

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT AND RELEASE

Chamoun, et al. v. Rusnak Auto Group, et al., San Bernardino County Superior Court
Case No. CIVDS2023062

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of this action shall be memorialized by and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere in this Private Attorneys General Act (Labor Code § 2698 *et seq.*) Settlement Agreement (“Agreement”).

This Agreement is made by and between Defendants RUSNAK CORPORATION, RUSNAK/WESTLAKE, RUSNAK/PASADENA, RUSNAK/ARCADIA, RUSNAK DAIMLER CHRYSLER CENTER, INC., and ANAHEIM HILLS JAGUAR LAND ROVER, INC., alleged to collectively be doing business as the “RUSNAK AUTO GROUP,” BENTLEY PASADENA, HYUNDAI INLAND EMPIRE, JAGUAR ANAHEIM HILLS, LAND ROVER ANAHEIM HILLS, JAGUAR LAND ROVER ANAHEIM HILLS, ROLLS-ROYCE MOTOR CARS PASADENA, RUSNAK BMW, RUSNAK MASERATI, MERCEDES-BENZ OF ARCADIA, RUSNAK/PASADENA AUDI, RUSNAK/PASADENA JAGUAR, RUSNAK/PASADENA PORSCHE, RUSNAK VOLVO CARS, RUSNAK/WESTLAKE AUDI, RUSNAK/WESTLAKE PORSCHE, KARMA PASADENA, KARMA WESTLAKE, AND GENESIS OF LOMA LINDA (“Defendants”) and Plaintiff RAFFE CHAMOUN (“Plaintiff”), for themselves and on behalf of the State of California, (Defendants and Plaintiff as defined herein, are sometimes collectively referred to as the “Parties.”) shall be binding on the Parties, the Aggrieved Employees, subject to the Court’s approval of the Settlement.

The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and concluded by agreement of Defendants to pay the sum of Three Hundred Ninety Thousand Dollars

and Zero Cents (\$390,000.00), for settlement of Plaintiff's Individual Settlement and the Private Attorneys General Act ("PAGA") claim, and which sum shall be inclusive of Plaintiff's Counsel's attorneys' fees and costs, and the settlement administrator's fees.

Article I.

Definitions.

Section 1.01 Definitions.

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) "Action" shall refer to the lawsuit entitled: *Chamoun, et al. v. Rusnak Auto Group, et al.*, San Bernardino County Superior Court Case No. CIVDS2023062.
- (b) "Aggrieved Employees" is defined as all persons who are or were employed by any of the Defendants in the State of California and were compensated, in whole or in part, based on commissions during the Release Period, but excluding those persons designated as executive, administrative, or professionally exempt.

Defendants estimate that there are approximately 18,132 total PAGA periods during the Release Period and this estimate serves as the basis for Plaintiff's acceptance of the Settlement. Should the PAGA periods increase by more than 10%, the payout will increase proportionately over the 10% grace (i.e., meaning if the total PAGA periods increase by 11%, the settlement will be increased by 1%).

- (c) "Court" means the Superior Court for the State of California, San Bernardino County.
- (d) "Counsel for Defendants" are:

John A. Mavros, Esq.
Bret Martin, Esq.
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, CA 92614

Phone: (949) 851-2424; Fax: (949) 851-0152
Email: jmavros@fisherphillips.com
Email: bmartin@fisherphillips.com

