

SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIM

This Settlement Agreement and Release of PAGA Claim ("Settlement Agreement") is made by and between Plaintiffs Rita Navarro ("Navarro") and James Henriquez ("Henriquez") (hereinafter referred to jointly as "Plaintiffs"), on behalf of themselves and as representatives for the California Labor and Workforce Development Agency ("LWDA") as well as all other Aggrieved Employees, and Defendants Tire Staffing doing business as It's Caliber and Caliber Group Staffing, Inc. ("Defendants"), who may collectively be referred to herein as the "Parties," and each may be individually referred to as a "Party."

A. Definitions

The following terms, when used in this settlement agreement, shall have the following meanings:

1. "Actions" or "Lawsuits" means *Navarro v. Tire Staffing dba It's Caliber, et al.*, San Bernardino County Superior Court, case number CIVDS2016343 and *Henriquez et al. v. Tire Staffing et al.*, San Bernardino County Superior Court, case number CIVDS2021000.
2. "Agreement," "Stipulation," or "Settlement Agreement," mean this Settlement Agreement and Release of PAGA Claim, including any attached Exhibits.
3. "Approval Date" means the date that the Court enters the Final Order and Judgment.
4. "Attorneys' Fees and Costs" means the amount of one-third of the Gross Settlement Amount (projected to be \$100,000 based on a Gross Settlement Amount of \$300,000) which shall be allocated to Plaintiffs' Counsel for attorneys' fees, all of which shall be paid out of the Gross Settlement Amount. This Settlement is not conditioned on approval of the Attorneys' Fees and Costs; in other words, this Settlement shall remain in full force and effect if the Court awards less than the requested Attorneys' Fees and Costs. If less than one-third of the Gross Settlement Amount is awarded for Attorneys' Fees and Costs, the difference shall return to the Net Settlement Amount.
5. "Court" (or "Judge") means the San Bernardino County Superior Court, the Honorable David Cohn, judge presiding.
6. "Defendants" means Tire Staffing dba It's Caliber and Caliber Staffing, Inc.
7. "Defendants' Counsel" means Jeffrey Ranen, Daniel Spencer and Casey Engstrom of Lewis Brisbois Bisgaard & Smith LLP.
8. "Effective Date" means the date that the Gross Settlement Amount is fully-funded by Defendants, which will occur following the later in time of: (a) entry by the Court of a final order and judgment approving this Settlement Agreement if no objections to approval were made and there is no filing of a motion to intervene or a motion to set aside and vacate the judgment or notice of appeal; (b) if objections to approval were made, or a motion to intervene or a motion to set aside and vacate the judgment is filed, ten (10) calendar days after the expiration of time to appeal the judgment and rulings on the foregoing motions, with no timely appeal filed; or (c) if an appeal or other effort to obtain review has been

initiated, ten (10) calendar days after the date such appeal or other review has been finally concluded, affirming approval of the PAGA settlement, and is no longer subject to review.

9. “Eligible Pay Period” means any pay period worked by a PAGA Employee during the PAGA Release Period.

10. “Final Order and Judgment” means the Court’s order approving this Private Attorneys General Act of 2004 (“PAGA”) Settlement and Final Judgment. The Final Order and Judgment will be submitted, substantially in the form attached hereto as **Exhibit 1**, in connection with the motion for approval of this Settlement.

11. “Gross Settlement Amount” means the settlement amount that Defendants will pay in connection with this Settlement, which is \$300,000.00. This is a non-reversionary Settlement; no portion of the Gross Settlement Amount will revert to Defendants under any circumstances.

12. “LWDA Settlement Proceeds” means the seventy-five percent (75%) of the Net Settlement Amount that shall be paid to the LWDA.

13. “Net Settlement Amount” means the amount that remains after deducting Attorneys’ Fees and Costs, Settlement Administration Costs, and the Service Awards, from the Gross Settlement Amount.

14. “Notice” means the notice that will be sent to the PAGA Employees with payment after the Final Order and Judgment is entered by the Court. The Notice will be sent to PAGA Employees substantially in the form attached hereto as **Exhibit 2**. The Notice will also be sent in English and Spanish.

