

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

Juan Andrade v. Will Tiesiera Ford, Inc.

Tulare County Superior Court

Case Number 285296

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 with respect to all claims brought in a representative capacity pursuant to the Private Attorneys General Act (“PAGA”) (Labor Code § 2698 *et seq.*) 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 PAGA Settlement Agreement (“Agreement”).

This Agreement is made by and between Defendant Will Tiesiera Ford, Inc. (“Defendant”) and Plaintiff Juan Andrade (“Plaintiff”), on behalf of himself, Aggrieved Employees (defined below), on behalf of the State of California. (Defendant, Plaintiff and Aggrieved Employees, as defined herein, are sometimes collectively referred to as the “Parties.”) This Agreement shall be effective upon the last date upon which it is signed by the Parties.

The Parties agree that all representative claims brought pursuant to PAGA in Tulare County Superior Court case number 285296 (the “Litigation” or “Action”) shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendant to pay the sum of One Hundred Thirty Thousand Dollars (\$130,000.00) (hereinafter referred to as the “Gross Settlement Amount”) for settlement of the PAGA claims and penalties sought in the Litigation, which shall be inclusive of Plaintiff’s Counsel attorneys’ fees and costs in connection with this Agreement and a general release payment to Plaintiff Andrade. The Parties further agree that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability.

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) “Aggrieved Employees” means all non-exempt employees employed by Defendant in California from October 4, 2019 through January 31, 2022. Defendant represents that the total number of Aggrieved Employees is no more than 44 individuals who worked 2,800 pay periods during this PAGA Period.
- (b) “Complaint” means the Complaint filed by Plaintiff on or about December 8, 2020, which asserts claims under PAGA for inaccurate wage statements predicated on underlying violations of Labor Code §§ 201, 202, 212, 225.5, 226(a), 226.3, 226.7, 510, 512, 558, and 1194.

(c) "Court" means the Superior Court for the State of California, County of Tulare.

(d) "Defense Counsel" or "Counsel for Defendant" is:

John P. Boggs, Esq.
David J. Reese, Esq.
Robert A. Lopez, Esq.
FINE, BOGGS & PERKINS LLP
111 West Ocean Boulevard, Suite 2400
Long Beach, California 90802

(e) "Effective Date" means the date the Court approves the settlement of the PAGA penalties as described in this Agreement and dismisses the Action with prejudice.

(f) "Plaintiff's Counsel" is:

Alex P. Katofsky, Esq.
Daniel F. Gaines, Esq.
GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
Calabasas, California 91301

(g) "PAGA Period" means the time period from October 4, 2019 through January 31, 2022.

(h) "Released Claims" means any and all claims brought under PAGA which were alleged in the Complaint or which could have been alleged based on the facts Contained in the complaint. No claims for unpaid wages or any relief other than PAGA civil penalties, and attorneys' fees and costs in connection therewith, are released by the Settlement.

(i) "Released Parties" means Defendant and its current, past, and present subsidiaries, affiliates, directors, officers, managing agents, and owners.

(j) "Settlement Administrator" means the third-party settlement administrator ILYM Group, Inc., or any other reputable administration company selected by the Parties and approved by the Court.

Article II.

Background.

Section 2.01 **Background.**

(a) On December 8, 2020, Plaintiff Andrade filed a complaint in the Superior Court of the State of California for the County of Tulare styled, *Juan Andrade v. Will Tiesiera Ford, Inc.*, Case No. 285296. The Complaint alleges as a single representative cause of action on behalf of Plaintiff, the State of California and other Aggrieved Employees pursuant to the Private Attorneys General Act of 2004 (Cal. Labor Code § 2698 *et seq.*) based on alleged violations of Labor Code §§ 201, 202, 212, 225.5, 226(a), 226.3, 226.7, 510, 512,

558, and 1194 premised on Defendant's alleged failure to: pay all wages due; provide proper rest breaks; provide for proper meal breaks; issue complete and accurate wage statements; prevent employees from incurring check cashing fees against their wage payments; and timely pay all wages due at separation.