- (e) "Effective Date" means the date the Court enters the order approving the Settlement as described in this Agreement.
- (f) "Gross Settlement Amount" refers to the Three Hundred Ninety Thousand Dollars and Zero Cents (\$390,000.00), which shall be paid by Defendants to fund the Settlement, and from which all settlement payments for the Individual Settlement, Net Settlement Amount, Court approved attorneys' fees and costs, and Settlement Administration Costs shall be paid.
- (g) "Individual Settlement Amount" refers to the Five Thousand Dollars and Zero Cents (\$5,000.00), which shall be paid by Defendants to Plaintiff Raffe Chamoun from the Gross Settlement Amount, for his efforts and participation in the Action and as compensation for his general release of all claims against Defendants in the Individual Settlement Agreement.
- (h) "Net Settlement Amount" means the total sum available for payment of PAGA penalties to the Aggrieved Employees and the Labor and Workforce Development Agency ("LWDA") after deducting Plaintiff's Counsel's fees and costs, the Individual Settlement Amount, and the costs of administration, collectively referenced in Section 3.01(a-d), from the Gross Settlement Amount.
- (i) "Plaintiff's Counsel" is:
 - CounselOne, PC
 - Anthony J. Orshansky, Esq.
 - Jennifer L. Connor, Esq.
 - Justin Kachadoorian, Esq.
 - 9301 Wilshire Boulevard, Suite 650
 - Beverly Hills, CA 90210

anthony@counselonegroup.com
jennifer@counselonegroup.com
justin@counselonegroup.com

- (j) “Release Period” means January 20, 2019, to the date of the approval hearing and the Court’s order thereon.
- (k) “Released Claims” means any and all claims during the Release Period relating to the facts and claims asserted in the Action or any other claims under PAGA based on the facts alleged, including, but not limited to, any and all claims for PAGA penalties for violations of the California Labor Code governing: (1) meal period and rest period liability (including, but not limited to, Labor Code §§ 512 and 226.7); (2) underpayment, nonpayment, or late payment of minimum wages, overtime and double time wages (including, but not limited to, Labor Code §§ 510, 1194, 1197 and 1198); (3) wage statement violations (including, but not limited to, Labor Code § 226); (4) untimely wages and waiting time penalties (including, but not limited to, Labor Code §§ 201-203, 204 and 210); and (5) failure to reimburse business expenses (including, but not limited to, Labor Code § 2802).
- (l) “Released Parties” means Defendants, and each of their respective present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, parent companies, subsidiaries, related entities (including, but not limited to, “Rusnak Auto Group,” “Rusnak Automotive,” and PRM Corporation) divisions, affiliates, predecessors, successors, assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendants.
- (m) “Settlement Administrator” refers to CPT Group, Inc.
- (n) “Settlement” or “Agreement” refers to the settlement of the Action reached by the Parties of the Action.

Article II.

Background.

Section 2.01 Background.

- (a) The Parties entered into a tolling agreement, as amended September 29, 2020, tolling claims of Plaintiff and the Aggrieved Employees effective as of January 20, 2020.
- (b) On March 12, 2020, Plaintiff, on behalf of himself and on behalf of similarly situated aggrieved employees, submitted a letter to the LWDA regarding his intention to pursue a PAGA claim against Defendants. Plaintiff is also asserting individual claims against Defendants.
- (c) Subsequently, the Parties engaged in an investigation along with informal discovery.
- (d) Thereafter, the Parties also attended a full day mediation with Peter D. Lichtman (Ret.), whereat they reached the Settlement pursuant to a mediator's proposal.
- (e) On October 27, 2020, Plaintiff filed the Action in San Bernardino Superior Court to facilitate Court approval of the Settlement.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Allocation of the Settlement.

The Parties will cooperate in obtaining through written stipulation or unopposed motion an Order from the Court approving the payment of the Gross Settlement Amount as follows:

(a) **Plaintiff's Attorneys' Fees.**

Plaintiff's Counsel shall request up to One Hundred Thirty-Six Thousand Five Hundred Dollars and Zero Cents (\$136,500.00) of the Gross Settlement Amount

for attorneys' fees ("Plaintiff's Attorney's Fees.") If Plaintiff's counsel's request for Plaintiff's Attorney's Fees is not approved and/or is reduced by the Court, any amount not approved and/or reduced by the Court will be included in the Net Settlement Amount to be paid to the Aggrieved Employees and the LWDA. Defendants agree not to oppose a fee request by Plaintiff's counsel in the foregoing amount.

(b) Litigation Costs.

