

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

Gerriann Williams v. Les Schwab Tire Centers of California, Inc.

(Sacramento County Superior Court Case No.: 34-2020-00285880)

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 effectuated upon 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 (“Settlement Agreement”).

This Agreement is made by and between Defendant Les Schwab Tire Centers of California, LLC and Plaintiff Gerriann Williams, for herself and on behalf of the State of California. This Agreement shall be effective upon the last date upon which it is signed by the Parties.

After attending mediation with Lisa Klerman on May 7, 2021, and entering into a Memorandum of Understanding (“MOU”), the Parties have prepared this Settlement Agreement whereby the Parties agree that *Williams v. Les Schwab Tire Centers of California, Inc.*, Sacramento County Superior Court, Case No.: 34-2020-00285880 shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendant to pay the total sum of One Hundred Seventy-Five Thousand U.S. Dollars (\$175,000) for settlement and release of the Private Attorneys General Act (“PAGA”) penalties and Labor Code Section 201, 202, 203, 226, and 510 allegations in the Action, which shall be inclusive of Plaintiff’s Counsel attorneys’ fees and costs and the Settlement Administrator’s fees and costs.

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” means the action styled as *Gerriann Williams v. Les Schwab Tire Centers of California, Inc.*, Sacramento County Superior Court Case No. 34-2020-00285880.
- (b) “Attorneys’ Fees” means such Attorneys’ Fees as the Court may award to Plaintiff’s Counsel for the services they have rendered and will render to the Aggrieved Employees in the Action, and which shall not exceed Fifty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$58,333.33).

- (c) "Attorney Costs" means such litigation costs as the Court may award to Plaintiff's Counsel for the costs it has incurred and will incur in the investigation, litigation, and resolution of the Action, and in administration of the Settlement (but not including Settlement Administration Costs, as defined herein), and which shall not exceed Ten Thousand Dollars (\$10,000.00).
- (d) "Aggrieved Employee" means all current and former non-exempt employees of Defendant who worked in California from July 26, 2019 through the Effective Date of Agreement as defined below. Defendant warrants that there are approximately 2,401 Aggrieved Employees.
- (e) "Complaint" is the presently-operative Complaint filed by Plaintiff in the Action.
- (f) "Court" means the Superior Court for the State of California, County of Sacramento.
- (g) "Defendant" is Les Schwab Tire Centers of California, LLC.
- (h) "Defense Counsel" or "Counsel for Defendant" is:

Littler Mendelson, P.C.
Britney N. Torres
Simerdip Khangura
500 Capitol Mall, Suite 2000
Sacramento, CA 95814
Phone: (916)-830-7200

- (i) "Effective Date of Agreement" means the date the Court enters the order approving the settlement of the PAGA Settlement Fund and dismissing the Action with prejudice as described in this Agreement.
- (j) "Employee Net Settlement Amount" means 25% of the Net Settlement Amount as defined by Labor Code section 2699(i).
- (k) "Individual Settlement Share" means the portion of the Net Settlement Amount that is payable to each Aggrieved Employee, calculated as defined below.
- (l) "PAGA Settlement Fund" means the amount from the Settlement Sum that is allocated to resolve the claims in the Action. Seventy-five percent (75%) of the PAGA Settlement Fund will be distributed to the LWDA and twenty-five percent (25%) will be distributed to Aggrieved Employee as the Employee Net Settlement Amount.

(m) "Parties" means Plaintiff and Defendant collectively.

(n) "Plaintiff" is Plaintiff Geriann Williams.

(o) "Plaintiff's Counsel" is:

Mayall Hurley P.C.
Vladimir J. Kozina
2453 Grand Canal Blvd.
Stockton, CA 95207
Phone: 209-477-3833

(p) "Net Settlement Amount" means the Settlement Sum less the Attorneys' Fees, Attorneys' Costs and Settlement Administration Costs.

