

EXHIBIT A

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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SOLANO**

11 HUY TRAN, et al.,

12 Plaintiffs,

13 vs.

14 WISE AUTO GROUP, et al.,

15 Defendants.

Case No. FCS055892

**STIPULATION OF CLASS ACTION AND
PAGA SETTLEMENT**

*Assigned for all purposes to Honorable
Stephen Gizzi, Dept. 3*

1 Subject to final approval by the Court, this Stipulation of Class Action and PAGA
2 Settlement ("Agreement" or "Stipulation") is made by and between Named Plaintiffs Huy Tran,
3 Soulinthong Soungpanya, and Jennifer Avila (collectively the "Named Plaintiffs" or "Class
4 Representatives") on behalf of themselves, the Aggrieved Employees, the state of California, and
5 the Class Members, on the one hand, and Defendants Anthony A. Batarse, Inc., Lloyd A. Wise
6 Motors, Inc., Vallejo Nissan, Inc., and Wise Vision, Inc. (collectively, the "Settling Defendants"),
7 on the other hand. This Agreement refers to the Named Plaintiffs and the Settling Defendants
8 collectively as "the Parties," and refers to each of them individually as a "Party."

9 **A. DEFINITIONS**

10 As used herein, the following terms shall have the meanings specified below. To the extent
11 terms or phrases used in this Stipulation are not specifically defined below, but are defined
12 elsewhere in the Stipulation, they are incorporated by reference into this definition section:

13 **1. "Action" or "Litigation"** means and refers to the lawsuit entitled *Huy Tran, et al.,*
14 *v. Wise Auto Group, et al.*, filed on January 7, 2017 in the Solano County Superior Court, Case No.
15 FCS055892; as well as the related appeal pending in the Court of Appeal of the State of California,
16 First Appellate District, Division Two, Case No. A172696.

17 **2. "Attorneys' Fees and Costs" or "Class Counsel Award"** means the amount
18 authorized by the Court to be paid to Class Counsel for fees and expenses incurred to prosecute the
19 Action. Class Counsel shall apply to the Court for an award of attorneys' fees in an amount not to
20 exceed One-Third (1/3) of the Gross Settlement Amount, plus Class Counsel's actual costs and
21 expenses as supported by declaration. Both the attorneys' fees and costs shall be paid out of the
22 Gross Settlement Amount.

23 **3. "Class Counsel"** means:

24 PHILLIPS, ERLEWINE, GIVEN & CARLIN LLP
25 Nicholas A. Carlin
26 Robert Carroll III
27 39 Mesa Street, Suite 201
28 San Francisco, CA 94129
Ph: (415) 398-0900
F: (415) 398-0911

1 **4. “Class Data”** means identifying information regarding Class Members that the
2 Settling Defendants will, to the extent possible, compile from their existing records and provide to
3 the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall
4 include each Class Member’s: full name; last known mailing address; last known email address;
5 last known phone number; Social Security number; start dates and end dates of employment with
6 any of the Settling Defendants during the Class Period; the number of Workweeks during the Class
7 Period; and the number of Pay Periods during the PAGA Period.

8 **5. “Class” or “Class Members”** means and encompasses all current and former non-
9 exempt employees who were employed by Defendants Anthony A. Batarse, Inc., Lloyd A. Wise
10 Motors, Inc. and/or Vallejo Nissan, Inc., and paid on an hourly basis and/or on a commission basis,
11 at any time from January 7, 2017 through July 30, 2025, and also includes and encompasses all
12 current and former non-exempt employees who were employed by Defendant Wise Vision, Inc.,
13 and paid on an hourly basis and/or on a commission basis, at any time from November 17, 2019
14 through July 30, 2025.

15 **6. “Class Period”** means, with respect to Defendants Anthony A. Batarse, Inc., Lloyd
16 A. Wise Motors, Inc. and Vallejo Nissan, Inc., the period from January 7, 2017 through July 30,
17 2025, inclusive, and with respect to Defendant Wise Vision, Inc., the period from November 17,
18 2019 through July 30, 2025, inclusive.

19 **7. “Class Representative Service Awards”** means a payment to each Named Plaintiff
20 in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) for his or her time, effort, and
21 risks undertaken in prosecuting this Action on behalf of the Class Members. Any such Service
22 Award shall be in addition to any Individual Settlement Payment and/or any Individual PAGA
23 Payment to which the Named Plaintiff may otherwise be entitled to as Settlement Group Members.
24 Each Named Plaintiff will apply to the Court for approval of a Class Representative Service
25 Award, and the awards shall be subject to final approval by the Court. Any approved Service
26 Award(s) shall be paid out of the Gross Settlement Amount.

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1 **8. “Complaint”** means and encompasses the January 7, 2017 Complaint, the
2 November 17, 2023 First Consolidated Amended Complaint, and/or any amended complaint filed
3 in this Action as necessary to effectuate this Agreement.