- (b) The Parties have engaged in exchanging informal discovery. The Parties reached this Agreement only after such discovery and investigation was performed, following a mediation with Mark J. Feder on January 24, 2022.
- (c) This Agreement contemplates the entry of an order by the Court approving the payment allocated for settlement of the PAGA claims and dismissing the Action with prejudice.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Cooperation.

The Parties will cooperate in obtaining, through a stipulation and order, or an unopposed motion, if required, an Order from the Court approving the payment of the Gross Settlement Amount as described in this Agreement at the earliest possible date. Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it to the LWDA as required by PAGA. The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, 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 the Gross Settlement Amount as described in this Agreement.

The Court's approval of the payment of the Gross Settlement Amount as described in this Agreement shall be embodied in a written Order, which shall be transmitted to the LWDA promptly upon entry, as required by PAGA. Should the Court not grant approval of the payment of the Gross Settlement Amount as described in this Agreement or decline to dismiss the Action, this Agreement shall be null and void and have no further effect, and all sums paid by Defendant, if any, shall be promptly returned to it.

Section 3.02 Settlement Payment Procedures.

(a) Payment of Gross Settlement Amount and Notice to Aggrieved Employees.

- (1) Defendant agrees to pay a total amount of One Hundred Thirty Thousand U.S. Dollars (\$130,000.00) to settle this matter. This amount, *i.e.*, the Gross Settlement Amount, shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees, the State of California, and Plaintiff's Counsel, including all amounts allocated to attorneys' fees and costs, in resolution of the Released Claims. In the event that this Agreement is canceled, rescinded, terminated, voided or nullified, however that may occur as permitted herein, or the settlement is barred by operation of law, invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant shall have

no obligation to pay any of the Gross Settlement Amount and the Parties' respective positions shall be restored to their positions prior to mediation. Further, in that event, nothing in this Agreement, the negotiations leading to this settlement, nor any papers prepared in connection with this Agreement shall be admissible in any proceeding for any purpose whatsoever.

- (2) The "Net Settlement Amount" shall be calculated by deducting from the Gross Settlement Amount up to 40% of the Gross Settlement Amount (projected to be \$52,000) for the payment of Plaintiff's Counsel's attorneys' fees, up to \$12,000 for the payment of Plaintiff's Counsel's costs, up to \$10,000 to Plaintiff Andrade in exchange for his general release of all claims against Defendant, and up to \$3,000 to compensate the Settlement Administrator. The Net Settlement Amount will be comprised of approximately \$53,000. Seventy-five percent (75%) of the Net Settlement Amount, or approximately \$39,750, shall be distributed to the State of California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) of the Net Settlement Amount, or approximately \$13,250, shall be distributed to the Aggrieved Employees.
- (3) The twenty-five percent (25%) of the Net Settlement Amount to be distributed to the Aggrieved Employees will be apportioned among them based on the pay periods worked by all of them during the PAGA Period, such that the Net Settlement Amount will be divided by the total number of pay periods to yield the Pay Period Rate; each Aggrieved Employee shall be paid an individual settlement amount equal to the Pay Period Rate times their individual pay periods worked during the PAGA Period.
- (4) Defendant shall pay the Gross Settlement Amount to a Qualified Settlement Fund to be established by the Settlement Administrator by the latter of ten (10) calendar days after the Effective Date, or May 1, 2022. The Settlement Administrator will provide to Defendant's attorney a W-9 form for the Qualified Settlement Fund prior to its funding of the Gross Settlement Amount.
- (5) Defendant will provide the Settlement Administrator with a confidential list of the names and addresses of the Aggrieved Employees, together with the number of their individual pay periods, within ten (10) calendar days after the Effective Date, or by May 1, 2022, whichever is later. This information will be provided confidentially to the Settlement Administrator only, and the Settlement Administrator will treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of such information. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Agreement.
- (6) No later than fifteen (15) calendar days after the Gross Settlement Amount has been paid, the Settlement Administrator shall transmit the Notice of PAGA Settlement (attached hereto as Exhibit "A"), together with settlement checks containing their individual settlement amounts, with no claims process required, to all Aggrieved Employees 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 of PAGA Settlement and return all undeliverable Notices.

