

PAGA SETTLEMENT AGREEMENT

This Stipulation of Settlement (“PAGA Settlement Agreement”) is made by and between Named Plaintiff Loucretia Velasco (“Plaintiff”), on her own behalf and on behalf of all members of the PAGA Group, as defined below, and Defendants First Motor Group of Los Angeles LLC (“First Motor Group”) and Trophy Automotive Dealer Group LLC (“TADG”) (collectively “Defendants”), in the lawsuit entitled *Loucretia Volasco v. First Motor Group of Los Angeles LLC, et al.*, Los Angeles Superior Court Case No. 21STCV06082 (the “Litigation”). The term “Party” or “Parties” as used herein shall refer to Plaintiff, Defendants, or both, as may be appropriate. This PAGA Settlement Agreement resolves all claims that were asserted or could have been asserted against Defendants pertaining to the claims in the Litigation.

I. DEFINITIONS

A. Administrative Costs. All administrative costs of settlement, including cost of notice to the Settlement Group, administration, and any fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation of Settlement.

B. Agreement. The terms “Agreement” or “Settlement Agreement” are used synonymously herein to mean this PAGA Settlement Agreement for purposes of Resolution.

C. Court. The term “Court” as used herein means the Superior Court of the State of California for the County of Los Angeles.

D. Date of Approval. The terms “Date of Approval” or “Approval” as used herein mean the date of the PAGA Settlement Approval Hearing.

E. Defendants. The term “Defendants” as used herein means: First Motor Group of Los Angeles LLC and Trophy Automotive Dealer Group LLC.

F. Litigation. The term “Litigation” as used herein means the action entitled filed in Los Angeles Superior Court, Case No. 21STCV06082.

G. Named Plaintiff. The term “Named Plaintiff” as used herein means Loucretia Velasco. The term Named Plaintiff shall be used synonymously with the term PAGA Representative.

1 **H. Net Settlement Amount.** The term “Net Settlement Amount” as used herein
2 means the Settlement Amount minus any award of attorneys’ fees and Litigation costs,
3 Administrative Costs, seventy-five percent (75%) of penalties payable to the LWDA (“LWDA
4 Payment”), twenty-five percent (25%) to the PAGA employees (“PAGA GROUP PAYMENT”)
5 pursuant to California’s Private Attorney General Act (“PAGA”), and as provided in Sections
6 VI and X, respectively.

7 **I. Net Settlement Payments.** The term “Net Settlement Payment(s)” shall include
8 payments made to the Settlement Group as part of the Resolution.

9 **J. LWDA Payment.** The term “LWDA Payment” as used herein means seventy-
10 five percent (75%) of the remainder of the Settlement Amount after the deduction of any award
11 of attorneys’ fees, Litigation costs, and Administrative Costs. This amount shall be calculated
12 as follows: Settlement Amount minus (Court approved amounts for attorneys’ fees, Litigation
13 costs, and Administrative Costs) times 75%.

14 **K. PAGA GROUP PAYMENT.** The term “PAGA GROUP PAYMENT” as used
15 herein means Twenty-five percent (25%) of the remainder of the Settlement Amount after the
16 deduction of any award of attorneys’ fees, Litigation costs, and Administrative Costs. This
17 amount shall be calculated as follows: Settlement Amount minus (Court approved amounts for
18 attorneys’ fees, Litigation costs, and Administrative Costs) times 25%.

19 **L. Plaintiff’s Counsel.** The term “Plaintiff’s Counsel” as used herein means: M
20 Law Attorneys, APC, who are counsel for and acting on behalf of Named Plaintiff.

21 **M. PAGA Group.** The PAGA Group is defined as: All persons within the State of
22 California who are or were employed by Defendants or provided services to Defendants in the
23 State of California that were classified as non-exempt, paid by hourly rate or by commission, at
24 any time within the PAGA Period.

25 **N. PAGA Period.** The term “PAGA Period” or “Settlement Period” shall refer to
26 the time period from September 29, 2019 to the date of settlement approval.