4 **9. “Court”** means the Solano County Superior Court, currently before the Honorable
5 Stephen Gizzi, Department 3.

6 **10. “Defense Counsel”** means:

7 HANSON BRIDGETT LLP
8 Jahmal T. Davis, Esq.
9 Josue A. Aparicio, Esq.
10 Lucero Cordova Arrellanes, Esq.
11 425 Market St 26th Floor
12 San Francisco, CA 94105
13 Ph: (415)-777-3200
14 F: (415) 541-9366

15 **11. “Effective Date”** means the date by when both of the following have occurred: (a)
16 the Court enters a Judgment granting Final Approval of the Settlement; and (b) the Judgment is
17 final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating
18 Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more
19 Participating Class Members object to the Settlement, the day after the deadline for filing a notice
20 of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the
21 appellate court affirms the Judgment and issues a remittitur.

22 **12. “Employer-Side Payroll Taxes”** means an employer’s share of payroll taxes as
23 calculated under applicable state and federal law.

24 **13. “Final Approval Date”** means the date that the Court enters the Final Approval
25 Order granting final approval of the Settlement, and which includes the amounts of Class Counsel
26 Attorneys’ Fees and Costs and the amounts of Class Representative Service Awards to the Named
27 Plaintiffs.

28 **14. “Final Approval” or “Final Approval Order”** means the Court’s Order granting
Final Approval of the Settlement.

15. “Gross Settlement Amount” or “GSA” means and refers to an amount in the sum
of Eight Hundred and Seventy-Five Thousand dollars and zero cents (**\$875,000.00**) that Settling
Defendants agree to pay under the terms of this Agreement. The GSA is the total maximum sum

1 that the Settling Defendants agree to pay, excluding Employer-Side Payroll Taxes required to be
2 paid separately under the terms of this Agreement. The Gross Settlement Amount is inclusive of all
3 Individual Settlement Payments, Class Representative Service Awards, Class Counsel Attorneys'
4 Fees and Costs, the Settlement Administration Payment, the PAGA Allocation, and all
5 employment taxes other than Employer-Side Payroll Taxes.

6 **16. "Individual PAGA Payment"** means the amount payable from the PAGA
7 Allocation to each Aggrieved Employee, and which shall be calculated pursuant to Paragraph
8 C.3(d) below.

9 **17. "Individual Class Payment"** means the amount payable from the Net Settlement
10 Amount to each Participating Settlement Class Member, less employee portions of state and federal
11 withholding taxes, including the employee FICA, FUTA and SDI contributions and any other
12 applicable payroll deductions required by law as a result of the payment of the amount allocated to
13 such Participating Settlement Class Member under the terms of the Settlement.

14 **18. "Individual Settlement Payments"** means and refers to any and all individual
15 payments made to any Participating Class Members and/or PAGA Group Members under the terms
16 of this Agreement, excluding the Class Representative Service Awards.

17 **19. "LWDA"** means the State of California Labor & Workforce Development Agency.

18 **20. "Named Plaintiffs" or "Class Representatives"** collectively means Plaintiffs Huy
19 Tran, Soulinthong Soungpanya, and Jennifer Avila.

20 **21. "Net Settlement Amount" or the "NSA"** means the Gross Settlement Amount less:
21 the combined total of Class Counsel's Attorneys' Fees and Costs, as approved by the Court; the
22 Settlement Administration Payment, as approved by the Court; the Class Representative Service
23 Awards to Named Plaintiffs, as approved by Court; and the PAGA Allocation, as approved by the
24 Court.

25 **22. "Non-Participating Class Member"** means any Class Member who opts out of the
26 Settlement by sending the Settlement Administrator a valid and timely Request for Exclusion.

27 **23. "Notice" or "Class Settlement Notice"** means the COURT APPROVED NOTICE
28 OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT

1 APPROVAL, to be mailed to the Class Members, in the form, without material variation, attached
2 hereto as “**Exhibit 1**” and incorporated by reference into this Agreement.

3 **24. “PAGA”** means the California Labor Code Private Attorneys General Act of 2004,
4 Labor Code secs. 2698, *et seq.*

5 **25. “PAGA Allocation”** means the amount from the Gross Settlement Amount
6 allocated to settle all alleged claims and remedies under the Labor Code Private Attorneys’ General
7 Act, California Labor Code secs. 2698, *et seq.* (“PAGA”). Subject to Court approval, the PAGA
8 Allocation shall be Fifty Thousand dollars and zero cents (**\$50,000.00**), of which seventy-five
9 percent (75%) or Thirty Seven Thousand Five Hundred dollars and zero cents (\$37,500.00) shall be
10 paid to the LWDA (the “**LWDA Payment**”), and twenty-five percent (25%) or \$12,500, shall be
11 paid to the PAGA Group.