(q) "Notice" means the form of notice that will be sent to each Aggreived Employee accompanying their Individual Settlement Share, which shall be substantially in the form attached hereto as Exhibit A.

(r) "Release Period" means the time period July 26, 2019, through the Effective Date of Agreement.

(s) "Released Claims" means all claims for civil penalties under PAGA that were actually alleged or could have been alleged in the Action by Plaintiff, on behalf of the State of California, herself and the Aggreived Employees, based on the facts alleged in the Complaint, including but not limited to: (a) civil penalties pursuant to Labor Code Section 201, 202, 203, 226 and 510; (b) Attorneys' Fees and costs incurred in the prosecution of the Action on behalf of the Aggreived Employees; (c) any other PAGA penalties based on the facts alleged in the Complaint and in the PAGA Notice defined herein below; and (d) all claims that Plaintiff and/or the Aggreived Employees may have against the Released Parties relating to the payment, taxation, and allocation of Attorneys' Fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the Settlement Period.

(t) "Released Parties" means Les Scwab Tire Centers of California, LLC. as well as its predecessors, merged entities, parents, subsidiaries, affiliates, related organizations, all of their respective officers, directors, employees, administrators, fiduciaries, trustees, beneficiaries, and agents, and each of their past, present, and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers, and reinsurers.

(u) "Settlement Sum" means the sum of One Hundred Seventy-Five Thousand U.S. Dollars (\$175,000) that Defendant will pay if the Court approves this Settlement. The Settlement Sum will be used to pay: (a) the PAGA Settlement Fund; (b) the award of Attorneys' Fees

to Plaintiff's Counsel; (c) the award of Attorneys' Costs to Plaintiff's Counsel; and (d) Settlement Administration Costs. Under no circumstances will Defendant be required to pay more than \$175,000. In no event will any money revert to Defendant.

- (v) "Settlement Administrator" means Simpluris, a third-party settlement claims administrator that the Parties will ask the Court to appoint for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.
- (w) "Settlement Administration Costs" means the amount from the Settlement Sum which shall be allocated, subject to the Court's approval, to the Settlement Administrator for services rendered in administering the Settlement, which have been quoted to not exceed Eight Thousand Five Hundred Dollars (\$8,500).
- (x) "Settlement Approval Order and Judgment" means the settlement approval order and judgment that will be entered by the Court, which shall be substantially in the form attached hereto as Exhibit B.
- (y) "Settlement Period" means the period from July 26, 2019 through the Effective Date of Agreement.
- (z) "Void Date" means the 181st day after issuance of Individual Settlement Payment checks to Aggrieved Employees, upon which the Individual Settlement Payment checks will no longer be valid and negotiable.

Article II.

Background.

Section 2.01 Background.

- (a) On June 25, 2020, Mayall Hurley submitted a letter to the California Labor and Workforce Development Agency ("LWDA") on behalf of Plaintiff, to notify the LWDA pursuant to the PAGA of her intent to seek civil penalties under PAGA and all other remedies available under PAGA, as a result of Defendant's alleged violations of California Labor Code §§ 201, 202, 203, 226, and 510 (the "PAGA Notice").
- (b) On September 28, 2020, Plaintiff filed a Complaint in the Superior Court of the State of California for the County of Sacramento, styled *Gerriann Williams v. Les Schwab Tire Centers of California, Inc.*, case number 34-2020-00285880. The Action was brought by Plaintiff, on behalf of herself and the State of California and other aggrieved employees, as a PAGA action based on violations of Labor Code §§ 201, 202, 203, 226, and 510.