27 **O. Resolution.** The term “Resolution” as used herein means this Agreement to
28 resolve the Litigation.

1 **P. Settlement Administrator.** The term “Settlement Administrator” as used herein
2 means Phoenix Settlement Administrators, which will be responsible for the administration of
3 the Settlement Payment, as defined below, and all related matters.

4 **Q. Settlement Agreement.** The terms “Settlement Agreement” or “Agreement” are
5 used synonymously herein to mean this PAGA Settlement Agreement.

6 **R. Settlement Amount.** The terms “Settlement Amount” and “Gross Settlement
7 Fund” as used herein mean a fund in the sum of Fifty Thousand Dollars and Zero Cents
8 (\$50,000.00) which shall be paid by Defendants, and from which all Net Settlement Payments,
9 Court approved attorneys’ fees and Litigation costs pursuant to Section XIII, Administrative
10 Costs pursuant to Section VIII, and distribution to the LWDA pursuant to Section XVI shall be
11 paid, except as provided herein.

12 The Parties currently estimate that there are approximately 264 individuals in the PAGA
13 Group, who worked an aggregate total of approximately 5,845 pay periods during the PAGA
14 Period, all of which shall be confirmed by the Settlement Administrator.

15 **II. BACKGROUND**

16 A. On September 29, 2020, Plaintiff provided Defendants with a Private Attorney
17 General Act (“PAGA”) Notice to the Labor and Workforce Development Agency (“LWDA”) and demand letter alleging individual claims as well as wage and hour PAGA violations against
18 Defendant First Motor Group of Los Angeles LLC and Defendant Trophy Automotive Dealer
19 Group LLC. This PAGA Notice was subsequently amended to include Notice to the LWDA
20 alleging violations of the following Labor Code violations: 201, 202, 203, 204, 210, 216, 222,
21 222.5, 223, 226, 226.4, 226.6, 226.7, 256, 432.5, 510, 512, 558.1, 1174, 1197, 2802, and 2699,
22 against Defendants on Plaintiff’s behalf and on behalf of other alleged aggrieved employees.

23 B. On February 16, 2021, Plaintiff brought an action against Defendants, which is
24 pending as *Loucretia Volasco v. First Motor Group of Los Angeles LLC*, et al., Los Angeles
25 Superior Court Case No. 21STCV06082 (the “Action”). In the Action, Plaintiff asserts that
26 Defendants failed to pay Plaintiff and other similarly situated non-exempt hourly and
27 commissioned employees all wages in full and on a timely basis, provide overtime, provide meal
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1 periods and rest periods, issue accurate itemized wage statements, and other associate Labor
2 Code violations. The Action sought penalties under PAGA for these alleged violations. Plaintiff
3 also alleged wrongful termination in violation of Labor Code section 98.6 and in wrongful
4 termination in violation of public policy.

5 C. Following the filing of the Litigation, counsel for the Parties met and conferred
6 with respect to the potential settlement of the Litigation. Pursuant to these discussions, the
7 Parties agreed to exchange informal discovery and engage in private mediation. The Parties
8 subsequently exchanged informal discovery, including: information and documentation
9 concerning the claims set forth in the Litigation, such as documentation regarding Named
10 Plaintiff's employment; information regarding the number of putative PAGA Group members
11 and the number of current versus former employees; and the total pay periods worked by the
12 PAGA Group.

13 D. Named Plaintiff and Plaintiff's Counsel have engaged in good faith, arms-length
14 negotiations. On April 12, 2021, the Parties participated in a mediation with Mike Young which
15 resulted in a mediator's proposal. The Parties settled the case, subject to the Approval of the
16 Court and finalization of a formal Settlement Agreement. The Parties have now entered into a
17 more detailed, formalized Settlement Agreement for submission to the Court for Approval. The
18 Parties have stipulated to allow Plaintiff's counsel to file a First Amended Complaint in the
19 Litigation in order to effectuate the Agreement and Resolution in this matter.