12 **26. “PAGA Group” or “Aggrieved Employees”** means and encompasses all current
13 and former non-exempt employees who were employed by any of the Settling Defendants, and
14 paid on an hourly basis and/or on a commission basis, at any time during the PAGA Period. Each
15 member of the PAGA Group is referred to individually as an “**Aggrieved Employee**” or a “**PAGA**
16 **Group Member.**”

17 **27. “PAGA Period”** means, with respect to Defendants Anthony A. Batarse, Inc.,
18 Lloyd A. Wise Motors, Inc. and Vallejo Nissan, Inc., the period from October 30, 2019 through
19 July 30, 2025, inclusive, and with respect to Defendant Wise Vision, Inc., the period from May 24,
20 2022 through July 30, 2025, inclusive.

21 **28. “Preliminary Approval Date”** means the date the Court enters an order granting
22 preliminary approval of the Settlement.

23 **29. “Participating Class Member”** means a Class Member who does not submit a
24 valid and timely Request for Exclusion from the Settlement.

25 **30. “Released Parties”** with regard to Class Members, other than the Class
26 Representatives, means and encompasses the Settling Defendants, as well as each of their past,
27 present and/or future officers, directors, shareholders, employees, owners, representatives,
28 administrators, agents, principals, accountants, auditors, consultants, attorneys, insurers and

1 reinsurers, and their respective heir(s) and/or assigns, successors and predecessors in interest,
2 affiliates, operating entities, divisions, facilities, parent or related corporate entities, subsidiaries
3 and affiliated corporations and entities. For the sake of clarity, any Participating Class Member's
4 claims based on a Participating Class Member's employment with, or work performed for, one or
5 more Settling Defendants are released, and part of the "Participating Class Members' Released
6 Claims" in Paragraph C.20(a), even if asserted against another Defendant named in this Action,
7 whereas claims based solely on a Participating Class Member's employment with, or work
8 performed for, any other Defendant are not released. For the Class Representatives, the term
9 "Released Parties" shall mean and encompass the Settling Defendants and all Defendants named in
10 this Action, as defined in Paragraph A.35 below, as well as their past, present and/or future
11 officers, directors, shareholders, employees, representatives, administrators, agents, principals,
12 accountants, auditors, consultants, attorneys, insurers and reinsurers, and their respective heir(s)
13 and/or assigns, successors and predecessors in interest, affiliates, operating entities, divisions,
14 facilities, parent or related corporate entities/companies, subsidiaries and affiliated corporations
15 and entities.

16 **31. "Response Deadline"** means the date forty-five (45) calendar days after the
17 Settlement Administrator mails the Notice to Class Members and the last date on which Class
18 Members may submit opt-out Requests, objections to the Settlement, and/or disputes regarding
19 employment dates or total gross hourly wages paid.

20 **32. "Settlement," "Stipulation" or "Agreement"** means the settlement documented in
21 this Agreement.

22 **33. "Settlement Administrator"** means and refers to a third-party class action
23 settlement administration company agreed to by the Parties, that subject to approval by the Court,
24 will perform customary duties of a settlement administrator and as set forth herein.

25 **34. "Settlement Administration Payment"** means the amount payable from the GSA
26 to the Settlement Administrator for administering this Settlement including, but not limited to,
27 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the
28 Settlement Amount, and providing necessary reports and declarations, and any other fees or

1 expenses incurred by the Settlement Administrator to complete the settlement notice and
2 distribution process according to the terms of this Agreement, as requested by the Parties. The
3 Settlement Administration Costs shall be paid from the GSA, including, if necessary, any such
4 costs in excess of the amount represented by the Settlement Administrator as being the estimated
5 costs necessary to administer the Settlement.

6 **35. "Settlement Group Member(s)"** means and encompasses all Aggrieved
7 Employees and Participating Class Members, as well as any and all Non-Participating Class
8 Members who qualify as Aggrieved Employees.

9 **36. "Settling Defendants"** means and collectively encompasses Defendants Lloyd A.
10 Wise Motors, Inc.; Anthony A. Batarese, Inc.; Vallejo Nissan, Inc.; and Wise Vision, Inc. The term
11 **"Defendants"** means and collectively encompasses all Settling Defendants and all named
12 defendants in the Action, including Lloyd A. Wise Corp.; Anthony A. Batarese Motors, Inc.; Wise
13 Auto Group; Wise Automotive, Inc.; Wise North Bay, Inc.; Old Town Wise Riders, Inc.; Wise
14 Vallejo, Inc.; Wise Riders, Inc.; Wise San Mateo, Inc.; Wise Marin, Inc.; Coronado Beach Wise
15 Riders, Inc.; Death Valley Wise Riders, Inc.; Redwood Wise Riders, Inc.; and K.E.W. CORP.