- (7) For each settlement check and 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. The value of checks uncashed more than 180 days after issuance shall be paid to the Office of the California State Controller – Unclaimed Property Fund, to be held in the name of the respective Aggrieved Employees.
- (8) 100% of the Gross Settlement Amount is considered penalties and will not be subject to local, state or federal tax withholdings. All recipients of payments under this Agreement have their payments reported on an IRS Form 1099. The Settlement Administrator shall issue IRS Form 1099s (if required) to the Aggrieved Employees.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

This Agreement and compliance with this Agreement shall not be construed as an admission by Defendant of any liability whatsoever, or as an admission by Defendant of any violations of Plaintiff's or Aggrieved Employees' rights, violation of any order, law, statute, duty or contract whatsoever. Defendant specifically disclaims any liability to Plaintiff 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. Defendant further denies that, for any purpose other than settling these matters, that this action is appropriate for representative treatment.

Should approval of this Settlement not be ordered and/or confirmed by the Superior Court consistent with this Agreement—or should approval of this Settlement be ordered on terms that vary from those set forth in this Agreement—then neither this Agreement, the limited waiver, nor any of the facts or circumstances related hereto can or should be interpreted as supporting any right by any party or any other aggrieved employee to insist upon representative relief being available under the Parties' arbitration agreements. No Aggrieved Employee may elect to exclude himself or herself from this Agreement and its terms.

Section 4.02 Non-Evidentiary Use.

This Agreement is admissible for purposes of obtaining court approval of the settlement and is intended to be binding on the parties. It is also admissible in the event that either Party is required to file a motion to enforce any of the terms of the Agreement. Neither this Agreement, nor any of its terms, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or anything else associated with it, shall be offered or used as evidence by any of the Parties, or their respective counsel in the Litigation or in any other action or proceeding, including to establish any liability or admission on the part of Defendant or any Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement. Neither this Agreement, nor any of its terms or

provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees.

Section 4.03 Nullification.

Invalidation of any material provision of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

Article V.

Release and Waiver of Claims.

Section 5.01 Limited Release By Aggrieved Employees.

Upon the Effective Date and subject to Defendant's full payment of the Gross Settlement Amount, all Aggrieved Employees and the State of California shall release the Released Parties from the Released Claims which arose from October 4, 2019 through January 31, 2022. No claims for unpaid wages or any relief other than PAGA civil penalties, and attorneys' fees and costs in connection therewith, are released by the Settlement.

Section 5.02 General Release By Plaintiff Andrade.

Upon the Effective Date and subject to Defendant's full payment of the Gross Settlement Amount, Plaintiff Andrade shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code Section 1542, arising through the date of his signature hereon, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief. These claims include, but are not limited to, the PAGA Released Claims, as well as any other claims under any provision of the California Labor Code or any applicable California Industrial Welfare Commission Wage Orders, and claims under local, state, or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act, California Government Code §§ 12940 *et seq.*; the Unruh Civil Rights Act, California Civil Code §§ 51 *et seq.*; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 *et seq.*; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 *et seq.*; and all of their implementing regulations and interpretive guidelines. With respect to these Released Claims as described in this Section, Plaintiff Andrade shall be deemed to have expressly waived and relinquished, to the fullest extent

permitted by law, the provisions, rights, and benefits he may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides 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.

Notwithstanding Section 1542, each party understands and agrees that this Agreement shall act as a release of all future claims that may arise from Plaintiff Andrade's employment or separation from employment with Defendant, or any other matters that existed between Plaintiff Andrade and the Released Parties up to the date of this Agreement, whether such claims are currently known or unknown, and that each party intentionally waives any rights such party may have under the provisions of Section 1542, as well as under any other statutes or common law principles of similar effect in the State of California or in any other state.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

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

Section 6.02 Amendments.

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

Section 6.03 Assignment.

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

Section 6.04 Governing Law.