- (c) On May 7, 2021, the Parties mediated this Action with Lisa L. Klerman, Esq., reached a settlement following an all-day mediation, and subsequently entered into a Memorandum Of Understanding.
- (d) Throughout this Action, the Parties have engaged in discovery and fully shared the information necessary for all sides to conduct a legitimate investigation into the allegations of the Action and potential defenses thereto. The Parties have reached this Settlement Agreement only after discovery and investigation was performed, and after the Parties participated in a full-day mediation with a highly-experienced and respected mediator well versed wage-and-hour PAGA and class action litigation.
- (e) There has been no determination of the merits of the Action or the Plaintiff's PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action.
- (f) The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind. This Settlement Agreement is a compromise of such disputed claims. Nothing contained in this Settlement Agreement and no documents referred to herein and no action taken to carry out this Settlement Agreement may be construed or used as an admission by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever.
- (g) The Parties' Settlement Agreement contemplates the (a) entry of an order by the Court approving the payment allocated for resolution of the PAGA penalties; (b) dismissal of the Action with prejudice; and (c) all parties bearing their respective fees and costs except as expressly provided in this Settlement Agreement.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Cooperation.

The Parties will cooperate in obtaining through written stipulation or unopposed motion if a motion is required, an Order from the Court approving the payment of Settlement Sum as described in this Settlement Agreement at the earliest possible date. Plaintiff's Counsel shall request and, subject to the Court's approval, be paid Attorneys' Fees and Attorneys' Costs from the Settlement Sum and Defendant will not oppose these requests. 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, 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 Settlement Sum as described in this Settlement Agreement.

Section 3.02 Court Approval.

The Parties will seek to obtain the Court's approval of the payment of Settlement Sum as described in this Settlement Agreement by way of a stipulation or unopposed motion to be filed by Plaintiff's Counsel on or before June 30, 2021, or as directed by the Court. Plaintiff's Counsel and Defense Counsel will jointly lodge this Settlement Agreement with the Court for its approval. The Court's approval of the Settlement Sum as described in this Settlement Agreement shall be embodied in a written Order. Should the Court not grant approval of the payment of Settlement Sum as described in this Settlement Agreement, then the entirety of this Settlement Agreement shall be null and void.

Pursuant to California Labor Code § 2699(l), Plaintiff will provide a copy of this Settlement Agreement to the LWDA concurrently with the filing of the motion for Settlement Approval. Plaintiff or Plaintiff's Counsel will also file a declaration in support of the motion for Settlement Approval confirming that she has submitted the Settlement to the LWDA in compliance with Labor Code § 2699(l).

Upon entry of judgment by the Court, Plaintiff's Counsel shall submit a copy of the judgment to the LWDA, and provide proof of said submission to counsel for Defendant.

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 ten (10) business days after the Effective Date, Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees ("Aggrieved Employees List"). For each Aggrieved Employee, the Aggrieved Employees List shall state first name, last name, last known mailing address, social security number, hire date, and termination date (if applicable). Because the Aggrieved Employees List contains sensitive personal information, the Settlement Administrator shall maintain the Aggrieved Employees List securely and in confidence, maintaining the strictest standards of data privacy. Access to the Aggrieved Employees List shall be limited to employees of the Settlement Administrator with a need to use the Aggrieved Employees List for administration of this Settlement Agreement and the Aggrieved Employees List shall be returned to Defendant once settlement administration is concluded. The Aggrieved Employee List will not be provided to Plaintiff's Counsel.
- (2) No later than fifteen (15) business days after the Settlement Sum is paid by Defendant, the Settlement Administrator shall mail the Notice to all Aggrieved Employees, together with their settlement checks by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice 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 using an address refresher

database. Concurrently, the Settlement Administrator shall mail the required payment to the LWDA. The Aggrieved Employees may not opt-out of or object to this settlement.

- (3) Any check re-mailings will not extend the 180-day period to cash a check. Any checks issued to Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance and then shall become void on the 181st day after issuance, i.e., the Void Date. The Parties agree that, within fourteen (14) calendar days after the Void Date, any unclaimed funds in the Settlement Fund Account as a result of the failure to cash Individual Settlement Payment checks prior to the Void Date shall be paid by the Settlement Administrator to the LWDA.
- (4) All Settlement Administration Cost, including mailing of the Notice of PAGA Settlement described herein, whether foreseen or not, shall be paid out of the Settlement Sum. These costs shall not exceed Eight Thousand Five Hundred Dollars (\$8,500); to the extent they exceed this amount, they shall be paid from the Net Settlement Amount (as defined herein); to the extent they fall below this amount, they shall be added to the PAGA Settlement Fund.