15. “Operative Complaint” means the Consolidated Complaint filed on behalf of Plaintiffs, attached hereto as **Exhibit 3**, which the Parties stipulate to filing subject to the terms of this Settlement.

16. “LWDA Notice” means the letters submitted by Henriquez on May 28, 2020 and amended on September 29, 2020 and by Navarro on May 29, 2020 to the LWDA notifying it of alleged California Labor Code violations by Defendants.

17. “PAGA Employees” means all non-exempt employees of Defendants who worked for Defendants in California from May 28, 2019 through February 7, 2022.

18. “PAGA Employees Settlement Proceeds Fund” means the twenty-five percent (25%) of the Net Settlement Amount that shall be paid to the PAGA Employees.

19. “PAGA Representative Claims” means Plaintiffs’ PAGA claims alleged under California Labor Code § 2698 *et. seq.* based on alleged predicate violations of California Labor Code §§ 226, 1024.5, and 2810.5 only, as alleged in the Operative Complaint. No other claims shall be released by this Settlement and no other claims are encompassed within the PAGA Representative Claims.

20. “PAGA Settlement” or “Settlement” means the settlement of the Action as memorialized in this Agreement.

21. "PAGA Release Period" means May 28, 2019 through February 7, 2022.
22. "Parties" means Plaintiffs and Defendants collectively.
23. "Plaintiffs" means Rita Navarro and James D. Henriquez.
24. "Plaintiffs' Counsel" means Daniel F. Gaines and Alex P. Katofsky of Gaines & Gaines, APLC, Scott E. Wheeler of the Law Office of Scott E. Wheeler, and Aubry Wand of The Wand Law Firm, P.C.
25. "Released Parties" means Defendants, Good-West Rubber Corporation, Zurich American Insurance Company, and any parent, subsidiary, affiliate, predecessor or successor, and all agents, employees, insurers, reinsurers, assigns, heirs, executors, administrators, shareholders, officers, directors and attorneys thereof.
26. "Settlement Administrator" means ILYM Group, Inc., or any other administrator proposed by the Parties and approved by the Court. The Settlement Administrator will be responsible for, *inter alia*, sending Notice and payments to PAGA Employees and the LWDA and distributing other payments as set forth in this Agreement.
27. "Settlement Administration Costs" means the amount of \$12,098 which shall be paid to the Settlement Administrator for performing the duties provided under the Settlement. The Settlement Administration Costs shall be no more than \$12,098 and if less than \$12,098 is approved for Settlement Administration costs, the difference shall return to the Net Settlement Amount.
28. "Service Award" means the amount of \$10,000.00 which shall be allocated equally between Plaintiffs, subject to Court approval, in recognition for their efforts in prosecuting the case, obtaining the benefit of the Settlement, and as consideration for Plaintiffs' released claims, which includes a broad general release, against Defendants. The Service Award shall be paid from the Gross Settlement Amount. This Settlement is not conditioned on approval of the Service Award; in other words, this Settlement shall remain in full force and effect if the Court awards less than the requested \$10,000.00. If less than \$10,000.00 is awarded to Plaintiffs, the difference shall return to the Net Settlement Amount.

B. General

1. On July 10, 2020, Navarro filed an action in the San Bernardino County Superior Court, pursuant to PAGA, alleging failure to pay overtime and minimum wages, failure to provide meal periods, failure to furnish accurate itemized wage statements, and failure to pay all wages due to discharged and quitting employees. On September 30, 2020, Henriquez filed an action in the San Bernardino County Superior Court, pursuant to the PAGA, alleging failure to provide required meal periods, failure to provide required rest breaks, failure to pay overtime wages, failure to pay minimum wages, failure to pay timely wages, failure to pay all wages due to discharged and quitting employees, failure to maintain required records, failure to furnish accurate itemized statements, failure to provide notice of employer-related information, and unlawful consumer background reports.

2. On January 24, 2022, following extensive investigation and the exchange of data and documents related to the claims alleged, the Parties participated in a mediation with the Steven J. Serratore, Esq. After a full-day mediation, the Parties were able to reach a settlement agreement.