16 **37. "Pay Period" or "Pay Periods"** means the number of pay periods in which PAGA
17 Group Members performed work for the Settling Defendants, in California, and in a non-exempt
18 hourly and/or commission based position during the PAGA Period. If it is determined that any
19 PAGA Group Member worked a partial Pay Period, it shall be accorded to the PAGA Group
20 Member as having worked a full Pay Period. All PAGA Group Members will be entitled to
21 payment for at least one (1) Pay Period.

22 **38. "Workweek" and/or "Workweeks"** means the number of calendar weeks in which
23 Class Members performed work for the Settling Defendants in California, and in a non-exempt
24 hourly and/or commission based position during the relevant Class Period. If it is determined that
25 any Class Member worked a partial Workweek, it shall be accorded to the Class Member as having
26 worked a full Workweek. All Participating Class Members will be entitled to payment for at least
27 one (1) Workweek.

1 **39. “Unclaimed Award”** means any Individual Settlement Payment to which a
2 Settlement Group Member would otherwise be entitled under this Agreement, but which is
3 unclaimed by that Settlement Group Member either because the Settlement Group Member could
4 not be found prior to or within 180 days after the distribution of settlement payments, or the
5 Settlement Group Member has not cashed the Individual Settlement Payment check within 180
6 days after the distribution of settlement payments.

7 **B. RECITALS AND ACKNOWLEDGEMENTS**

8 **1. No Admission of Liability.** This Agreement represents a compromise and
9 settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as
10 an admission by Defendants that the claims and allegations in the Action have merit or that
11 Defendants bear any liability to the Named Plaintiffs or the Class Members on any alleged claims
12 or any other claims. Defendants vigorously deny the claims and each of the allegations asserted in
13 this Action. Defendants further specifically deny any non-compliance, intentional or otherwise,
14 with the statutory requirements of the California Labor Code and/or the applicable IWC Wage
15 Orders. Defendants also deny that the Named Plaintiff, the Aggrieved Employees, and any of the
16 Class Members have suffered damages by virtue of Defendants’ conduct, or that Defendants’
17 conduct warrants penalization.

18 **2. Arms-Length Negotiations.** The Parties most recently attended a day long
19 mediation session in July 2025 with Hon. W. Scott Snowden (Ret.), a well-respected mediator with
20 considerable experience in litigating and mediating wage and hour class actions, as well as two
21 prior mediations in June 2022 and December 2024 with Hon. George C. Hernandez (Ret.) and an
22 earlier mediation with Russ J. Wunderli in September 2021. These mediations and subsequent
23 negotiations resulted in the Settlement described herein.

24 **3. Benefits of Settlement to Settlement Group Members.** The Named Plaintiffs and
25 Class Counsel recognize the expense and length of continued proceedings necessary to continue
26 the litigation against Defendants through trial and through any possible appeals. The Named
27 Plaintiffs and Class Counsel also have taken into account the uncertainty and risk of further
28 litigation, the potential outcome, and the difficulties and delays inherent in such litigation.

1 Accordingly, based on their own thorough, independent investigation and evaluation of this case,
2 the Named Plaintiffs and Class Counsel strongly believe the settlement set forth in this Agreement
3 is a fair, adequate, and reasonable settlement, and is in the best interest of the Class Members.

4 **4. Benefits of Settlement to Settling Defendants.** While Settling Defendants maintain
5 that they each complied with applicable laws at all times and that Plaintiffs' claims are meritless,
6 they also recognize that the continued defense of the Action will be protracted and expensive.
7 Substantial amounts of time, energy, and resources of Settling Defendants have been and, unless
8 this settlement is made, will continue to be devoted to the defense of the claims asserted by
9 Plaintiffs. Settling Defendants, therefore, enter into this Agreement and conditional Settlement with
10 no admission of liability whatsoever, and for the sole purpose of compromising and settling the
11 Action to avoid the cost, uncertainty and operational burden of continuing litigation.

12 **5. Reservation of Rights.** Defendants expressly reserve the right and declare that they
13 each intend to oppose and defend against this Action vigorously should this Settlement not be
14 granted approval by the Court or be modified or reversed on appeal or otherwise not become final.
15 If for any reason this Agreement does not become effective, Defendants reserve the right to defend
16 against this Action on any basis. Defendants do not concede the merits of Plaintiffs' contentions,
17 nor the existence of any damages or penalties, but have agreed to resolve the Action through this
18 Settlement in recognition of the expense and risk of continuing with the litigation and in the belief
19 that the settlement is fair, adequate and reasonable. Therefore, in entering into this Agreement, it is
20 the Parties' mutual intention and agreement that if, for any reason, this Agreement does not
21 become final, Defendants will retain all of their rights to defend against this Action, and the fact of
22 this Settlement may not be used by Plaintiffs in support of any argument against Defendants.
23 Defendants will not be deemed to have waived, limited, or affected in any way any of its claims,
24 rights, remedies, objections or defenses in the Action.