Section 3.04 Settlement Payment Procedures.

(a) Deposit of Settlement Sum with Settlement Administrator and Settlement Administration

Defendant shall deposit the Settlement Sum with the Settlement Administrator within of thirty (30) calendar days after the Effective Date of Agreement. If the date by which payment by Defendant is due falls on a Saturday, Sunday or legal holiday in the State of California, then the due date shall be extended the next following day which is not a Saturday, Sunday or legal holiday in the State of California.

- (b) Upon approval of the Court, Plaintiff's Counsel will retain the Settlement Administrator to administer this Settlement. The Settlement Administrator will be responsible for: establishing the settlement fund account; calculating Individual Settlement Shares; preparing, printing, and mailing the individual settlement checks and accompanying Notice; disbursing payment of Attorneys' Fees and Attorneys' Costs to Plaintiff's Counsel; disbursing payment to the LWDA consisting of seventy-five percent (75%) of the PAGA Settlement Fund; printing and providing Aggrieved Employees and Plaintiff's Counsel with IRS Forms 1099 as required under this Settlement Agreement and applicable law; providing a due diligence declaration for submission to the Court upon completion of the terms of the Settlement; and for such other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, Plaintiff's Counsel or any Aggrieved Employee until the amounts are approved by the Parties. Any legally mandated tax reports, tax filings, or other tax documents required by the administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses

incurred in connection with such preparation shall be part of the Settlement Administration Costs. Payment of PAGA Penalties.

The PAGA Settlement Fund shall be calculated by deducting Attorneys' Fees, Attorneys' Costs, and Settlement Administration Costs from the \$175,000.00 Settlement Sum (this will yield the "Net Settlement Amount," which is estimated to be approximately \$98,166.67).

Seventy-five percent (75%) of the Net Settlement Amount shall be paid to the LWDA; the remaining twenty-five percent (25%) of the Net Settlement Amount (the "Employee Net Settlement Amount") shall be paid to Aggrieved Employees pro rata determined in the following manner:

The Employee Net Settlement Amount will be converted into a pay period value. The pay period value will be determined by dividing the Employee Net Settlement Amount by all pay periods worked by the Aggrieved Employees during the Release Period (i.e., July 26, 2019 through the Effective Date of Agreement). The pay periods worked by the Aggrieved Employees will be determined by calculating the number of days worked during the Release Period as a non-exempt employee in California by using the hire and termination dates (or the Effective Date of Agreement for Aggrieved Employees still employed by Defendant) provided by Defendant and dividing by 14 to yield pay periods.

The Individual Settlement Share will then be determined for each employee by multiplying the pay period value by each Aggrieved Employee's individual pay periods.

All Aggrieved Employees who cash their settlement check will receive an IRS Form 1099 for their portion of the settlement.

The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Plaintiff understands and agrees that she will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will hold Plaintiff's Counsel, Defendant, the Released Parties, Defense Counsel, and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages. Each Party to this Settlement (for purposes of this section, the "Acknowledging Party" and each Party to this Settlement Agreement other than the Acknowledging Party, an "other Party") acknowledges and agrees that: (a) no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (b) the Acknowledging Party (i) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (ii) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (iii) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the

Acknowledging Party; and (c) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement. The settlement checks issued to Aggrieved Employees shall remain valid for one hundred eighty (180) days. Thereafter, all uncashed checks shall be transmitted to the LWDA. Regardless of whether an Aggrieved Employee cashes a check, they are bound by the release.

(c) Attorneys' Fees and Costs and General Release Payments.