3. Defendants deny all of the allegations and claims asserted in the Lawsuits and deny that they have committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

4. The Parties have conducted a thorough investigation into the facts of the Action. This included, *inter alia*, conducting extensive informal discovery that involved the exchange of information and documents relating to the PAGA Representative Claims. Defendants produced information relating to the applicable PAGA pay periods, the number of aggrieved employees and payroll records for PAGA Employees which included sample wage statements. Based on the foregoing information and on their own independent investigation and evaluation, Plaintiffs' Counsel are of the opinion that the settlement with Defendants 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 LWDA and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay, uncertainty associated with litigation, various defenses asserted by Defendants, and potential appellate issues. Defendants and counsel for Defendants also agree that the settlement is fair.

5. The Parties understand, acknowledge, and agree that this Agreement constitutes a compromise of the PAGA Representative Claims and that it is the desire and intention of the Parties to affect a final and complete resolution of the Actions, including the PAGA Representative Claims, against Defendants. The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability by Defendants.

6. Under California law, the State may assess and collect civil penalties from employers for violations of certain provisions of the California Labor Code. (*See* Cal. Lab. Code §§ 2698 *et seq.*) Under PAGA, however, if an "aggrieved employee" "give[s] written notice by certified mail to the [State] and the employer of the specific provision of the [Labor Code] alleged to have been violated," and the State thereafter decides not to investigate, as was the case here, or does investigate and determines that a citation against the employer should not issue, the employee may, "as an alternative" to enforcement by the State, act as a proxy or agent of the state's labor law enforcement agencies and bring a civil action under PAGA to recover civil penalties "on behalf of himself or herself and other current or former employees." *Id.* "[C]ivil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the state and 25 percent to the aggrieved employees." *Id.*

7. California Labor Code § 2699(1)(2) provides that the trial court shall "review and approve any settlement of any civil action filed pursuant to this part." Plaintiffs will submit this Settlement Agreement to the LWDA concurrently with the filing of the motion for approval with the Court.

8. In consideration of the promises and agreements contained herein, the Parties agree and covenant as follows:

C. **Terms of Settlement**

1. Subject to the Court's approval of the Settlement pursuant to California Labor Code § 2699(1)(2), which the Parties and their counsel agree to recommend in good faith to the Court, the Parties agree to the following binding settlement of the Action.

2. The Gross Settlement Amount will be distributed in the following manner:

- a. **Settlement Administration Costs:** The costs associated with settlement administration (e.g. preparing and mailing payments to LWDA and PAGA Employees, tax documentation, etc.) shall be paid from the Settlement Amount and shall not exceed \$12,098. The Parties agree to use ILYM Group, Inc. as the Settlement Administrator, subject to the approval of the Court. The Parties and their counsel represent that they do not have any involvement in the governance or work of the Settlement Administrator.
- b. **Attorneys' Fees and Costs:** The Parties agree that, subject to the Court's review and approval, Plaintiffs' Counsel will be paid one-third of the Gross Settlement Amount (projected to be \$100,000.00) as attorneys' fees, which will be paid from the Gross Settlement Amount, plus actual litigation costs not to exceed \$25,000.00 incurred in connection with work performed to litigate the Lawsuits and obtain Court approval of the Settlement, which will be paid from the Gross Settlement Amount.
- c. **Service Award to Plaintiffs.** The Parties agree that, subject to the Court's review and approval, Plaintiffs will each be paid a service award of \$5,000.00 (\$10,000.00 total). The Service Awards which will be paid from the Gross Settlement Amount.
- d. **Net Settlement Amount:** After deducting Settlement Administration Costs, Attorneys' Fees and Costs, and the Service Award from the Gross Settlement Amount, the remainder forms the Net Settlement Amount (which totals approximately \$152,902 if the amounts set forth above are approved by the Court). The Net Settlement Amount shall be allocated seventy-five percent (75%) to the LWDA as the LWDA Proceeds, which is estimated to total approximately \$114,676.50. The remaining twenty-five percent (25%) of the Net Settlement Amount, which is estimated to total approximately \$38,225.50, shall be paid to the PAGA Employees on a *pro rata* basis ("PAGA Employees Settlement Proceeds Fund"), which shall be determined based on the number of pay periods that he or she worked for Defendants during the PAGA Release Period and shall be calculated as follows:

The PAGA Employees Settlement Proceeds Fund will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Release Period, and the resulting figure will be referred to as the "Multiplier." Each PAGA Employee's *pro rata* share of the PAGA Employees Settlement Proceeds Fund will be determined by multiplying the pay periods that the PAGA Employee worked by

the Multiplier. That amount shall be referred to as the PAGA Employee's "Individual Share."

- e. **Taxes and Reporting:** The PAGA Employees' Individual Share will be treated as non-wage income and reported by the Settlement Administrator on IRS Form 1099 (if applicable) to the respective PAGA Employee and applicable governmental authorities.

D. Release as to the PAGA Representative Claims

1. Upon the Effective Date, Plaintiffs, as the representatives for the State of California, and on behalf of all PAGA Employees, will forever completely release and discharge the Released Parties with respect to all PAGA Representative Claims, which are based on all alleged violations of Labor Code §§ 226, 1024.5, and 2810.5 only, as alleged in the Operative Complaint, which arose during the PAGA Release Period.

2. In accordance with California law as stated in *inter alia* *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985, a judgment in "a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 . . . is binding not only on the named employee Plaintiffs but also on government agencies and any aggrieved employee not a party to the proceeding," which the Final Order shall so reflect. Accordingly, the Final Order and Judgment shall be binding on all PAGA Employees (including all nonparty aggrieved employees) as to all PAGA Representative Claims. The Final Order and Judgment shall not bind nor release the PAGA Employees of any individual wage claims (or other individual claims).

E. Release by Named Plaintiffs Only

- 1. Release and Covenant Not to Sue
 - a. In consideration for the terms and provisions of the Agreement, Plaintiffs, for themselves, and for their heirs, assigns, partners, executors, conservators, administrators, agents, employees, attorneys, past and present (collectively, "Plaintiffs' Affiliates"), hereby fully and without limitation release, covenant not to sue, and forever discharge the Released Parties from any and all rights, claims, contracts, agreements, debts, demands, liabilities, actions, and causes of action, whether in law or in equity, suits, damages, liabilities, losses, attorneys' fees, costs, and expenses, of whatever nature whatsoever, known or unknown, fixed or contingent, suspected or unsuspected, that Plaintiffs or the Plaintiffs' Affiliates now have, or may ever have, against Defendants, or any of the Released Parties, for any matter, occurring on or before the date they sign this Agreement.
 - b. Without limiting the generality of the foregoing, Plaintiffs acknowledge that this general release applies to any and all claims they or the Plaintiffs' Affiliates now have, or may ever have, against Defendants, or any of the Released Parties, that arise out of or are in any way related to any alleged violation of any federal or state law that regulates any aspect of the employer-employee relationship, including any

claims for any alleged violations of any federal or state employment discrimination, harassment, and retaliation laws, including the California Fair Employment and Housing Act (which prohibits discrimination, harassment, and retaliation based upon one's actual or perceived ancestry, race, religion, sex, sexual orientation, gender, gender identity, gender expression, age, color, national origin, disability, medical condition, military or veteran status and marital status), the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, and the Family Medical Leave Act; as well as the Equal Pay Act; the Fair Labor Standards Act, the Employee Retirement Income Security Act of 1974, the California Business and Professions Code, the California Labor Code, and the California wage orders; as well as any claims for any alleged violation of public policy or retaliation; any claims for wages, hours, unpaid overtime, failure to pay minimum wage, failure to pay for downtime or waiting time, failure to provide meal or rest breaks or pay one hour's wages in lieu thereof, failure to indemnify for all work related expenditures and losses, and all related statutory claims, including but not limited to, alleged violation of California Labor Code sections 201-204, 208, 210, 215-216, 218.5, 225.5, 226, 226.3, 226.6, 226.7, 450, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2926, 2927, California Business and Professions Code sections 17000 and 17200 et. seq., the relevant Wage Orders issued by the Industrial Welfare Commission, Civil Code sections 52 and 52.1, or any other claim for any statutory penalty that could have been asserted under California law that arise from the allegations as described, any claims concerning or related to meal and/or rest breaks, inaccurate wage statements, any other employment-related claims under any federal, state, or local law, statute, regulation, or ordinance; and any and all common-law causes of action, including breach of contract, breach of implied contract, breach of the covenant of good faith and fair dealing, fraud, misrepresentation, unfair competition, unfair business practices, false advertising, negligence, defamation, infliction of emotional distress, invasion of privacy, and wrongful termination, which arise from any and all events occurring on or before the Effective Date of this Agreement, including without limitation, all claims arising from action or inaction by Defendants, or any of the Released Parties.