25 **6. Non Evidentiary Use.** This Agreement or its terms, or any statements or conduct in
26 the negotiation or drafting of it, shall not be admissible, offered or used as evidence by Plaintiffs,
27 any Class Members, or their respective counsel in the Action or in any other proceeding as
28 evidence of liability or wrongdoing by the Defendants and/or the Released Parties. This Agreement

1 may be used by the Settling Defendants and/or the Released Parties to prove or defend against any
2 claim released herein by the Named Plaintiffs, any PAGA Group Member, the LWDA, or any
3 Participating Class Member, in any claim or threatened claim, including but not limited to any
4 judicial, quasi-judicial, administrative, or governmental proceeding. This Agreement shall not be
5 subject to collateral attack by any Participating Class Member. Such prohibited collateral attack
6 shall include, but is not limited to claims that any Participating Class Members failed, for any
7 reason, to timely receive or cash his or her Individual Class Payment.

8 **7. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective
9 counsel believe that the Settlement is fair, reasonable and adequate. The Settlement was reached
10 through arm's-length negotiations, taking into account all relevant factors, current and potential.
11 Accordingly, the Parties desire to fully, finally, and forever settle compromise and discharge the
12 Action and Released Claims.

13 **C. TERMS OF AGREEMENT**

14 **1. Gross Settlement Amount ("GSA").** The Settling Defendants agree to
15 collectively pay a non-reversionary, maximum Gross Settlement Amount of no more than Eight
16 Hundred and Seventy-Five Thousand dollars and Zero cents (**\$875,000.00**), and to separately pay
17 their share of Employer-Side Payroll Taxes owed on the wage portions of the Individual Class
18 Payments. The Settling Defendants are under no obligation to pay the GSA (or any employer-side
19 payroll taxes) prior to the deadline stated in Paragraph C.2 of this Agreement.

20 **a. Escalator Clause.** The Settling Defendants represent that, as of June 30,
21 2025, there are approximately one thousand and eighteen (1,018) individuals who qualify as Class
22 Members. The Settling Defendants also represent these approximately 1,018 individuals
23 collectively worked approximately 88,845 workweeks during the Class Period. The Settling
24 Defendants further represent that approximately 841 of these 1,018 individuals were former
25 employees as of June 30, 2025. The Class Period, however, extends through July 30, 2025, and the
26 final Class Data to be submitted may include individuals hired after June 30, 2025. In the event that
27 the total number of individuals reflected in the Class Data does not exceed one thousand forty-eight
28 (1,048) individuals (i.e., 3% increase of 1,018), the GSA shall remain unchanged. If the total

number of individuals reflected in the Class Data exceeds one thousand forty-eight (1,048) individuals (i.e., 1,049), then the GSA shall increase by \$859.53 (i.e. \$875,000/1018) for each additional Class Member over and above one thousand forty-eight (1,048).

b. No Reversion. There are no reversionary rights to the Settling Defendants.

c. Not Claims Made. Settlement Class Members will not be required to file a claim to receive an Individual Settlement Payment.

2. Funding the GSA. The Settling Defendants shall fund the GSA by transmitting the sum into an escrow account to be established by the Settlement Administrator (the "Escrow Account"). The Settling Defendants shall fund the GSA within thirty (30) calendar days from the Effective Date.

a. Wiring Instructions. As soon as practicable and no later than three (3) business days following the Effective Date, the Settlement Administrator shall provide Defense Counsel with complete wiring instructions for the GSA, including, without limitation, the name of the account, name of the bank, routing number, and bank account number or such other pertinent information the Settling Defendants require to effectuate payment in accordance with the terms of the Agreement.

b. Condition Precedent to Funding Settlement. The Settling Defendants shall transmit to the Settlement Administrator the GSA as detailed in Paragraph C.4 of the Agreement, provided that: (1) Defense Counsel has received complete wiring instructions from the Settlement Administrator as set forth in Paragraph C.4(a); and (2) Class Counsel has satisfied their obligations under Paragraphs C.22(b) and C.22(c) of this Agreement.

c. No Further Obligations After Funding Settlement. The Settling Defendants shall be deemed to have fully met their payment obligations under this Agreement upon transfer and/or deposit of the full GSA amount, and shall assume no responsibility for the security or distribution of settlement funds following transfer and/or deposit of the GSA. The Settling Defendants shall have no further obligations under this Agreement after transferring the GSA to the Settlement Administrator. Nor will the payment of Individual Class Payments and Individual PAGA Payments obligate the Settling Defendants to confer any additional benefits or

1 make any additional payments to Settlement Group Members, such as 401(k) contributions or
2 bonuses.