Within five (5) calendar days of receipt of the Settlement Sum by the Settlement Administrator from Defendant, the Settlement Administrator shall pay the Attorneys' Fees and Attorneys' Costs, as defined herein, and approved by the Court.

Neither Plaintiff's Counsel nor any other current or past counsel for Plaintiff shall be permitted to petition the Court for, or to accept, any additional payments for Attorneys' Fees, costs, interest, or any other amount from Defendant except as specified above. Defendant's payment of the Attorneys' Fees and Attorneys' Costs shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law firm, including but not limited to Plaintiff's Counsel, or Attorneys' Fees, expenses, and/or costs in the Action incurred by any other attorney or law firm for Attorneys' Fees, expenses, and/or costs to which any of them may claim to be entitled on behalf of Plaintiff and/or PAGA Aggrieved Employees. The Parties further agree that Plaintiff's Counsel's Attorneys' Fees and Attorneys' Costs shall be for all Attorneys' Fees, expenses, and/or costs, present and future, incurred in the Action by all attorneys working on behalf of Plaintiff and/or PAGA Aggrieved Employees.

(d) Settlement Administrator Expenses.

Within five (5) calendar days after all payments from the Settlement Sum are disbursed, the Settlement Administrator shall pay itself up to the \$8,500 allocated to it for Settlement Administration.

(e) Certification of Completion.

Upon completion of the administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for the Parties. Plaintiff's Counsel shall file this declaration with the Court within seven (7) calendar days of receipt.

Section 3.05 Judgment and Continued Jurisdiction.

After entry of the Final Approval order and judgment, the Court will have continuing and exclusive jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) matters relating to the administration of the Settlement; and (c) such post-Judgment matters as may be appropriate under Court rules or as set forth in this Settlement Agreement.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

This Settlement Agreement and compliance therewith shall not be construed as an admission by Defendant of any liability whatsoever, or as admission by Defendant of any violations of Plaintiff's or the Aggrieved Employees' rights, violation of any order, law, statute, duty or contract whatsoever. Defendant specifically disclaims any liability to Plaintiffs, the Aggrieved Employees, or any other allegedly aggrieved employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract.

Section 4.02 Non-Evidentiary Use.

Neither this Settlement 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 Settlement Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize the same.

Section 4.03 Nullification.

- (a) If the Court should for any reason fail to approve the payment of PAGA Settlement Fund as described in this Settlement Agreement, then (a) this Settlement Agreement shall be considered null and void, (b) neither this Settlement Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Settlement Agreement shall stand in the same position, without prejudice, as if the Settlement Agreement had been neither entered into nor filed with the Court.
- (b) Invalidation of any material portion of this Settlement 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.

Section 4.04 Confidentiality.

Plaintiff and her counsel agree not to issue a press release or otherwise notify the media about the terms of the Settlement Agreement or advertise or market any of the terms of the Settlement Agreement through written, recorded, or electronic communications. In addition,

Plaintiff's Counsel will not put details about the settlement on their website. However, this will not prevent Plaintiff's Counsel from undertaking required submissions and disclosures necessary to obtain approval of the Settlement Agreement, including but not limited to, submission of the Settlement Agreement to the LWDA in conformity with the requirements of PAGA.

Article V.

Release and Waiver of Claims.

Section 5.01 Release by Aggrieved Employees.

Upon entry of the Order approving payment of the PAGA Settlement Fund as described in this Settlement Agreement, Plaintiff, all Aggrieved Employees, and the State of California shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from the Released Claims that arose during the Release Period. Aggrieved Employees may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date of Agreement, the Aggrieved Employees shall be deemed to have, and by operation of the Order approving the Settlement Agreement shall have fully, finally, and forever released any and all of the Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Upon the Effective Date of Agreement, Plaintiff and the Aggrieved Employees are estopped from suing or otherwise making any claim against any of the Released Parties seeking recovery for any of the Released Claims. It is the intent of the Parties that the Order approving this Settlement Agreement shall have full *res judicata* effect and be final and binding upon Plaintiff and the other Aggrieved Employees regarding the Released Claims. However, nothing in this Settlement Agreement shall impact Aggrieved Employees' right or ability to assert claims under the Labor Code other than the PAGA claims being released in this Settlement Agreement, including claims for unpaid wages.

