payment, and the Settlement
15 Administration Costs, the remainder of the Maximum Settlement Amount shall be allocated
16 toward payment to the LWDA and Aggrieved Employees ("PAGA Fund").

17 2. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Fund shall be
18 paid to the LWDA ("LWDA Payment"), and the remaining twenty-five percent (25%) shall be
19 distributed to the Aggrieved Employees ("Aggrieved Employees Payment").

20 **V. PROCEDURE FOR APPROVING SETTLEMENT**

21 **A. Motion for an Order Approving Settlement**

22 1. Plaintiff's Counsel will draft and file a Motion for an Order Approving the
23 Settlement (the "Approval Motion"). In compliance with Section 2699(1)(2) of the California
24 Labor Code, Plaintiff shall submit this Agreement to the LWDA at the same time it is submitted
25 to the Court. The Parties will cooperate in seeking approval of the Settlement, and they agree to
26 fully cooperate in the drafting and/or filing of any further documents reasonably necessary to be
27 prepared or filed and to take all steps that may be requested by the Court relating to the approval
28 and implementation of the Settlement.

2. At the hearing on the Approval Motion, the Parties will jointly appear, support the granting of the motion, and submit an order granting the motion in the form evidenced by Exhibit 2 to this Agreement.

3. If the Court does not grant the Approval Motion and issue an order approving the Settlement, under the specific terms requested, the Parties agree to meet and confer to address the Court's concerns and determine whether resolution of the claims encompassed by the Settlement can be obtained in a manner consistent with the Court's concerns.

4. If the Court does not grant approval of the Settlement, or if the Court's final approval of the Settlement is reversed or materially modified on appellate review, then the Settlement will become null and void. A modification of the Plaintiff's Counsel Payment shall not be deemed a material modification of the Settlement.

5. If the Settlement does not become final for any reason, this Agreement shall be null and void *ab initio* and any order entered by the Court relating to or in furtherance of this Settlement shall be treated as withdrawn or vacated. In such case, the Parties shall be returned to their respective statuses as of the date immediately prior to the execution of this Agreement, the Parties shall proceed in all respects as if this Agreement had not been executed, and Viamontes's individual claims, should she choose to pursue them, shall be decided in arbitration and not in court.

VI. NO RIGHT TO OPT OUT

The Parties agree there is no statutory right for any Aggrieved Employee to opt out or otherwise exclude himself or herself from the Settlement.

VII. SUBMISSION OF ORDER

Plaintiff shall submit a copy of the order providing for or denying an award of civil penalties within ten (10) days after entry of the dismissal and/or order, in compliance with Section 2699(1)(3) of the California Labor Code. If Plaintiff fails to satisfy this condition in strict compliance with Section 2699(1)(3) of the California Labor Code, the Settlement shall be voidable at Defendants' option.

1 **VIII. WAIVER OF RIGHT TO APPEAL**

2 Provided that the Court's approval of the Settlement is consistent with the material terms
3 of this Agreement, Plaintiffs, Defendants, and their respective counsel hereby waive any and all
4 rights to appeal the final approval of the Settlement, and the order approving the Settlement
5 therefore will become non-appealable at the time it is entered. The waiver of appeal does not
6 include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment
7 proceedings or any waiver of Plaintiff's Counsel's choice to contest the Court's award of fees or
8 costs. If an appeal is taken, the time for consummating the Settlement (including making
9 payments under the Settlement) will be suspended until such time as their appeal is finally
10 resolved and the approval order becomes Final.

11 **IX. COMPUTATION AND DISTRIBUTION OF TOTAL SETTLEMENT FUND**

12 **A. Deposit Of Maximum Settlement Amount**

13 1. The Settlement Administrator shall establish a Qualified Settlement Fund
14 pursuant to Section 468B(g) of the Internal Revenue Code for purposes of administering the
15 Settlement. The Settlement Administrator shall furnish the Qualified Settlement Fund with its
16 own Employer ID Number.

17 2. Within five (5) days after the Effective Date, the Settlement Administrator
18 will provide Defendants with wire transfer information. Within ten (10) days after the Settlement
19 Administrator provides Defendants with wire transfer information, Defendants shall transfer the
20 Maximum Settlement Amount to the Settlement Administrator via wire transfer.