3 **3. Payments from the GSA.** The Settlement Administrator shall make and deduct the
4 following payments from the GSA, in the amounts specified by the Court in the Final Approval
5 Order:

6 **a. Class Representative Service Awards.** Defendants will not oppose a
7 request by the Named Plaintiffs to be appointed Class Representatives and for Class Representative
8 Service Awards in the amount of up to Fifteen Thousand Dollars and zero cents (**\$15,000.00**) to
9 Named Plaintiffs, to be paid out of the Gross Settlement Amount, subject to Court approval. If the
10 Court approves any Class Representative Service Awards in amounts less than requested, the
11 remainder shall be allocated to the Net Settlement Amount. The Settlement Administrator shall
12 issue a Form 1099-MISC to the Named Plaintiffs for their respective Class Representative Service
13 Awards. The Named Plaintiffs agree to assume sole responsibility for any federal, state, or local
14 taxes relating to this payment. Court approval of the Class Representative Service Awards, or their
15 amount, is not a condition of the Settlement. In the event that the Court reduces or does not
16 approve the requested Class Representative Service Awards, Named Plaintiffs shall not have the
17 right to revoke the Settlement, and it will remain binding. As a condition to receiving a Class
18 Representative Service Award, each Named Plaintiff shall sign a general release of all claims,
19 including a Civil Code section 1542 waiver, as described in Paragraph C.20 of this Agreement.

20 **b. Attorneys' Fees and Costs.** All Class Counsel's Attorneys' Fees and Costs,
21 which includes but is not limited to all such fees and costs to date and those in connection with
22 securing approval of this Agreement, the Settlement administration process, and any monitoring of
23 this Agreement, shall be paid from the Gross Settlement Amount, subject to approval of those
24 attorneys' fees and costs by the Court. Defendants shall not object to a motion for attorneys' fees
25 and costs so long as the amount requested for attorneys' fees is not more than one-third (1/3) of the
26 Gross Settlement Amount, and the amount for costs requested is for actual costs and expenses
27 incurred and supported by declaration. Court approval of Attorneys' Fees and Costs, or their
28 amount will not be a condition of the Settlement. The Parties and Class Counsel agree that Class

1 Counsel shall not seek, and shall not be eligible for, an award of fees and costs in excess of these
2 maximum requested amounts. In the event that the Court reduces or does not approve the requested
3 Class Counsel Award, Named Plaintiffs and Class Counsel shall not have the right to modify or
4 revoke the Settlement, and the Settlement will remain binding. Any portion of the sums listed in
5 this Section that are not ultimately awarded to Class Counsel shall be treated as part of the Net
6 Settlement Amount. Class Counsel assumes full responsibility for paying all taxes, federal, and
7 state, if any, due as a result of any awarded Attorneys' Fees and Costs.

8 **c. Settlement Administration Payment.** All of the Settlement
9 Administrator's costs incurred or charged by the Settlement Administrator in connection with the
10 execution of its duties and responsibilities under this Settlement Agreement shall be paid out of the
11 Gross Settlement Amount. The Settlement Administration Payment shall not exceed Twelve
12 Thousand dollars and Zero cents (**\$12,000.00**), except for a showing of good cause and as approved
13 by the Court.

14 **d. PAGA Allocation.** Fifty Thousand dollars and zero cents (**\$50,000.00**) of
15 the GSA shall be considered payment for alleged civil penalties under the PAGA ("PAGA
16 Allocation"). If the Court approves a PAGA Allocation of less than the amount requested, the
17 remainder will be allocated to the NSA. Subject to Court approval, the PAGA Allocation will be
18 paid and calculated as follows:

19 (i) **LWDA Payment.** The Settlement Administrator shall pay to the
20 LWDA Seventy-Five Percent (75%) of the PAGA Allocation, which is currently estimated to be
21 Thirty Seven Thousand Five Hundred dollars and zero cents (**\$37,500.00**).

22 (ii) **Individual PAGA Payments.** The Settlement Administrator shall
23 allocate Twenty-Five Percent (25%) of the PAGA Allocation to create the PAGA Payout Fund to
24 be paid to the PAGA Group, which is currently estimated to be Twelve Thousand Five Hundred
25 dollars and zero cents (**\$12,500.00**). Each Aggrieved Employee will receive a proportionate share
26 of the PAGA Payout Fund that is equal to the number of PAGA Pay Periods he or she worked for
27 the Settling Defendants based on the Class Data provided by the Settling Defendants.

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1 (iii) **Calculation of Individual PAGA Payments.** The Settlement
2 Administrator will calculate each Individual PAGA Payment by (i) dividing the amount of the
3 PAGA Payout Fund (currently estimated to be \$12,500) by the total number of pay periods
4 collectively worked by all Aggrieved Employees during the relevant PAGA Periods, and (ii)
5 multiplying the result by the number of Pay Periods each Aggrieved Employee worked during the
6 relevant PAGA Periods. One day worked in a given Pay Period will be credited as a Pay Period for
7 purposes of this calculation. Therefore, the value of each Individual PAGA Payment ties directly to
8 the amount of PAGA Pay Periods that he or she worked.