Plaintiff's Counsel shall request up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) of the Gross Settlement Amount as reimbursement for expenses incurred in the Action ("Litigation Costs"). If Plaintiff's counsel's request for reimbursement of Litigation Costs is not approved and/or is reduced by the Court, any amount not approved and/or reduced by the Court will be included in the Net Settlement Amount to be paid to Aggrieved Employees and the LWDA. Defendants agree not to oppose a request for reimbursement of Litigation Costs not exceeding the foregoing amount.

(c) Administration Costs.

Plaintiff's counsel shall request up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the Gross Settlement Amount as payment to the Settlement Administrator for costs incurred by the Settlement Administrator in connection with the Settlement, including mailing of the Notice of PAGA Settlement described herein ("Settlement Administration Costs"). To the extent the Settlement Administration Costs exceed this amount, they shall be paid from the Gross Settlement Amount; to the extent they fall below this amount, they shall be included in the Net Settlement Amount to be paid to the Aggrieved Employees and the LWDA.

(d) Individual Settlement Amount.

Plaintiff shall request up to Five Thousand Dollars and Zero Cents (\$5,000.00), of the Gross Settlement Amount, for his efforts and participation in the Action and as compensation for his general release of all claims against Defendants in the Individual Settlement Agreement. To the extent the Individual Settlement Amount Costs is not approved and/or is reduced by the Court, any amount not approved and/or reduced by the Court will be included in the Net Settlement Amount to be paid to Aggrieved Employees and the LWDA.

(e) Net Settlement Amount.

The Net Settlement Amount shall be determined by deducting Plaintiff's Attorney's Fees, Litigation Costs, Individual Settlement Amount, and Settlement Administration Costs as set forth in section 3.01(a)-(d) from the Gross Settlement Amount. The Net Settlement Amount shall be distributed as set forth below in section 3.04(b).

The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed and shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of the payment of PAGA penalties as described in this Agreement.

Section 3.02 Court Approval.

The Parties will seek the Court's approval of the PAGA settlement and the payment of penalties as described in this Agreement by way of a stipulation or unopposed motion to be filed by Plaintiff's Counsel or as directed by the Court. Plaintiff's Counsel will lodge this Agreement

with the Court for its approval. Pursuant to Labor Code section 2699(1)(2), Plaintiff also will submit a copy of this Agreement to the LWDA at the same time it is submitted to the Court. The Court's approval of the payment of the Gross Settlement Amount as described in this Agreement shall be embodied in a written Order.

Section 3.03 Notice to Aggrieved Employees.

(a) Notice.

Notice shall be provided to the Aggrieved Employees in the following manner:

- (1) No later than five (5) calendar days after the Court approves this Settlement, Defendants shall provide the Settlement Administrator with a list of all Aggrieved Employees ("Aggrieved Employees List"). The Aggrieved Employees List shall state the first name and last name in separate columns for each Aggrieved Employee; the last known home address for each Aggrieved Employee; each Aggrieved Employee's social security number, and each Aggrieved Employee's respective number of PAGA periods worked for any of the Defendants during the Release Period.
- (2) The Settlement Administrator shall utilize the United States National Change of Address ("NCOA") database and also perform an *Accurint* or similar skip tracing process to determine the best most recent addresses for the Aggrieved Employees prior to mailing the notices and settlement checks.
- (3) No later than fifteen (15) calendar days after the Effective Date, the Settlement Administrator shall mail the Notice of PAGA Settlement (attached hereto as Exhibit "A") together with a settlement check to all Aggrieved Employees by first-class United States mail, postage prepaid, with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices to the Settlement Administrator. For each

Notice of PAGA Settlement that is returned as undeliverable, the Settlement Administrator shall promptly attempt to locate the Aggrieved Employee by performing an additional skip trace and shall re-mail the Notice and settlement check no later than five (5) calendar days following receipt of the undeliverable Notice.

Section 3.04 Settlement Payment Procedure

(a) Deposit of Gross Settlement Amount with Settlement Administrator. No later than five (5) calendar days after the Effective Date, Defendants shall deposit the Gross Settlement Amount with the Settlement Administrator.

(b) PAGA Payments.