- c. Notwithstanding the generality of the foregoing, Plaintiffs also understand and agree that they are not waiving any right or claim that cannot be waived as a matter of law, such as the right to file a charge with or participate in an investigation by a governmental administrative agency.

2. To effect a full and complete general release as described above, Plaintiffs expressly waive and relinquish all rights and benefits of section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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' general releases shall become effective on the Effective Date.

The general release set forth in Paragraph E of this Agreement applies only to Plaintiffs. It does not apply to any PAGA Employees.

F. Settlement Approval and Implementation Procedures

1. Pursuant to California Labor Code § 2699(1)(2), or otherwise for the purposes of obtaining Court approval of the Settlement, Plaintiffs will file a motion for approval, declaration(s) advocating that the Settlement is fair, adequate, and reasonable, and any other documents in support of approval of the Settlement. Defendants shall not oppose the filing of any of these documents. Defendants shall also reasonably cooperate with any efforts to obtain approval of this Settlement.

2. No later than thirty (30) calendar days of the Effective Date, Defendants shall provide the Settlement Administrator, which shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document, with the following information for each PAGA Employee: his/her full name; social security number; last known address; last known telephone number; and number of pay periods worked by each PAGA Employee during the PAGA Release Period (the "PAGA Employees List"). This information shall be treated as and remain confidential and shall be used solely to manage the notice and payment process described herein, and it shall not be disclosed to anyone other than the Settlement Administrator, except to applicable taxing authorities, or pursuant to express written authorization of Defendants, the individual in question, or by order of the Court.

3. No later than thirty (30) calendar days after the Effective Date, Defendants shall fully fund the Gross Settlement Amount by transmitting by wire transfer the Gross Settlement Amount to the Settlement Administrator.

4. Within ten (10) calendar days of receiving the Gross Settlement Amount and the PAGA Employees List, the Settlement Administrator will make all payments provided under this settlement, including: (1) payment of attorneys' fees and costs to Plaintiffs' Counsel, (2) payment of service awards to Plaintiffs Navarro and Henriquez, (3) payment to the LWDA, (4) payment to PAGA Employees, and (5) payment to itself for administration costs. With respect to payments to PAGA Employees, the Settlement Administrator shall send by first-class mail, to their last known address, the Court-approved notice of this settlement, and their individual settlement payment. The Settlement Administrator will skip trace and re-mail all returned, undelivered mail within ten (10) days of receiving notice that a notice was undeliverable.

5. PAGA Employees shall have one hundred eighty (180) calendar days after the mailing to cash or deposit their settlement checks. If any PAGA Employee's check is not cashed or deposited within that period, the check will be voided and a stop-payment will be issued. Any funds in the Settlement Administrator's account as a result of a failure to timely cash a settlement check shall be paid to the State of California Controller's Unclaimed Property division in the name of the respective PAGA Employee. Neither Defendants, Defendants' Counsel, Plaintiffs' Counsel nor Plaintiffs will have any liability for lost

or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period.

6. Upon the Effective Date, the Parties will: (i) be bound by the terms and conditions of this Agreement, and the releases set forth therein; and (ii) be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the settlement and the Court's Final Order and Judgment.