21 **B. Calculating Individual PAGA Payments**

22 1. The gross amount of the Aggrieved Employees Payment shall be paid to
23 the Aggrieved Employees on pro rata basis based on the number of each Aggrieved Employee's
24 Qualifying Pay Periods. The Settlement Administrator shall determine the eligibility for, and the
25 amounts of, each Individual PAGA Payment under the terms of this Agreement. Defendants'
26 records shall be determinative for purposes of calculating the number of Qualifying Pay Periods
27 worked and any payments to Aggrieved Employees.

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2. The Individual PAGA Payments shall be deemed as penalties from which no payroll taxes will be withheld. The Settlement Administrator shall report the Individual PAGA Payments as non-wage income in the year of the payments on a Form 1099 or similar form issues to the Aggrieved Employees for their respective payments.

C. Distribution Of PAGA Fund

1. Defendants shall provide the Settlement Administrator with the Employee Information within fifteen (15) business days after the Court issues an Order approving the Settlement. The Employee Information will otherwise remain confidential and will not be disclosed to anyone, except in order to carry out the reasonable efforts described in Section IX.C.8 herein, or pursuant to Defendants' express written authorization or order of the Court.

2. Upon receipt of the Employee Information, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the most current mailing address for each Aggrieved Employee. The Parties agree that this procedure provides the best notice practicable to Aggrieved Employees and fully complies with due process.

3. Within twenty (20) days after the Effective Date, or as otherwise directed by the Court, the Settlement Administrator shall pay to the LWDA the LWDA Payment.

4. Within twenty (20) days after the Effective Date, the Settlement Administrator shall distribute to Plaintiff's Counsel the Court-approved Plaintiff's Counsel Payment.

5. Within twenty (20) days after the Effective Date, the Settlement Administrator shall deduct an amount equivalent to the Settlement Administration Costs.

6. Within twenty (25) days after the Effective Date, or as otherwise directed by the Court, the Settlement Administrator shall distribute to Aggrieved Employees their

1 Individual PAGA Payments. The Settlement Administrator will send the Settlement Packets to
2 the Aggrieved Employees by postmarked First Class U.S. Mail.

3 7. To provide the best notice practicable, any Settlement Packets returned to
4 the Settlement Administrator as non-delivered shall be sent by post-marked First Class U.S. Mail
5 to the forwarding address affixed thereto, if any. If no forwarding address is provided for a
6 Settlement Packet that is returned as non-deliverable, the Settlement Administrator shall use the
7 best available technology accessible to the Settlement Administrator (e.g. skip tracing, address
8 verification, etc.) or other mutually agreeable method to locate Aggrieved Employees and will
9 then mail the Settlement Packets to the address identified by the best available technology
10 accessible to the Settlement Administrator or other mutually agreeable method. If no current
11 address is located, the Settlement Packets for that individual will be deemed undeliverable. If any
12 Aggrieved Employees cannot be located within two attempts at mailings by the Settlement
13 Administrator, the Settlement Packet for that individual will be deemed undeliverable.

14 8. The Settlement Administrator shall maintain a list of the postmark date for
15 the original mailing of the Settlement Packets to the Aggrieved Employees, the postmark date of
16 any subsequent mailing to any Aggrieved Employees, and a list of Aggrieved Employees who did
17 not receive the Settlement Packet due to the inability to locate a valid address using the
18 procedures described herein or who otherwise could not be located within two attempts at
19 mailing.

20 9. All settlement checks will remain valid and negotiable for 180 days from
21 the date of their mailing by the Settlement Administrator. After 180 days from the date of their
22 mailing by the Settlement Administrator, any uncashed checks will be void and escheat to the
23 State of California State Controller's Office, Unclaimed Property Fund in the Aggrieved
24 Employee's name.

25 10. No later than January 31 of the year following payment of their individual
26 portion of the PAGA Fund, the Settlement Administrator will prepare and issue an IRS Form
27 1099 to each Aggrieved Employee who received an Individual PAGA Payment.

1 **X. CLAIMS RELEASED BY AGGRIEVED EMPLOYEES**

2 **A. Claims Released By The LWDA And All Aggrieved Employees**

3 Upon the Effective Date, the LWDA and Aggrieved Employees, including Plaintiff, fully
4 release and forever discharge the Released Parties from any and all Released Claims. As a result
5 of this release, the Aggrieved Employees will be unable to bring a claim under, or recover in any
6 other claim brought under, the California Private Attorneys General Act, California Labor Code §
7 2698 *et seq.*, for any violations of the Released Claims that took place during the PAGA Period.