20 E. Plaintiff's Counsel has conducted an investigation of the law and facts relating
21 to the claims asserted in the Litigation and has concluded, taking into account the sharply
22 contested issues involved, the expense and time necessary to pursue the Litigation through trial
23 and any appeals, the risks and costs of further prosecution of the Litigation, the risk of an adverse
24 outcome, the uncertainties of complex litigation, and the substantial benefits to be received by
25 the Named Plaintiff and the members of the PAGA Group pursuant to this Agreement, that a
26 settlement with Defendants on the terms and conditions set forth herein is fair, reasonable,
27 adequate, and in the best interests of the PAGA Group. Named Plaintiff, on her own behalf and
28 as a representative pursuant to PAGA, has agreed to settle the Litigation with Defendants on the

1 terms set forth herein.

2 F. Defendants have concluded that, because of the substantial expense of defending
3 against the Litigation, the length of time necessary to resolve the issues presented herein, the
4 inconvenience involved, and the concomitant disruption to their business operations, it is in its
5 best interests to accept the terms of this Agreement. Defendants deny each of the allegations
6 and claims asserted against it in the Litigation. However, Defendants nevertheless desire to
7 settle the Litigation for the purpose of avoiding the burden, expense, and uncertainty of
8 continuing litigation and for the purpose of putting to rest the controversies engendered by the
9 Litigation.

10 G. This Agreement is intended to and does effectuate the full, final, and complete
11 resolution of all allegations and claims that were asserted, or could have been asserted, in the
12 Litigation by Named Plaintiff.

13 **III. JURISDICTION**

14 The Parties agree that the Court has jurisdiction over the Parties and the subject matter
15 of this Litigation. The Litigation includes claims that, while Defendants deny them in their
16 entirety, would, if proven, authorize the Court to grant relief pursuant to the applicable statutes.
17 After the Court has granted Approval of the Resolution, pursuant to California Code of Civil
18 Procedure Section 664.6 the Parties agree that the Court shall retain jurisdiction of this action
19 solely for the purpose of interpreting, implementing, and enforcing this Resolution consistent
20 with the terms set forth herein, and the Parties and their counsel submit to the jurisdiction of the
21 Court for purposes of interpreting, implementing, and enforcing this Agreement and all orders
22 and judgments entered in connection therewith.

23 **IV. STATEMENT OF NO ADMISSION**

24 A. Defendants deny liability to Named Plaintiff and to the PAGA Group upon any
25 claim or cause of action. This Agreement does not constitute, and is not intended to constitute,
26 an admission by Defendants as to the merits, validity, or accuracy of any of the allegations or
27 claims made against it in the Litigation.
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1 B. Nothing in this Agreement, nor any action taken in implementation thereof, nor
2 any statements, discussions, or communications, nor any materials prepared, exchanged, issued,
3 or used during the course of the negotiations leading to this Agreement or the Resolution, is
4 intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be
5 used, or be admissible in any way in this case or any other judicial, arbitral, administrative,
6 investigative, or other forum or proceeding as evidence of any violation of any federal, state, or
7 local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at
8 law or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement,
9 directly or indirectly, in this case or any other judicial, arbitral, administrative, investigative, or
10 other forum or proceeding, as purported evidence of any violation of any federal, state, or local
11 law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or
12 in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used
13 in any proceeding before the Court that has as its purpose the interpretation, implementation, or
14 enforcement of this Agreement or any orders or judgments of the Court entered in connection
15 with the Resolution.

16 C. None of the documents produced or created by Named Plaintiff or the PAGA
17 Group in connection with the claims procedures or claims resolution procedures constitute, and
18 they are not intended to constitute, an admission by Defendants of any violation of any federal,
19 state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or
20 duty at law or in equity.

21 D. Nothing in this Agreement will be construed as an admission or
22 acknowledgement of any kind that any group should or would be given collective treatment in
23 the Litigation or in any other action or proceeding. Further, neither this Agreement nor the
24 Court's actions with regard to this Agreement will be admissible in any court or other tribunal
25 regarding the propriety of collective treatment. In the event that this Agreement is not approved
26 by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Named
27 Plaintiff will not be deemed to have waived, limited, or affected in any way any claims, rights,
28 or remedies in the Litigation, and Defendants will not be deemed to have waived, limited, or

1 affected in any way any of their objections or defenses in the Litigation.