G. Miscellaneous Provisions.

1. **Additional Pay Periods:** Defendants represent that the PAGA Employees worked no more than 54,000 aggregate pay periods for Defendants in California during the PAGA Release Period. If the number of workweeks worked by PAGA Employees during this period exceeds 54,000 by more than 5% (or 56,700 pay periods), the Gross Settlement Amount shall increase by 0.0000181% for each additional pay period over 56,700.

2. **Voiding the Agreement:** The Settlement Agreement shall be voidable and unenforceable as to all Parties herein at the option of either Party if (a) the Court should for any reason fail to approve this Settlement in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter a judgment, or (c) the approval of the Settlement and judgment is reversed, modified or declared or rendered void. In that event, then neither the Settlement nor any of the related negotiations or proceedings shall be of any force or effect, and all parties to the Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Any fees already incurred by the Settlement Administrator shall be paid by Defendants. Notwithstanding the foregoing, the Parties shall attempt in good faith to cure any perceived defects in the Settlement to facilitate approval.

3. **Waiver:** The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

4. **Parties' Authority:** The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

5. **Mutual Full Cooperation:** The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiffs' Counsel shall, with the assistance and cooperation of Defendants and Defendants' counsel, take all necessary steps to secure the Court's approval of the settlement, and the Final Order.

6. **No Prior Assignments:** The Parties hereto 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 of action or rights released and discharged by this Settlement Agreement.

7. **No Admission:** Nothing in this Settlement Agreement nor action taken in implementation thereof shall be construed to be an admission or concession by Plaintiffs that their claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiffs, PAGA Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. Nor will any of the foregoing be used in any way in 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. Notwithstanding the foregoing, this Settlement Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation, or enforcement of the settlement or any orders or judgments of the Court entered into in connection therewith. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related Court documents or orders are not and may not be cited or admitted as evidence of liability. If the Court does not grant approval of this settlement, then the Parties revert to their previous positions and Defendants will contend that a representative action is not appropriate.

8. **Binding Settlement:** Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

9. **Enforcement Actions:** Except as otherwise provided in this Settlement Agreement, in the event that one or more of the Parties to this Settlement Agreement institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

10. **Notices:** All notices shall be provided by United States mail. 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 the third calendar day after mailing by United States mail and electronic mail, addressed as follows:

To Plaintiffs:

Daniel F. Gaines
Alex P. Katofsky
Gaines & Gaines, APLC250
27200 Agoura Road, Suite 101
Calabasas, California 91301
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Scott E. Wheeler
Law Office of Scott E. Wheeler
West First Street, Suite 216
Claremont, California 91711
Tel: (909) 621-4988
Fax: (909) 621-4622

Aubry Wand
The Wand Law Firm, P.C.

400 Corporate Pointe, Suite 300
Culver City, California 90230
Tel: (310) 590-4503
Fax: (310) 590-4596

To Defendants:

Jeffrey S. Ranen
David D. Spencer
Casey N. Engstrom
Lewis Brisbois Bisgaard & Smith LLP
663 West 5th Street, Suite 4000
Los Angeles, California 90071
Telephone: (213) 250-1800
Facsimile: (213) 250-7900

11. **Construction:** The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement.

12. **Captions and Interpretations:** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

13. **Modification:** This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

14. **Choice of Law:** This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

15. **Integration Clause:** This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

16. **Binding On Assigns:** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

17. **Counterparts:** This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an

original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic delivery shall be deemed an original.

18. **Entire Agreement:** This Agreement sets forth the entire agreement between the Parties hereto and fully supersedes any and all prior and/or supplemental understandings, whether written or oral, between the Parties concerning the subject matter of this Agreement. Any modification to this Agreement must be in writing and signed by the Parties.

IN WITNESS WHEREOF, the parties knowingly and voluntarily executed this Settlement Agreement and Release as of the date set forth below.