8 **B. Tax Treatment And Tax Indemnification**

9 Aggrieved Employees will assume any tax obligations or consequences which may arise
10 from this Settlement. Aggrieved Employees release any and all claims they have or may have
11 against Defendants for any claims, demands, deficiencies, levies, assessments, executions,
12 judgments, penalties, taxes, indemnification, and any other recoveries related to any payments
13 made under this Settlement Agreement.

14 **XI. MISCELLANEOUS PROVISIONS**

15 **A. Mutual Full Cooperation**

16 Plaintiff, Defendants, Plaintiff's Counsel, and Defense Counsel agree to fully cooperate
17 with each other to accomplish the terms of this Settlement, including, but not limited to,
18 execution of such documents and to take such other action as may reasonably be necessary to
19 implement the terms herein. The Parties agree to use their best efforts and any other efforts that
20 may become necessary by Order of the Court, or otherwise, to effectuate this Settlement.

21 **B. Parties' Authority**

22 The signatories hereto represent that they are fully authorized to enter into this Settlement.

23 **C. Binding Nature Of The Settlement**

24 1. This Settlement shall be binding upon, and inure to the benefit of, the
25 successors or assigns of the Released Parties. Plaintiff represents, covenants, and warrants that
26 she has not directly or indirectly, assigned, transferred, encumbered, any claim, demand, action,
27 cause of action or rights released in the Released Claims in this Settlement. This Settlement also
28 shall be binding upon Plaintiff and the Aggrieved Employees.

1 2. This Settlement may be amended or modified only by a written instrument
2 signed by Plaintiff's Counsel and Defense Counsel. No rights under this Settlement may be
3 waived except in writing.

4 3. This Settlement and any attached exhibits constitute the entire agreement
5 between Plaintiff and Defendants relating to the terms contained herein. All prior or
6 contemporaneous agreements, understandings, and statements, whether oral or written, whether
7 express or implied, and whether by a party or its counsel, concerning this Settlement, including
8 the Prior Settlement Agreement, are merged herein. No oral or written representations,
9 warranties, or inducements have been made to any party concerning this Settlement or its exhibits
10 other than the representations, warranties, and covenants contained and memorialized in such
11 documents.

12 4. Paragraph titles or captions contained herein are inserted as a matter of
13 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
14 Settlement or any of its provisions. Each term of this Settlement is intended to be contractual and
15 not merely a recital.

16 **D. Applicable Law**

17 All terms and conditions of this Agreement and its exhibits will be governed by and
18 interpreted according to the laws of the State of California, without giving effect to any conflict of
19 law principles or choice of law principles.

20 **E. Joint Drafting Of Settlement Documents**

21 1. Plaintiff's Counsel and Defense Counsel have arrived at this Settlement as
22 a result of a series of arm's-length negotiations, taking into account all relevant factors, present
23 and potential.

24 2. This Settlement has been drafted jointly by Plaintiff's Counsel and Defense
25 Counsel and, therefore, in any construction or interpretation of this Settlement, the same shall not
26 be construed against any of the Parties.

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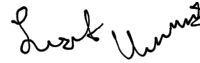
F. Execution Of The Settlement

This Settlement may be executed in one or more counterparts and by facsimile. All executed copies of this Settlement and photocopies thereof shall have the same force and effect and shall be as legally binding and enforceable as the original.

G. Continuing Jurisdiction Of The Court

Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that the Court shall retain jurisdiction over the Parties, and over this Settlement, in order to: (i) monitor and enforce compliance of Settlement, and/or (ii) resolve any disputes over this Settlement or the administration of the benefits of this Settlement.

Dated: 2/6/2020, 2020



Plaintiff Liset Viamontes

Dated: _____, 2020

Defendant Veronica's Auto Insurance, Inc.

By: _____

Dated: _____, 2020

Defendant Veronica Gallardo

Approved as to form and content:

Dated: _____, 2020

MATERN LAW GROUP, PC

By: _____

MATTHEW J. MATERN
Attorneys for Plaintiffs Liset Viamontes and
Aldo Alpizar

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3 executed copies of this Settlement and photocopies thereof shall have the same force and effect
4 and shall be as legally binding and enforceable as the original.

5 **G. Continuing Jurisdiction Of The Court**

6 Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that the
7 Court shall retain jurisdiction over the Parties, and over this Settlement, in order to: (i) monitor
8 and enforce compliance of Settlement, and/or (ii) resolve any disputes over this Settlement or the
9 administration of the benefits of this Settlement.

10
11
12 Dated: _____, 2020

Plaintiff Liset Viamontes

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15 Dated: 02/11, 2020

Defendant Veronica's Auto Insurance, Inc.