Section 5.02 No Right of Aggrieved Employees to Object or Opt-Out.

The Parties agree that there is no statutory right for any Aggrieved Employee to object, opt out, or otherwise exclude himself or herself from the Settlement Agreement. Except as otherwise stated, Plaintiff will vigorously defend against any attempt by any Aggrieved Employee or by any entity or agency to intervene in this matter or object to/opt-out of this settlement. The Parties further agree that there is no right or opportunity for any Aggrieved Employee to appeal the approval of the Settlement Agreement by the Court. The Parties will jointly defend against any appeal filed with respect to the Court Order approving the Settlement Agreement.

Section 5.03 Waiver of Certain Appeals.

In the event the Court grants Approval of this Settlement, the Parties agree to waive appeals concerning this Settlement.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

This Settlement 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 Settlement Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff, Plaintiff's Counsel, Defendant and Defense Counsel who executed this Settlement Agreement and (b) approved by the Court. Any waiver of any provision of this Settlement Agreement shall not constitute a waiver of any other provision of this Settlement Agreement unless expressly so indicated otherwise.

Section 6.03 No Effect on Employee Benefits.

Amounts paid to Aggrieved Employees pursuant to this Settlement Agreement do not count as earnings or compensation for purposes of any benefits (e.g., 401(k) plans or retirement plans) sponsored by Defendant.

Section 6.04 Governing Law.

This Settlement 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 Exhibits Incorporated by Reference.

The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

Section 6.06 Entire Agreement.

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

Section 6.07 Waiver of Compliance.

Any failure of any Party, Defense Counsel, 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 6.08 Counterparts.

This Settlement 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. 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 6.09 Attorneys' Fees, Costs, Liens, and Indemnification.

Except as expressly provided herein, Defendant and Plaintiff shall each bear their own attorney's fees and costs. This includes, but is not limited to, fees for attorneys, consultants and expert witnesses. Plaintiff acknowledges that none of the Released Parties are responsible for the payment of any fees incurred on behalf of Plaintiff in connection with the prosecution of the Action, except to the extent the Settlement Agreement provides for payment of Attorneys' Fees and Costs.

Section 6.10 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Settlement Agreement, the Parties agree to submit any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

Section 6.11 Binding.

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

Section 6.11 Continuing Jurisdiction.

The Parties agree that upon the occurrence of the dismissal of this case pursuant to the terms of this Agreement, this Settlement Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure Section 664.6 and 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 obligation of the Settlement Agreement.

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

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES AND TO RECEIVE THE CONSIDERATION SET FORTH HEREIN, PLAINTIFFS AND DEENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

APPROVED AND ACCEPTED.

Dated: _____

LES SCHWAB TIRE CENTERS OF
CALIFORNIA, LLC.

By _____

Title: _____

Dated: 6/22/2021

DocuSigned by:
By Gerriann Williams
7713888F418F48C...
GERIANN WILLIAMS

APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY

Dated: 6/22/2021

MAYALL HURLEY P.C.

By [Signature]
Vladimir J. Kozina
Attorneys for Plaintiff

Dated: _____

LITTLER MENDELSON, P.C.

By _____
Britney N. Torres
Simerdip Khangura
Attorneys for Defendant

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES AND TO RECEIVE THE CONSIDERATION SET FORTH HEREIN, PLAINTIFFS AND DEENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

APPROVED AND ACCEPTED.

Dated: _____

LES SCHWAB TIRE CENTERS OF
CALIFORNIA, LLC.

By 
Title: CAOL Secretary

Dated: _____

By _____
GERIANN WILLIAMS

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: _____

MAYALL HURLEY P.C.