2 **V. RELEASE, DISMISSAL, AND CONFIDENTIALITY**

3 **A. Release as to All PAGA Group Members.**

4 Upon Approval by the Court of this Settlement, Plaintiff and each member of the PAGA
5 Group, will release any and all claims and causes of action under the California Private
6 Attorneys' General Act of 2004 Cal. Lab. Code § 2698 (PAGA) against Defendants,
7 Defendants' parents, owners, subsidiaries, affiliates, their insurers, attorneys, and all agents
8 thereof, arising out of the facts and claims asserted in the Litigation for civil penalties under
9 PAGA based upon any of Named Plaintiff's allegations or claims, under any legal theory of
10 liability, including but not limited to claims that Defendants failed to pay their employees all
11 wages in full and on a timely basis, provide minimum or overtime wages, provide meal and rest
12 periods, reimburse all business expenses, and issue accurate itemized wage statements, or any
13 other violations under Labor Code sections 201, 202, 203, 204, 210, 216, 222, 222.5, 223, 226,
14 226.4, 226.6, 226.7, 256, 432.5, 510, 512, 558, 558.1, 1174, 1194, 1197, 2802, and 2699, and
15 their subsections, and all applicable Wage Orders as well as all interpretations of these laws by
16 California Courts and administrative bodies. This release extends only to the penalties available
17 through PAGA and does not release individual claims.

18 **B. Publicity.**

19 The Named Plaintiff and his counsel agree that they have not and will not publish the
20 Resolution. More specifically, Named Plaintiff and his counsel agree that they will not report
21 the Settlement in any medium or in any publication, shall not post or report anything regarding
22 the claims of Named Plaintiff or the Settlement on any website, and shall not contact any
23 reporters or media regarding the Settlement. However, nothing in the provision shall be
24 construed from as preventing the Parties from taking following actions: (a) Named Plaintiff's
25 Counsel shall be allowed to refer to the Litigation and Resolution in other litigations to support
26 their adequacy as attorneys for a putative class or to justify an award of attorney's fees; (b) the
27 Parties shall have the right to disclose the Resolution as may be required under federal or state
28 tax and/or securities laws or under Generally Accepted Accounting Principles; (c) the Parties

1 may refer to the Resolution, describe its terms, and file the settlement agreement with the Court,
2 the California LWDA, and the Settlement Administrator in connection with any proceedings
3 which are reasonably necessary to obtain Approval of the Settlement; and, (d) the Parties or
4 their representatives may communicate with accountants or legal advisors regarding the
5 Resolution. Except for the previously listed exceptions, in response to any inquiries about the
6 Litigation, the Parties may state that “the case was resolved, and it was resolved confidentially.”

7 **VI. SETTLEMENT ADMINISTRATOR**

8 Named Plaintiff and Defendants, through their respective counsel, have selected Phoenix
9 Settlement Administrators as the Settlement Administrator to administer the Resolution, which
10 includes but is not limited to distributing and responding to inquiries about the Notice of
11 Resolution and calculating all amounts to be paid from the Net Settlement Fund. Charges and
12 expenses of the Settlement Administrator, estimated to be no more than Two Thousand Nine
13 Hundred and Fifty Dollars (\$2,950.00) will be paid from the Settlement Amount. Any charges
14 and expenses of the Settlement Administrator greater than the allocated Two Thousand Nine
15 Hundred and Fifty Dollars (\$2,950.00) will come from the Settlement Amount. If the actual
16 Settlement Administrator fees are less than the Parties’ estimation, the difference between the
17 actual and estimated Settlement Administrator fees will be included in the Net Settlement
18 Amount.