By: Veronica Gallardo

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19 Dated: 02/11, 2020

Defendant Veronica Gallardo

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22 Approved as to form and content:

23 Dated: 2/11, 2020

MATERN LAW GROUP, PC

24
25 By: Matthew J. Matern Launa Adolph
26 MATTHEW J. MATERN
27 Attorneys for Plaintiffs Liset Viamontes and
28 Aldo Alpizar

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DATED: 2 / 11, 2020

GOODWIN PROCTER LLP

By: Koray Bulut / ST
KORAY J. BULUT
Attorneys for Defendants Veronica's Insurance
Services, Inc. and Veronica Gallardo

EXHIBIT 1

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

LISET VIAMONTES, *et al.*,

Plaintiffs,

vs.

ADRIANA'S AUTO INSURANCE
SERVICES, INC., *et al.*,

Defendants.

CASE NO. BC502472

**NOTICE OF PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT**

On [date of approval of the Settlement], the Los Angeles County Superior Court approved a settlement of claims under the Private Attorneys General Act ("PAGA") against Veronica's Auto Insurance Services, Inc. and Veronica Gallardo ("Defendants") and Adriana's Insurance Services, Inc., Just Auto Insurance Services, Inc. Leon Fregoso and Adriana Gallarda Fregoso (the "Adriana's Defendants"). The case is entitled *Viamontes v. Adriana's Insurance Services, Inc., et al.*, Case No. BC502472. This is to notify you that you have been designated to receive a settlement award as a result of your employment with Defendants at locations operated by Veronica's Auto Insurance Services, Inc. in California.

In the lawsuit, Plaintiff Liset Viamontes ("Plaintiff") alleged that Defendants violated California labor laws by failing to provide non-exempt employees meal and rest breaks, failing to pay minimum and overtime wages, failing to reimburse business expenses, and other derivative claims, and sought civil penalties under PAGA for Plaintiff and other persons who were directly employed by Defendants as non-exempt employees at locations operated by Veronica's Auto Insurance in California at any time between December 21, 2012 and [date of approval of the Settlement] (the "PAGA Period"). Defendants deny any wrongdoing and all liability in the action but have agreed to settle the matter to avoid the expense and disruption of further litigation.

Enclosed please find a check in the amount of \$[Individual Settlement Payment], which may be cashed until [180 days from date of mailing]. The amount of your settlement check is based on the number of pay periods you were employed by Defendants in California during the PAGA Period. The amount constitutes payment in settlement of claims for penalties and will be reported to the Internal Revenue Service ("IRS") as non-wage income on an IRS Form 1099. If you have any questions regarding tax reporting or payment, you should contact a tax professional.

Under the terms of the Court-approved settlement, you have fully released and forever discharged any claims that have been or could have been asserted against Defendants and Adriana's Defendants and their past, present, and future subsidiaries, parents, affiliates, predecessors, insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective

pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans' respective current or former trustees and administrators, agents, employees, and fiduciaries for civil penalties under PAGA, including claims based on alleged violations of California Labor Code sections 201 to 203, 204, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 2699, 2802, and the California Industrial Welfare Commission Wage Order, which may have arisen during the PAGA Period.

If you have any questions regarding this award or this case, you may contact Plaintiff's attorneys identified below.

Matthew J. Matern
Launa Adolph
Kayvon Sabourian
MATERN LAW GROUP, PC
1230 Rosecrans Ave., Suite 200
Manhattan Beach, California 90266
310-531-1900

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.

EXHIBIT 2

MATERN LAW GROUP, PC
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Attorneys for Defendants
VERONICA GALLARDO and
VERONICA'S AUTO INSURANCE
SERVICES, INC.

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

LISET VIAMONTES, individually, and
ALDO ALPIZAR, individually, and on behalf
of all others similarly situated,

Plaintiff,

vs.