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

Section 6.05 Entire Agreement.

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

Section 6.06 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 6.07 Counterparts.

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

Section 6.08 Attorneys' Fees and Costs.

With respect to this Agreement, neither Plaintiff's Counsel nor any other attorneys acting for, or purporting to act for the Aggrieved Employees, or Plaintiff may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the Gross Settlement Amount except as expressly provided herein. Defendant shall bear its own attorney's fees and costs, and neither Plaintiff's Counsel, Aggrieved Employees or the Plaintiff shall be responsible for Defendant's attorney's fees and costs. If any party moves the Court to enforce this Agreement, the prevailing party shall be entitled to recover from the other party all attorneys' fees and costs incurred to enforce this Agreement.

Section 6.09 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, but excluding any dispute related to non-payment of the Gross Settlement Amount (which is addressed in Section 6.12 herein), the Parties agree to submit any such dispute(s) first to mediation and/or continued negotiations before mediator Marc Feder, Esq. and then, if unsuccessful, to the Tulare County Superior 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 his/her/its/their reasonable attorneys' fees and costs.

Section 6.10 Binding.

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

Section 6.11 Court's Retention of Jurisdiction.

The Court shall retain jurisdiction, pursuant to Code of Civil Procedure section 664.6 and otherwise as permitted by law, to enforce this Settlement.

Section 6.12 Default; Notice; Cure; Acceleration; Time is of the Essence.

If the Gross Settlement Amount is not received on the date due, Defendant shall be in default of its obligations under this Settlement. Plaintiff shall e-mail notice of the default to Defendant at Robert Lopez at rlopez@employerlawyers.com and Vanessa Spenik at vspenik@employerlawyers.com. Defendant will then have seven (7) calendar days from the date notice is e-mailed to cure the default. If the default remains uncured for ten (10) calendar days, then all sums remaining unpaid under this Settlement shall be accelerated and become all due and payable and begin to accrue interest at the legal rate. Plaintiff may thereafter move the Court, pursuant to Code of Civil Procedure 664.6, for entry of a judgment against Defendant to reflect this acceleration, the accrual of interest, plus actual attorneys' fees and costs incurred to enforce the judgment and this Settlement. Time is of the essence with respect to all provisions of this Agreement.

Section 6.13 Escalator Provision.

Defendant represents that the total number of Aggrieved Employees is no more than 44 individuals who worked no more than 2,800 pay periods during the PAGA Period. If the total number of such pay periods worked during the PAGA Period exceeds 2,800 by 10%, the Gross Settlement Amount will increase proportionally for each additional pay period above the 10% threshold. By way of example, the threshold is 3,080 PAGA periods ($2,800 \times 10\% = 280 + 2,800$ equates to 3,080). If the final number of pay periods is 3,100, then the Gross Settlement Amount will increase by 0.64% ($20 \div 3,080 = 0.64\%$).

Section 6.14 Termination Provision.

If the Court does not approve the Agreement, if the Court does not dismiss the Action with prejudice, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the terms of the Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within ten (10) days of written notice thereof to elect to terminate the entire Agreement, in which case the Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of the Parties Memorandum of Understanding.

Section 6.15 Authority.

Each Party to this Agreement expressly represents and warrants to have the authority necessary to execute this Agreement. Each person signing this Agreement on behalf of a corporation represents that he or she has the authority to agree to the terms hereof and execute this Agreement on behalf of said entity in accordance with the bylaws of such entity and that his or her signature will bind the entity to the terms of this Agreement.

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

APPROVED AND ACCEPTED.

Dated: May __, 2022

WILL TIESIERA FORD, INC.

By _____
Its _____

05 / 03 / 2022

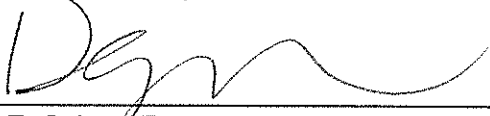
Dated: May __, 2022

By  _____
JUAN ANDRADE

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

Dated: May 3, 2022

GAINES & GAINES, ALPC

By  _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: May __, 2022

FINE, BOGGS & PERKINS LLP

By _____
John P. Boggs, Esq.
David J. Reese, Esq.
Robert A. Lopez, Esq.
Attorneys for Defendant

Section 6.15 Authority.