19 **VII. NOTICE**

20 Named Plaintiff and Defendants, through their respective attorneys, have jointly prepared
21 a Notice of PAGA Settlement (the “Notice”), in the form attached hereto as Exhibit “A” which
22 in substance will be provided to the members of the PAGA Group as follows:

23 As soon as practicable following Approval of the Resolution, but no later than thirty (30)
24 business days after the Court’s Approval, Defendants will provide to the Settlement
25 Administrator the following information about each PAGA Group member: (1) name; (2) last
26 known home address; (3) number of pay periods as a PAGA Group member during the PAGA
27 period; and (4) social security number (“PAGA List”).

28 The Settlement Administrator shall run all the addresses provided through the United

1 States Postal Service NCOA database (which provides updated addresses for any individual who
2 has moved in the previous four years who has notified the U.S. Postal Service of a forwarding
3 address) to obtain current address information. Within thirty (30) business days after the
4 Settlement Administrator's receipt of the PAGA List, the Settlement Administrator will mail
5 the Notice of Resolution together with a settlement payment to all PAGA Group members by
6 first-class United States mail, postage prepaid, with directions to the Postmaster to forward the
7 Notice and return all undeliverable Notices to the Settlement Administrator. For each Notice of
8 PAGA Settlement and settlement payment that is returned as undeliverable, the Settlement
9 Administrator shall promptly attempt to locate the Aggrieved Employee by performing an
10 additional skip trace and shall re-mail the Notice and settlement check no later than ten (10)
11 calendar days following receipt of the undeliverable Notice. The Notice will be provided in
12 English.

13 **VIII. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

14 **A. Distribution Formula.**

15 Members of the PAGA Group will receive a lump sum payment as good and valuable
16 consideration for the waiver and release of claims set forth in Section V(A), above, in an amount
17 determined by the Settlement Administrator in accordance with the provisions of this
18 Agreement.

19 The lump sum payment to each member of the PAGA Group will be determined by
20 dividing the Net Settlement Amount by the total number of pay periods worked by all members
21 of the PAGA Group during the Settlement Period (the "Pay Period Amount") and then
22 multiplying the Pay Period Amount by the number of pay periods worked by the individual
23 PAGA member.

24 **B. Funding of Resolution.**

25 The funding of the Settlement Amount will be completed at one time with funds
26 provided to and escrowed by the Settlement Administrator. The funds used for the Settlement
27 Amount shall be paid to the Claims Administrator by Defendants within thirty (30) business
28 days of its receipt of a notice of entry of the Court's Approval order.

1 If a PAGA Group member is deceased at the time of distribution, the Settlement
2 Administrator shall distribute the deceased PAGA Group member's Net Settlement Payment to
3 the deceased PAGA Group member's legal heir(s). In the event of a dispute as to the legal heir(s),
4 the Settlement Administrator shall notify the executor of the deceased PAGA Group member's
5 estate and attempt to place the deceased PAGA Group member's payment in escrow or similar
6 disposition such that any competing heirs may take whatever action they wish to resolve ultimate
7 disposition of such money and the Settlement Administrator and the Parties hereto may disclaim
8 any further interest in or obligation in relation to such money.

9 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
10 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip
11 trace search and, if another address is identified, shall mail the check to the newly identified
12 address. If the Settlement Administrator is unable to obtain a valid mailing address through this
13 process, the monies represented by the check shall be turned over according to the below
14 procedures.

15 Settlement checks will specifically indicate that they are void if not negotiated within
16 one hundred eighty 180 days of their issuance. Any settlement checks that remain uncashed one
17 hundred eighty (180) or more calendar days after issuance by the Settlement Administrator shall
18 be voided. The Settlement Administrator will remit the entire amount of each PAGA Group
19 member's uncashed Individual Settlement Payment to the California State Controller for deposit
20 in the Unclaimed Property Fund in the name of the PAGA Group member to whom the uncashed
21 Individual Settlement Payment was drafted.

22 **C. Time for Distribution of the Attorney Fees, Costs, and LWDA Payment.**

23 The Settlement Administrator shall cause the Court approved attorney's fees and
24 Litigation costs and LWDA Payment to be paid at the same time and manner as the Settlement
25 Payments to the PAGA Group.