The total sum available for payment of PAGA penalties (the “Net Settlement Amount”) shall be calculated by deducting Plaintiff’s Attorney’s Fees, Litigation Costs, Individual Settlement Payment, and Settlement Administration Costs, collectively referenced in Section 3.01(a)-(d), from the \$390,000.00 Gross Settlement Amount.

The Net Settlement Amount will be subdivided as follows: 75% of the payment will be paid to the LWDA and 25% will be paid to Aggrieved Employees. The 25% of the Net Settlement Amount payable to the Aggrieved Employees will be divided among the Aggrieved Employees based on the following formula:

Twenty-Five Percent of the Net Settlement Amount shall be divided by the total PAGA periods worked for Defendants by all Aggrieved Employees during the Release Period to yield the “Employee Settlement Share Value.” Each Aggrieved Employee shall be paid their individual total PAGA periods worked for any of the Defendants during the Release Period multiplied by the Employee Settlement Share Value.

The payments to the LWDA and Aggrieved Employees shall be made by the Settlement Administrator no later than fifteen (15) calendar days after the Effective Date.

All Aggrieved Employees who cash their settlement check may receive an IRS Form 1099 for their portion of the settlement, if deemed required by the Settlement Administrator (in compliance with IRS guidelines).

The settlement checks issued to Aggrieved Employees shall remain valid for one hundred eighty (180) days. Any settlement checks remaining uncashed after one hundred eighty (180) days shall cause that Aggrieved Employee's payment to be distributed to Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code section 1500 *et seq.*, for the benefit of that Aggrieved Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Aggrieved Employees. Therefore, Defendants will not be required to pay any interest on said amount. In the event that an Aggrieved Employee's payment is distributed to the Controller of the State of California, the terms of the final judgment and the Release of Claims will nevertheless be binding upon that Aggrieved Employee.

(c) Plaintiff's Attorneys' Fees, Litigation Costs and Service Fees Payment.

No later than fifteen (15) calendar days after the Effective Date, the Settlement Administrator shall pay the court approved Plaintiff's Attorneys' Fees and Litigation Costs to Plaintiff's Counsel.

Any Plaintiff's Attorneys' Fees or Litigation Costs awarded to Plaintiff's Counsel, and Individual Settlement Amount awarded to Plaintiff by the Court shall be deducted from the Gross Settlement Amount for the purpose of determining the Net Settlement Amount. The "future" aspect of these amounts include, without limitation, all time and expenses expended by Plaintiff's

Counsel in defending the Settlement and securing Approval of the Agreement (including any appeals therein). There will be no additional charge of any kind to the Aggrieved Employees or request for additional consideration from Defendants for such work. This amount shall include all attorneys' fees, litigation costs, service fees, and expenses for which Plaintiff and Plaintiff's Counsel could claim under any legal theory whatsoever.

(d) Settlement Administrator Costs.

Upon completion of the Settlement Administrator's duties under the Agreement, the Settlement Administrator shall pay itself its actual costs in administering the settlement, up to the \$15,000.00 allocated to it for Settlement Administration Costs.

Section 3.05 Order Approving Settlement and Judgment.

Plaintiff and Defendants will jointly submit, with the documents asking the Court to approve the settlement and this Agreement, an order and judgment based on the settlement to be entered by the Court granting approval of the PAGA penalties and retaining jurisdiction over all matters relating to the administration, consummation, enforcement, and interpretation of the terms of this Agreement.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

Defendants deny liability for any claims alleged by Plaintiff on his own behalf or on behalf of the State of California and any of its agencies, including but not limited to the Department of Industrial Relations, Division of Labor Standards Enforcement, and LWDA, and the Aggrieved Employees upon any claim or cause of action. This Agreement does not constitute, and is not intended to constitute, an admission by Defendants as to the merits, validity, or accuracy of any of

the allegations or claims made against it in the Action.

Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the negotiations leading to this Agreement, are intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in this case or any other judicial, arbitral, administrative, investigative or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in this case or any other judicial, arbitral, administrative, investigative or other forum or proceeding, as purported evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used in any proceeding before the Court that has as its purpose the interpretation, implementation, or enforcement of this Agreement or any orders or judgments of the Court entered in connection with the Agreement.