Each Party to this Agreement expressly represents and warrants to have the authority necessary to execute this Agreement. Each person signing this Agreement on behalf of a corporation represents that he or she has the authority to agree to the terms hereof and execute this Agreement on behalf of said entity in accordance with the bylaws of such entity and that his or her signature will bind the entity to the terms of this Agreement.

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

APPROVED AND ACCEPTED.

Dated: May 13, 2022

WILL TIESIERA FORD, INC.

By 
Its PRESIDENT

Dated: May __, 2022

By _____
JUAN ANDRADE

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

Dated: May __, 2022

GAINES & GAINES, ALPC

By _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: May __, 2022

FINE, BOGGS & PERKINS LLP

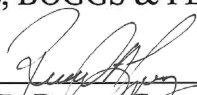
By 
John P. Boggs, Esq.
David J. Reese, Esq.
Robert A. Lopez, Esq.
Attorneys for Defendant

EXHIBIT A

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

JUAN ANDRADE, on behalf of himself
and all “aggrieved employees” pursuant to
Labor Code § 2698 *et seq.*,

Plaintiff,

v.

WILL TIESIERA FORD, INC., a
Delaware corporation, and DOES 1
through 10, inclusive,

Defendants.

Case No. 285296

**NOTICE OF SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIM
(CAL. LABOR CODE § 2698 *ET SEQ.*)**

This notice relates to the settlement of a lawsuit pursuant to the Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq* (“PAGA”). A PAGA action is an action for civil penalties in which the State of California receives 75 percent of the civil penalties collected.

You have received this notice because you have been identified as a non-exempt employee who was employed by Defendant in California from October 4, 2019 through January 31, 2022 (“Aggrieved Employee”).

On December 8, 2020, Plaintiff Juan Andrade (the “Plaintiff”) commenced a lawsuit in Tulare Superior Court, case number 285296 (the “Lawsuit”) to recover civil penalties. The Complaint alleges that Defendant failed to: pay all wages due; provide proper rest breaks; provide for proper meal breaks; issue complete and accurate wage statements; prevent employees from incurring check cashing fees against their wage payments; and timely pay all wages due at separation. For these alleged violations, Plaintiff Juan Andrade brought this lawsuit as a representative action under PAGA, on behalf of himself, the State of California, and the Aggrieved Employees.

Defendant denies Plaintiff’s allegations and disputes all of Plaintiff’s claims. The Lawsuit was litigated and following an investigation and a mediation before a third-party mediator, the Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation. The parties agreed that a portion of the settlement proceeds would be distributed to the Aggrieved Employees, including you, after certain portions of the penalties collected are paid to the State of California according to California law.

The Court approved the settlement on _____ and has determined that the settlement is fair and reasonable. The enclosed payment which accompanies this notice is made

to you pursuant to the terms of the Settlement and is based on your share of the total settlement proceeds that the parties agreed to be paid to the allegedly aggrieved employees. You may deposit or cash the check without any further obligation on your part and there is no need for you to contact the settlement administrator, the parties, or the Court.

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon the Effective Date and subject to Defendant's full payment of the Gross Settlement Amount, all Aggrieved Employees and the State of California shall release the Released Parties from the Released Claims. The "Released Parties" are Defendant and its current, past, and present subsidiaries, affiliates, directors, officers, managing agents, and owners. The Released Claims are any and all claims brought under PAGA which were alleged in the Complaint or which could have been alleged based on the facts contained in the Complaint which arose from October 4, 2019 through January 31, 2022. No claims for unpaid wages or any relief other than PAGA civil penalties, and attorneys' fees and costs in connection therewith, are released by the Settlement.

If you have questions about this notice, please contact the Claims Administrator, ILYM Group, Inc., at [INSERT CONTACT INFO].

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THIS PROCEEDING.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS CASE.