26 **IX. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN**

27 The amounts paid under this Agreement do not represent a modification of any
28 previously credited hours of service under any employee benefit plan, policy, or bonus program

1 sponsored by Defendants. Such amounts will not form the basis for additional contributions to,
2 benefits under, or any other monetary entitlement under, benefit plans (self-insured or not)
3 sponsored by Defendants, policies, or bonus programs. Any payments made under the terms of
4 this Resolution shall not be applied retroactively, currently, or on a going forward basis as salary,
5 earnings, wages, or any other form of compensation for the purposes of Defendants' benefit
6 plan, policy, or bonus program. Defendants retain the right to modify the language of their
7 benefit plans, policies, and bonus programs to effect this intent and to make clear that any
8 amounts paid pursuant to this Resolution are not for "hours worked," "hours paid," "hours of
9 service," or any similar measuring term as defined by applicable plans, policies, and bonus
10 programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that
11 additional contributions or benefits are not required by this Resolution.

12 **X. PLAINTIFF'S COUNSEL'S ATTORNEYS' FEES AND LITIGATION COSTS**

13 Defendants shall not oppose an application by Plaintiff's Counsel for, and Plaintiff's
14 Counsel shall not seek or receive an amount in excess of Sixteen Thousand Nine Hundred and
15 Eighty Three Dollars and Zero Cents (\$16,650.00) which represents 33 1/3% of the Settlement
16 Amount for all past and future attorneys' fees necessary to prosecute, settle, and administer the
17 Litigation and this Resolution. Any attorneys' fees or Litigation costs awarded to Plaintiff's
18 Counsel by the Court shall be deducted from the Settlement Amount for the purpose of
19 determining the Net Settlement Amount. This amount shall include all attorneys' fees,
20 Litigation costs, and expenses for which Named Plaintiff and Plaintiff's Counsel could claim
21 under any legal theory whatsoever. Should the Court approve a lesser percentage or amount of
22 fees and/or Litigation costs than the amount that Plaintiff's Counsel ultimately seeks, then the
23 unapproved portion or portions shall revert to the Net Settlement Amount.

24 **XI. TAXATION AND ALLOCATION**

25 For withholding tax characterization purposes and payment of taxes, the Net Settlement
26 Amount shall be deemed and is allocated by the Parties as follows ("Net Settlement
27 Allocation"): 100% as penalties.

28 All PAGA Group members who cash their settlement check may receive an IRS Form

1 1099 for their portion of the settlement, if deemed required by the Settlement Administrator (in
2 compliance with IRS guidelines).

3 **XII. COURT APPROVAL**

4 This Agreement and the Resolution is contingent upon Approval by the Court. Named
5 Plaintiff and Defendants agree to take all steps as may be reasonably necessary to secure
6 Approval of the Resolution, to the extent not inconsistent with the terms of this Agreement, and
7 will not take any action adverse to each other in obtaining Court Approval of the Resolution in
8 all respects.

9 **XIII. APPRIASAL AND CERTIFICATION BY THE SETTLEMENT**
10 **ADMINISTRATOR.**

11 The Settlement Administrator shall keep Plaintiff's Counsel and Defendants' Counsel
12 apprised of all distributions from the Settlement Amount. Upon completion of administration
13 of the Settlement, the Settlement Administrator shall provide written certification of such
14 completion to Plaintiff's Counsel and Defendants' Counsel. The Settlement Administrator shall
15 also provide Defendants with a final accounting, including the names of payees and Net
16 Settlement Payments.

17 **XIV. MISCELLANEOUS PROVISIONS**

18 **A. Stay of Litigation.**

19 Named Plaintiff and Defendants agree to the stay of all discovery in the Litigation,
20 pending Approval of the Resolution by the Court.