None of the documents produced or created by Plaintiff or the Aggrieved Employees in connection with the claims procedures or claims resolution procedures constitute, and they are not intended to constitute, an admission by Defendants of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity.

Section 4.02 Non-Evidentiary Use.

Neither this Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or their respective counsel in the Action or in any other action or proceeding; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence

in any proceeding to enforce, construe, or finalize this Agreement and to secure its approval by the Court.

Section 4.03 Nullification.

- (a) If the Court should for any reason refuse to approve the payment of PAGA penalties as described in this Agreement, then (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.
- (b) If the Court does not approve the payment of PAGA penalties as described in this Agreement, the Parties agree to meet and confer to address the Court's concerns. If the Parties are unable to agree on a resolution, the Parties agree to seek the assistance of mediator Peter D. Lichtman (Ret.) to resolve any disputes.
- (c) Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

Article V.

Limited Release and Waiver of Claims.

Section 5.01 Plaintiff's and Aggrieved Employees' Release of PAGA Claims

Upon the approval by the Court of this Settlement, Plaintiff and each Aggrieved Employee, shall, for the Release Period, fully release and forever discharge the Released Parties from the Released Claims that arose during the Release Period.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

Section 6.02 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff and Defendants who executed this Agreement and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

Section 6.03 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiff's Counsel, or Defendants' Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that he has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

Section 6.04 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California.

Section 6.05 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Action.

Section 6.06 Waiver of Compliance.

Any failure of any Party, and/or Plaintiff's Counsel hereto to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel hereto entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.07 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. A scanned or faxed signature shall be valid as an original signature. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

Section 6.08 Attorneys' Fees and Costs.

Except as expressly provided herein, Defendants and Plaintiff shall each bear their own attorney's fees and costs.

Section 6.09 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, Plaintiff's counsel and Defendants' counsel shall meet and confer in an attempt to reach a resolution. If the Parties are unable to agree on a resolution, the Parties agree to seek the assistance of mediator Peter D. Lichtman (Ret.) to resolve any disputes. If the Parties are still unable to reach a resolution, they agree to submit any such dispute(s) to the Court. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State of California, both in its procedural and substantive aspects, without regard to its conflict of law provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California for the County of San Bernardino. The foregoing is only limited to disputes concerning this Agreement and in no way limits or negates the enforceability and effect of any arbitration agreements signed by any employees of Defendants, specifically including but not limited to Plaintiff, and including any obligation under such agreements to arbitrate claims on an individual (and not on a class or collective) basis. Plaintiff, on his own behalf and on behalf of the Aggrieved Employees, and Defendants participated in the negotiation and drafting of this Agreement and had available to them the advice and assistance of independent counsel. As such, neither Plaintiff nor Defendants may claim that any ambiguity in this Agreement should be construed against the other.

Section 6.10 Fair Settlement

Plaintiff, Defendants, Plaintiff's Counsel, and Defendants' Counsel believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiation, taking into account all relevant factors, current and potential, and is consistent with public policy, and fully complies with applicable provisions of law.

Section 6.11 Binding.

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

Section 6.12 Waiver of Appeals.

The Parties waive all appeals from the Court's approval of the PAGA penalties, unless the Court materially modifies the settlement and/or the PAGA penalties.

Section 6.13 Continuing Jurisdiction.

The Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions and obligations of this Agreement pursuant to Code of Civil Procedure section 664.6.

Article VII.

Confidentiality

Section 7.01 Confidentiality.

Plaintiff and his Counsel shall not post or report anything regarding the claims of Plaintiff or the Aggrieved Employees on their website, and shall not contact any reporters or media regarding the Agreement or its content.

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act
Settlement Agreement on the date set forth below.

APPROVED AND ACCEPTED.