By _____
Vladimir J. Kozina
Attorneys for Plaintiff

Dated: _____

LITTLER MENDELSON, P.C.

By 
Britney N. Torres
Simerdip Khangura
Attorneys for Defendant

EXHIBIT A

You have been identified as a California, non-exempt employee of Les Schwab Tire Centers of California, LLC. (“Defendant”) who worked during one or more pay periods from July 26, 2019 through [EFFECTIVE DATE OF AGREEMENT] (“Aggrieved Employee”).

On September 28, 2020, Plaintiff Geriann Williams (“Plaintiff”) filed a Complaint in the Superior Court of the State of California for the County of Sacramento, styled *Gerriann Williams v. Les Schwab Tire Centers of California, Inc.*, Case Number 34-2020-00285880 (the “Action”). The Action was brought by Plaintiff, on behalf of herself and the State of California and other Aggrieved Employees, as an action pursuant to the California Labor Code’s Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq.* (“PAGA”) based on violations of Labor Code § 201, 202, 203, 226, and 510. For these alleged violations, Plaintiff sought civil penalties pursuant to the PAGA.

Defendant denied Plaintiff’s allegations and disputed all of Plaintiff’s claims. The Action was litigated and following an investigation and a mediation with a third-party mediator, to avoid further time and expense in litigation, Defendant and Plaintiff have agreed to settle the case. The Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation.

The Court approved the settlement on _____, 2021. The payment which accompanies this notice is made to you pursuant to the terms of the Settlement Agreement. You may not opt out of or object to the settlement. The settlement check shall remain valid for one hundred eighty (180) days. Checks remaining un-cashed for more than 180 days after issuance will be tendered to the California Labor and Workforce Development Agency within fourteen (14) calendar days from the date on which Affected Employees’ checks become void.

If you have any questions regarding your settlement payment, you may contact the Settlement Administrator:

Simpluris
[Address TBD]
Costa Mesa, CA 92626
[Email address TBD]
[Phone TBD]

EXHIBIT B

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

GERIANN WILLIAMS, as proxy for the
Labor and Workforce Development Agency,

Plaintiff,

vs.

LES SCHWAB TIRE CENTERS OF
CALIFORNIA, INC., a corporation; and
DOES 1-100,

Defendants.

CASE NO. 34-2020-00285880
ASSIGNED FOR ALL PURPOSES TO:
The Honorable Gerrit W. Wood
Department 31

PAGA REPRESENTATIVE ACTION

**ORDER GRANTING APPROVAL OF
PAGA SETTLEMENT AND ENTERING
JUDGMENT**

Complaint filed: September 28, 2020
Trial date: Not set

1 This matter having come before the Court on Plaintiff Geriann Williams' ("Plaintiff")
2 motion for approval of the Parties' Settlement pursuant to California's Private Attorneys General
3 Act, California Labor Code § 2698 *et seq.* ("PAGA"), it is hereby ORDERED:

4 1. This Order incorporates the Private Attorneys General Act Settlement Agreement
5 and Release ("Settlement Agreement") agreed to between Plaintiff, on behalf of herself and the State
6 of California, on the one hand, and Defendants on the other hand. Unless otherwise provided
7 herein, all capitalized terms used herein shall have the same meaning as defined in the Settlement
8 Agreement. The Court has jurisdiction over the subject matter of this lawsuit and all matters
9 relating thereto, and over all parties to the Action.

10 2. The Court has considered the nature of the claims, the amount paid in settlement,
11 which is \$ _____ ("Gross Settlement Fund"), the allocation of settlement proceeds among
12 the aggrieved employees, the PAGA Employees, and the fact that a settlement represents a
13 compromise of the Parties' respective positions rather than the result of a finding of liability at
14 trial. The Court hereby finds the Settlement is fair to those affected and is not unjust, arbitrary
15 and oppressive, or confiscatory, has been reached as a result of serious and non-collusive,
16 arm's-length negotiations. The Court therefore approves the Settlement as set forth in the
17 Settlement Agreement and directs the Parties to effectuate the Settlement according to the
18 terms outlined in the Settlement Agreement.