9 (iv) **Tax Allocation of Individual PAGA Payments.** The Individual
10 PAGA Payments will be apportioned as 100% civil penalties and shall be reported using IRS 1099
11 Forms. Payroll tax withholdings and deductions will not be withheld from the Individual PAGA
12 Payments. The Named Plaintiffs and the Aggrieved Employees each bear full responsibility for
13 payment of any taxes or withholdings that are found to be owed from the Individual PAGA
14 Payments.

15 **4. Net Settlement Amount ("NSA").** The Net Settlement Amount is to be paid to
16 Participating Class Members as Individual Class Payments. The NSA includes the GSA Amount,
17 less the following payments in the amounts approved by the Court: Settlement Administration
18 Payment; Class Representative Service Payments; Class Counsel Attorney's Fees and Costs; and
19 the PAGA Allocation.

20 **a. Calculation of Individual Class Payments.** An Individual Class Payment
21 shall be made to each Participating Class Member. Individual Class Payments shall be calculated
22 by (a) dividing the NSA by the total number of Workweeks collectively worked by all Participating
23 Class Members during the relevant Class Period, and (b) multiplying the result by the number of
24 Workweeks worked by each individual Participating Class Member. One day worked in a given
25 Workweek will be credited as a Workweek for purposes of this calculation. Therefore, the value of
26 each Individual Class Payment ties directly to the amount of Class Period Workweeks that he or
27 she worked.

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1 **b. Effect of Non-Participating Class Members on Calculation of Individual**
2 **Class Payments.** Non-Participating Class Members will not receive an Individual Class Payment.
3 The Settlement Administrator will allocate amounts equal to their Individual Class Payments in the
4 NSA for distribution to Participating Class Members on a pro rata basis.

5 **c. Tax Allocation of Individual Class Payments.** Individual Class Payments
6 to the Participating Class Members shall be apportioned as follows: 20% as payment for alleged
7 unpaid wages, 40% as alleged unpaid interest, and 40% as alleged civil and statutory penalties.
8 The Settlement Administrator will issue IRS W-2 Forms for alleged unpaid wages, and IRS 1099
9 Forms will be issued for alleged unpaid interest and alleged civil and statutory penalties. Each
10 Participating Class Member bears the full responsibility for payment of any taxes or withholdings
11 that are found to be owed from the Individual Class Payments.

12 **5. Settlement Administrator.** By accepting the role as Settlement Administrator, the
13 Settlement Administrator is bound to all of the terms, conditions and obligations described in this
14 Settlement Agreement. Among other duties, the Settlement Administrator shall have the sole and
15 exclusive responsibility for: calculating estimated Individual Settlement Payments for purpose of
16 the Notice; processing and mailing payments to the Class Representatives, Class Counsel, LWDA
17 and Settlement Group Members; printing and mailing the Notice to the Class Members as directed
18 by the Court; receiving and reporting objections and opt outs; deducting all legally required taxes
19 from Individual Class Payments and distributing tax forms; processing and mailing tax payments to
20 the appropriate state and federal taxing authorities; providing declarations(s) as necessary in
21 support of preliminary and/or final approval of this Settlement; and other tasks as the Parties
22 mutually agree or the Court orders the Settlement Administrator to perform. The Settlement
23 Administrator shall keep the Parties timely apprised of the performance of all Settlement
24 Administrator's responsibilities. Named Plaintiffs, Class Counsel, Defendants, and Defendants'
25 Counsel shall have no responsibility for validating or ensuring the accuracy of the Settlement
26 Administrator's work. Named Plaintiffs, Class Counsel, Defendants and Defendants' Counsel
27 shall not bear any responsibility for errors or omissions in the calculation or distribution of the
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1 Individual Settlement Payments or any other distribution of monies contemplated by this
2 Agreement.

3 **6. Conditions Precedent.** This Settlement will become final and effective only upon
4 the occurrence of all of the following events: (a) the Court enters an order granting preliminary
5 approval of the Settlement; (b) the Court enters an order granting final approval of the Settlement
6 and judgment; and the Effective Date occurs.

7 **7. Nullification of Settlement Agreement.** In the event that this Settlement
8 Agreement is not preliminarily or finally approved by the Court, fails to become effective, or is
9 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from
10 obtaining complete resolution of the claims as described herein:

11 a. This Settlement Agreement shall be void ab initio and of no force or effect,
12 and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or
13 with respect to any issue, substantive or procedural;

14 b. The conditional class certification (obtained for any purpose) shall be void
15 ab initio and of no force or effect, and shall not be admissible in any judicial, administrative or
16 arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

17 c. None of the Parties to this Settlement Agreement will be deemed to have
18 waived any claims, objections, defenses or arguments in the Action, including with respect to the
19 issue of class certification.