Dated: 11 / 13 / 2020 , 2020

By: 

Raffe Chamoun

Dated: _____ , 2020

Rusnak Corporation

By: _____

Printed Name: _____

Title: _____

Dated: _____ , 2020

Rusnak/Westlake

By: _____

Printed Name: _____

Title: _____

Dated: _____ , 2020

Rusnak/Pasadena

By: _____

Printed Name: _____

Title: _____

Dated: _____ , 2020

Rusnak/Arcadia

By: _____

Printed Name: _____

Title: _____

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth below.

APPROVED AND ACCEPTED.

Dated: _____, 2020

By: _____

Raffe Chamoun

Dated: 11/14, 2020

Rusnak Corporation

By: _____

Printed Name: BRIAN BEATT

Title: CEO

Dated: 11/14, 2020

Rusnak/Westlake

By: _____

Printed Name: BRIAN BEATT

Title: CEO

Dated: 11/14, 2020

Rusnak/Pasadena

By: _____

Printed Name: BRIAN BEATT

Title: CEO

Dated: 11/14, 2020

Rusnak/Arcadia

By: _____

Printed Name: BRIAN BEATT

Title: CEO

Dated: 11/14, 2020

Anaheim Hills Jaguar Land Rover, Inc.
By: [Signature]
Printed Name: ERIN BEATT
Title: COO

Dated: 11/14, 2020

Rusnak Daimler Chrysler Center, Inc.
By: [Signature]
Printed Name: ERIN BEATT
Title: COO

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS ONLY

Dated: _____, 2020

CounselOne, PC

By _____
ANTHONY J. ORSHANSKY
JENNIFER L. CONNOR
JUSTIN KACHADOORIAN
Attorneys for Plaintiff
RAFFE CHAMOUN

Dated: _____, 2020

FISHER & PHILLIPS LLP

By _____
JOHN A. MAVROS
BRET MARTIN
Attorneys for Defendants
RUSNAK CORPORATION,
RUSNAK/WESTLAKE,
RUSNAK/PASADENA,
RUSNAK/ARCADIA, RUSNAK DAIMLER
CHRYSLER CENTER, INC., and ANAHEIM
HILLS JAGUAR LAND ROVER, INC.

Dated: _____, 2020

Anaheim Hills Jaguar Land Rover, Inc.

By: _____

Printed Name: _____

Title: _____

Dated: _____, 2020

Rusnak Daimler Chrysler Center, Inc.

By: _____

Printed Name: _____

Title: _____

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS ONLY

Dated: November 15, 2020

CounselOne, PC

By  _____
ANTHONY J. ORSHANSKY
JENNIFER L. CONNOR
JUSTIN KACHADOORIAN
Attorneys for Plaintiff
RAFFE CHAMOUN

Dated: 11/16/2020

FISHER & PHILLIPS LLP

By  _____
JOHN A. MAVROS
BRET MARTIN
Attorneys for Defendants
RUSNAK CORPORATION,
RUSNAK/WESTLAKE,
RUSNAK/PASADENA,
RUSNAK/ARCADIA, RUSNAK DAIMLER
CHRYSLER CENTER, INC., and ANAHEIM
HILLS JAGUAR LAND ROVER, INC.

EXHIBIT A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

San Bernardino County Superior Court, Case No. CIVDS2023062

Chamoun, et al. v. Rusnak Auto Group; Rusnak Corporation; Rusnak/Westlake; Rusnak/Pasadena; Rusnak/Arcadia; Rusnak Daimler Chrysler Center, Inc.; and Anaheim Hills Jaguar Land Rover, Inc. collectively doing business as Bentley Pasadena, Hyundai Inland Empire, Jaguar Anaheim Hills, Land Rover Anaheim Hills, Rolls-Royce Motor Cars Pasadena, Rusnak BMW, Rusnak Maserati, Mercedes-Benz of Arcadia, Rusnak/Pasadena Audi, Rusnak/Pasadena Jaguar, Rusnak/Pasadena Porsche, Rusnak Volvo Cars, Rusnak/Westlake Audi, Rusnak/Westlake Porsche, Karma Pasadena, Karma Westlake, and Genesis of Loma Linda (collectively, "Defendants" or "Rusnak")