ADRIANA'S INSURANCE SERVICES,
INC., a California corporation d/b/a
ADRIANA'S INSURANCE; JUST AUTO
INSURANCE SERVICES, INC., a
California corporation d/b/a JUST AUTO
INSURANCE; VERONICA'S AUTO
INSURANCE SERVICES, INC., a
California corporation d/b/a VERONICA'S
AUTO INSURANCE; LEON FREGOSO, an
individual; ADRIANA GALLARDO
FREGOSO, an individual; and VERONICA
GALLARDO, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO. BC502472

[Assigned for all purposes to the Hon.
Kenneth R. Freeman, Dept. SS-14]

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

Complaint Filed: March 7, 2013
Trial Date: None set

1 Plaintiff Liset Viamontes's ("Plaintiff") Amended Motion for Approval of PAGA
2 Settlement came regularly for hearing before this Court on March 12, 2020, the Honorable
3 Kenneth R. Freeman presiding. Having considered Plaintiff's motion and all documents in
4 support thereof, including the Amended Settlement Agreement and Release of PAGA Claims
5 ("Settlement Agreement"), and good cause appearing,

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

7 1. The Court grants Plaintiff's Amended Motion for Approval of PAGA Settlement.
8 For purposes of this Final Order, the Court adopts all defined terms as set forth in the Settlement
9 Agreement filed in this Action.

10 2. The Court has jurisdiction over all claims asserted in this Action, Plaintiff, the
11 Aggrieved Employees, and defendants Veronica Gallardo and Veronica's Auto Insurance
12 Services, Inc. ("Defendants").

13 3. Pursuant to the California Private Attorneys General Act of 2004 ("PAGA"),
14 Labor Code section 2699, *et seq.*, the Court approves the Settlement and finds that it is fair and
15 reasonable and furthers PAGA's objectives. The Court finds that notice of the Settlement has
16 been provided to the LWDA, in compliance with Labor Code § 2699(1)(2).

17 4. Upon the Effective Date, the LWDA and Aggrieved Employees, including
18 Plaintiff, shall have, by operation of this Final Order and Judgment, fully released and forever
19 discharged the Released Parties from the following Release Claims: any claims for civil penalties
20 under PAGA, including claims based on alleged violations of California Labor Code sections 201
21 to 203, 204, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1194,
22 1197, 1197.1, 1198, 1199, 2699, and 2802, and the California Industrial Welfare Commission
23 Wage Order, which may have arisen during the PAGA Period.

24 5. The Court finds the Maximum Settlement Amount, the PAGA Fund, and the
25 methodology used to calculate and pay each Aggrieved Employee's Payment are fair and
26 reasonable and authorizes the Settlement Administrator to pay the Aggrieved Employees Payment
27 in accordance with the terms of the Settlement Agreement.

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1 6. The Court finds that Plaintiff's Counsel's request for attorneys' fees in the amount
2 of \$221,666.67, which is one-third of the Maximum Settlement Amount, is reasonable under the
3 common fund method. The Court also finds that Plaintiff's Counsel's request for attorney's fees
4 is reasonable under the lodestar method. The Court finds that the number of hours Plaintiff's
5 Counsel spent prosecuting this Action is reasonable and Plaintiff's Counsel's hourly rates are
6 reasonable and in line with rates prevailing in the community. The Court awards Plaintiff's
7 Counsel \$221,666.67 in attorneys' fees to be paid from the Maximum Settlement Amount.

8 7. The Court finds that Plaintiff's Counsel has incurred \$22,515.13 in costs and
9 expenses attributable to this Action. Such costs and expenses were reasonably incurred in
10 prosecuting the Action on behalf of the Aggrieved Employees. The Court awards Plaintiff's
11 Counsel \$22,515.13 in costs and expenses to be paid from the Maximum Settlement Amount.

12 8. The Court approves Settlement Administration Costs in the amount of \$12,000.00
13 to be paid from the Maximum Settlement Amount.

14 9. The Notice of Private Attorneys General Act Settlement attached as Exhibit 1
15 hereto fairly and adequately describes the lawsuit, the approved settlement, and is the best notice
16 practicable under the circumstances.

17 10. This Judgment is intended to be a final disposition of this Action as to defendants
18 Veronica Gallardo and Veronica's Auto Insurance Services, Inc. only and is intended to be
19 immediately appealable.

20 11. Nothing in this Final Order and Judgment or the settlement shall be construed as
21 an admission or concession by any party. The settlement and this resulting Final Order and
22 Judgment simply represent a compromise of disputed allegations.

23 12. Without affecting the finality of this Order, this Court shall retain jurisdiction with
24 respect to all matters related to the administration and consummation of the settlement, and any
25 and all claims, asserted in, arising out of, or related to the subject matter of the lawsuit, including
26 but not limited to all matters related to the settlement and the determination of all controversies
27 relating thereto.

28

1 13. The Court directs that judgment shall be entered in accordance with the terms of
2 this Final Order and Judgment.

3 IT IS SO ORDERED.

4
5 DATED: _____

HON. KENNETH R. FREEMAN
JUDGE OF THE SUPERIOR COURT

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