19 3. The Court hereby finds that Plaintiff's notice of the proposed Settlement submitted
20 to the Labor and Workforce Development Agency fully and adequately complied with the notice
21 requirements of California Labor Code § 2699.

22 4. Upon the Effective Date, the Plaintiff and PAGA Employees shall be bound by the
23 Released Claims defined as follows:

24 All claims for civil penalties under PAGA that were actually alleged or
25 could have been alleged in the Action by Plaintiff, on behalf of the State of
26 California, herself and the Aggrieved Employees, based on the facts alleged
27 in the Complaint, including but not limited to: (a) civil penalties pursuant to
28 Labor Code Section 201, 202, 203, 226 and 510; (b) Attorneys' Fees and
costs incurred in the prosecution of the Action on behalf of the Aggrieved
Employees; (c) any other PAGA penalties based on the facts alleged in the
Complaint and in the PAGA Notice defined herein below; and (d) all claims
that Plaintiff and/or the Aggrieved Employees may have against the

Released Parties relating to the payment, taxation, and allocation of Attorneys' Fees and costs to to Plaintiff's Counsel pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the Settlement Period.

It is the intent of the Parties that the Settlement Approval order entered by the Court shall have full *res judicata* effect and be final and binding upon PAGA Employees with respect to the Released Claims.

5. Neither the Settlement nor any of the terms set forth in the Settlement Agreement are admissions by Defendants, or any Released Parties, of liability on any of the allegations alleged in the Action, nor is this Order a finding of the validity of any claims in the Action, or of any wrongdoing by the Defendants, or any Released Parties.

6. Pursuant to the terms of the Settlement, the Court awards Attorney's Fees to Plaintiff's Counsel in the total amount of \$_____, to be paid out of the Gross Settlement Amount, as final payment for and complete satisfaction of any and all attorney's fees arising out of the Action.

7. Pursuant to the terms of the Settlement, the Court awards Attorney Costs to Plaintiff's Counsel in the total amount of \$_____, to be paid out of the Gross Settlement Amount, as final payment for and complete satisfaction of any and all attorney's costs arising out of the Action.

8. The Court appoints _____ to serve as the Settlement Administrator. Furthermore, pursuant to the terms of the Settlement, the Court awards payment of \$_____ as compensation for its fees and costs in administering this Settlement. This amount is to be paid out of the Gross Settlement Amount.

9. Pursuant to the terms of the Settlement Agreement, and the Private Attorneys General Action, Labor Code section 2698, et seq., the remaining sum, the PAGA Fund estimated at _____ shall be allocated as follows: seventy-five percent (75%) or \$_____, will be paid to the Labor Workforce and Development Agency, and twenty-five percent (25%), or \$_____, will be paid to all PAGA Employees allocated pursuant to the method set forth in the Settlement Agreement for calculating Individual Settlement Payments.

1 10. Defendant will not be required to pay any additional amounts in connection with the
2 Settlement other than those amounts specifically set forth in the Settlement Agreement and this Order.
3 Only in the event that the aggregate number of Pay Periods increase as provided for in Paragraph 6 of
4 the Settlement Agreement, would Defendant be required to pay more than the Gross Settlement
5 Amount.

6 13. The Court reserves exclusive and continuing jurisdiction over the lawsuit for the
7 purposes of supervising the implementation, enforcement, construction, administration, and
8 interpretation of the Settlement Agreement and this Judgment.

9 14. The Court hereby enters judgment of the entire Action, for the reasons set forth above
10 and upon the terms set forth in the Settlement Agreement.

11 IT IS SO ORDERED.

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14 DATED: _____, 2021

Hon. _____
Judge of the Superior Court

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