<<Employee Name>>
 <<Address1>> <<Address2>>
 <<City>>, <<State>> <<Zip>>

I. NOTICE OF SETTLEMENT UNDER THE PRIVATE ATTORNEYS GENERAL ACT ("PAGA")

The San Bernardino County Superior Court (the "Court") has approved a PAGA settlement in the above-captioned action. The plaintiff brought this lawsuit as a representative action under the Private Attorneys General Act, Labor Code § 2698, *et seq.* ("PAGA"), on behalf of the State of California and certain aggrieved employees. A PAGA action is an action for civil penalties in which the State of California receives 75% of the penalties collected. These civil penalties are based on Plaintiff's allegations that Rusnak failed to compensate Plaintiff and similarly situated aggrieved employees for all wages due including, but not limited to: minimum wages for time spent working on tasks not compensated on a commission basis (non-productive time); failed to pay overtime wages owed; failed to separately compensate for rest breaks; neglected to provide duty-free meal breaks and authorize duty-free rest breaks and failed to provide premium wages thereon; failed to reimburse for necessary business expenses; issued inaccurate and facially deficient wage statements; and failed to timely pay all wages at least twice per month, along with all wages due upon separation of employment. Rusnak strongly denies the claims in the action and asserts that no civil penalties are due to plaintiff, the State of California, or other allegedly aggrieved employees. The Court has made no determination on the merits of the action, but the parties have decided to resolve this case through settlement, after mediation with Hon. Peter D. Lichtman, with the approval of the Court.

The PAGA settlement provides for a payment to all persons who are or were employed by any of the Defendants during the Release Period in the State of California and were compensated, in whole or in part, based on commissions, but excluding those persons designated as executive, administrative, or professionally exempt ("Aggrieved Employees"). The parties have agreed that a portion of the settlement proceeds would be distributed to the Aggrieved Employees, including you, after certain portions of the penalties collected are paid to the State of California according to California law.

The "Release Period" is defined as January 20, 2019 through the date of the approval hearing and the Court's order thereon.

II. CALCULATION OF INDIVIDUAL PAGA PAYMENT

You worked <<Pay Periods>> pay periods during the Release Period. Each individual PAGA payment was calculated on a *pro rata* basis (*i.e.*, proportional) based on the number of pay periods worked by each Aggrieved Employee in the Release Period divided by the total number of pay periods worked by all Aggrieved Employees. Therefore, your individual PAGA payment has been calculated at <<Total Est Amount>>. Your payment is enclosed with this notice.

III. RELEASE

“Released Parties” means Defendants, and each of their respective present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, parent companies, subsidiaries, related entities (including, but not limited to, “Rusnak Auto Group,” “Rusnak Automotive,” and PRM Corporation) divisions, affiliates, predecessors, successors, assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendants.

The Court has approved the parties’ settlement agreement (“Settlement”). By operation of the Settlement’s terms, plaintiff, Aggrieved Employees, and the State of California (only with respect to plaintiff and Aggrieved Employees) are hereby deemed to have fully released and forever discharged the Released Parties from any and all claims, arising during the Release Period, relating to the facts and claims asserted in the Action or any other claims under PAGA based on the facts alleged, including, but not limited to, any and all claims for PAGA penalties for violations of the California Labor Code governing: (1) meal period and rest period liability (including, but not limited to, Labor Code §§ 512 and 226.7); (2) underpayment, nonpayment, or late payment of minimum wages, overtime and double time wages (including, but not limited to, Labor Code §§ 510, 1194, 1197 and 1198); (3) wage statement violations (including, but not limited to, Labor Code § 226); (4) untimely wages and waiting time penalties (including, but not limited to, Labor Code §§ 201-203, 204 and 210); and (5) failure to reimburse business expenses (including, but not limited to, Labor Code § 2802) (collectively, “Released Claims”).

IV. SETTLEMENT ADMINISTRATOR

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

You may call the Settlement Administrator, CPT Group, Inc., toll free at 1(888) ____ - ____ with any questions.

Settlement checks will be null and void 180 days after issuance if not deposited or cashed. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.