Dated: March 17, 2022

PLAINTIFF

DocuSigned by:

59C5DE9CFE3D349D

Rita Navarro

Dated: _____

PLAINTIFF

James D. Henriquez

Dated: _____

DEFENDANT TIRE STAFFING DBA IT'S
CALIBER

Name: Catalina Halaszi
Title: President

Dated: _____

DEFENDANT CALIBER GROUP STAFFING,
INC.

Name: Catalina Halaszi
Title: Chief Executive Officer

original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic delivery shall be deemed an original.

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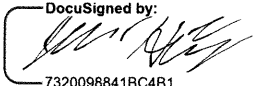
Dated: _____

PLAINTIFF

Rita Navarro

Dated: 3/12/2022

PLAINTIFF


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James D. Henriquez

Dated: _____

DEFENDANT TIRE STAFFING DBA IT'S
CALIBER

Name: Catalina Halaszi
Title: President

Dated: _____

DEFENDANT CALIBER GROUP STAFFING,
INC.

Name: Catalina Halaszi
Title: Chief Executive Officer

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Dated: _____

PLAINTIFF

Rita Navarro

Dated: _____

PLAINTIFF

James D. Henriquez

Dated: 3/31/2022

DEFENDANT TIRE STAFFING DBA IT'S
CALIBER

DocuSigned by:

Catalina Halaszi

DF92BE293B7B4D8...

Name: Catalina Halaszi

Title: President

Dated: 3/31/2022

DEFENDANT CALIBER GROUP STAFFING,
INC.

DocuSigned by:

Catalina Halaszi

DF92BE293B7B4D8...

Name: Catalina Halaszi

Title: Chief Executive Officer

APPROVED AS TO FORM:

Dated: March 17, 2022

GAINES & GAINES, APLC

Daniel F. Gaines
Daniel F. Gaines

Dated: _____

THE LAW OFFICE OF SCOTT E. WHEELER

Scott Ernest Wheeler

Dated: _____

THE WAND LAW FIRM, P.C.

Aubry Wand

Attorneys for Plaintiffs Rita Navarro, James D.
Henriquez and the other PAGA Employees

Dated: _____

LEWIS BRISBOIS BISGAARD & SMITH LLP

Jeffrey S. Ranen
Daniel D. Spencer
Casey N. Engstrom

Attorneys for Defendants, TIRE STAFFING
DOING BUSINESS AS IT'S CALIBER AND
CALIBER GROUP STAFFING, INC.

APPROVED AS TO FORM:

Dated: _____

GAINES & GAINES, APLC

Daniel F. Gaines

Dated: 3/21/22

THE LAW OFFICE OF SCOTT E. WHEELER



Scott Ernest Wheeler

Dated: _____

THE WAND LAW FIRM, P.C.

Aubry Wand

Attorneys for Plaintiffs Rita Navarro, James D. Henriquez and the other PAGA Employees

Dated: _____

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APPROVED AS TO FORM:

Dated: _____

GAINES & GAINES, APLC

Daniel F. Gaines

Dated: _____

THE LAW OFFICE OF SCOTT E. WHEELER

Scott Ernest Wheeler

Dated: 3/11/2022

THE WAND LAW FIRM, P.C.



Aubry Wand

Attorneys for Plaintiffs Rita Navarro, James D.
Henriquez and the other PAGA Employees

Dated: _____

LEWIS BRISBOIS BISGAARD & SMITH LLP

Jeffrey S. Ranen
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Casey N. Engstrom

Attorneys for Defendants, TIRE STAFFING
DOING BUSINESS AS IT'S CALIBER AND
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APPROVED AS TO FORM:

Dated: _____

GAINES & GAINES, APLC

Daniel F. Gaines

Dated: _____

THE LAW OFFICE OF SCOTT E. WHEELER

Scott Ernest Wheeler

Dated: _____

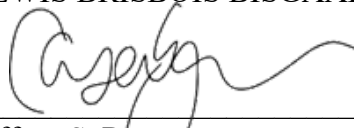
THE WAND LAW FIRM, P.C.

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Attorneys for Plaintiffs Rita Navarro, James D.
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Dated: March 31, 2022

LEWIS BRISBOIS BISGAARD & SMITH LLP



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