21 **B. Interpretation of the Agreement.**

22 This Agreement constitutes the entire agreement between Named Plaintiff and
23 Defendants. Except as expressly provided herein, this Agreement has not been executed in
24 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
25 written representations or terms shall modify, vary, or contradict its terms. In entering into this
26 Agreement, the Parties agree that this Agreement is to be construed according to its terms and
27 may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
28 enforced under the laws of the State of California, both in its procedural and substantive aspects,

1 without regard to its conflict of laws provisions. Any claim arising out of or relating to the
2 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
3 Court of the State of California for the County of Los Angeles and Named Plaintiff and
4 Defendants hereby consent to the personal jurisdiction of the Court over them solely in
5 connection therewith. The foregoing is only limited to disputes concerning this Agreement and
6 in no way limits or negates the enforceability and effect of any other agreements signed by
7 employees of Defendants. Named Plaintiff, on his own behalf and on behalf of the PAGA
8 Group, and Defendants participated in the negotiation and drafting of this Agreement and had
9 available to them the advice and assistance of independent counsel. As such, neither Named
10 Plaintiff nor Defendants may claim that any ambiguity in this Agreement should be construed
11 against the other.

12 The terms and conditions of this Agreement constitute the exclusive and final
13 understanding and expression of all agreements between Named Plaintiff and Defendants with
14 respect to the Resolution of the Litigation. The Agreement may be modified only by a writing
15 signed by counsel for all Parties or their successors-in-interest.

16 **C. Further Cooperation.**

17 Named Plaintiff and Defendants and their respective attorneys shall proceed diligently
18 to prepare and execute all documents, to seek Approval from the Court, and to do all things
19 reasonably necessary or convenient to consummate the Agreement as expeditiously as possible.

20 **D. Confidentiality of Documents.**

21 Named Plaintiff, the Settlement Administrator, and Plaintiff's Counsel shall maintain
22 the confidentiality of all documents, deposition transcripts, declarations, and other information
23 obtained in the Litigation, unless necessary for appeal or such documents are ordered to be
24 disclosed by the Judge or by a subpoena.

25 **E. Counterparts.**

26 The Agreement may be executed in one or more actual or non-original counterparts, all
27 of which will be considered one and the same instrument and all of which will be considered
28 duplicate originals.

F. Authority.

Each individual signing below warrants that he or she has the authority to execute this Agreement on behalf of the party for whom or which that individual signs.

G. No Third-Party Beneficiaries.

Named Plaintiff, members of the PAGA Group, Defendants, and Released Entities are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

H. Force Majeure.

The failure of any party to perform any of its obligations hereunder shall not subject such party to any liability or remedy for damages, or otherwise, where such failure is occasioned in whole or in part by acts of God, fires, accidents, earthquakes, other natural disasters, explosions, floods, wars, interruptions or delays in transportation, power outages, labor disputes or shortages, shortages of material or supplies, governmental laws, restrictions, rules or regulations, sabotage, terrorist acts, acts or failures to act of any third parties, or any other similar or different circumstances or causes beyond the reasonable control of such party.

I. Deadlines Falling on Weekends or Holidays.

To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.

J. Severability.

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Plaintiff's Counsel, on behalf of the Parties and the PAGA Group, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

K. Defendant's Fees and Costs

All of Defendants' own legal fees, costs, and expenses incurred in this Action shall be borne by Defendants.

[Signatures to follow on next page]

1 Dated: May 17, 2021
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DocuSigned by:

LOUCRETIA VELASCO, *Plaintiff*

4 Dated: May 15, 2021
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By: Nasser Watar, on behalf of
FIRST MOTOR GROUP OF LOS
ANGELES LLC, *Defendant*

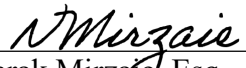
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8 Dated: May 15, 2021
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By: Nasser Watar, on behalf of
Trophy Automotive Dealer
Group LLC, *Defendant*

10
11 **APPROVED AS TO FORM ONLY:**
12

13 Dated: May 17, 2021
14

M LAW ATTORNEYS, APC


Narak Mirzaie, Esq.
Attorneys for Plaintiff
LOUCRETIA VELASCO

15
16
17
18 Dated: May 15, 2021
19

FISHER & PHILLIPS LLP


Nicole Golob, Esq.
Joel Moon, Esq.
Attorney for Defendants
FIRST MOTOR GROUP OF LOS
ANGELES LLC