20 **8. Certification of the Settlement Class.** The Parties stipulate to conditional class
21 certification of the Class for purposes of settlement only. In the event that this Settlement is not
22 approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the
23 Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the
24 claims described herein, the conditional class certification (obtained for any purpose) shall be void
25 ab initio and of no force or effect, and shall not be admissible in any judicial, administrative or
26 arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

27 **9. Tax Liability.** The Named Plaintiffs, Class Counsel, Defendants and Defense
28 Counsel are not providing any advice as to the tax treatment or legal effect of the payments called

1 for hereunder, and Settlement Group Members understand and agree that they will be responsible
2 for the payment of any taxes and penalties assessed on any and all payments issued to them under
3 the Settlement, as described herein, and will be solely responsible for any penalties or other
4 obligations resulting from their personal tax reporting of such payments.

5 **10. Circular 230 Disclaimer.** Each Party to this Agreement (for purposes of this
6 section, the “acknowledging party” and each Party to this Agreement other than the acknowledging
7 party, an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no
8 written communication or disclosure between or among the Parties or their attorneys and other
9 advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be
10 construed or be relied upon as, tax advice within the meaning of United States Treasury
11 Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied
12 exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax
13 advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the
14 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
15 entitled to rely upon any communication or disclosure by any attorney or adviser to any other party
16 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
17 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
18 attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally binding) upon
19 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
20 including any transaction contemplated by this Agreement.

21 **11. Preliminary Approval Motion.** Upon execution of this Agreement by all Parties,
22 the Named Plaintiffs and Class Counsel will move, unopposed before the Court, for an order
23 preliminarily approving the Settlement. At least three (3) business days prior to filing a Motion for
24 Preliminary Approval of Settlement, Class Counsel shall deliver to Defense Counsel all documents
25 necessary for obtaining Preliminary Approval, including:

26 **a.** A draft of the notice, and memorandum in support, of the Motion for
27 Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request
28 for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2);

1 **b.** A draft proposed Order Granting Preliminary Approval of the class action
2 settlement and Approval of the PAGA Settlement;

3 **c.** A signed declaration from the Settlement Administrator attaching its “not to
4 exceed” bid for administering the Settlement and attesting to its willingness to serve; competency;
5 operative procedures for protecting the security of Class Data; amounts of insurance coverage for
6 any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or
7 potential conflicts of interest with Class Members;

8 **d.** A signed declaration from Class Counsel attesting to its competency to
9 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA
10 documents; and all facts relevant to any actual or potential conflict of interest with Class Members,
11 the Settlement Administrator and/or the Cy Pres Recipient.

12 **12. Submissions to LWDA:** Class Counsel shall submit an executed copy of this
13 Agreement to the LWDA at the same time it is submitted to the Court in accordance with the
14 requirements set forth in Section 2699(1)(2). Class Counsel shall also be responsible for submitting
15 to the LWDA a copy of the Court’s judgment and any other orders that award or deny civil
16 penalties to the LWDA.

17 **13. Notice Procedure.**

18 **a. Class Data.** Within ten (10) business days after entry of the Preliminary
19 Approval Order, the Settling Defendants shall provide the Settlement Administrator with the Class
20 Data for purposes of preparing and mailing the Notice to Class Members. The Settlement
21 Administrator shall not provide the Class Data to Class Counsel or the Named Plaintiffs, or use the
22 Class Data or information contained therein for any purpose other than to administer this
23 Settlement. The Settlement Administrator shall notify Class Counsel when the Settling
24 Defendants have provided the Class Data and Class Counsel, may, within five (5) days of receipt of
25 that notification, provide updated mailing addresses for Plaintiffs and Class Members which they
26 believe changed since those individuals stopped working for the Settling Defendants.

27 **b. Notice by First Class U.S. Mail.** Unless otherwise ordered by the Court,
28 Settlement Class Notice will be sent by US Mail to the most recent mailing addresses of the Class

1 Members as reflected in the Class Data. Upon receipt of the Class Data, the Settlement
2 Administrator will perform a search based on the National Change of Address Database to update
3 and correct any known or identifiable address changes. Any Notice returned to the Settlement
4 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
5 forwarding address affixed thereto no later than three (3) business days after the Settlement
6 Administrator's receipt of any Class Notice returned by the USPS as undelivered. If no forwarding
7 address is provided, the Settlement Administrator shall promptly attempt to determine a correct
8 address by lawful use of skip tracing, or other search using the name, address and/or Social
9 Security number of the Class Member involved, and shall then perform a re-mailing, if another
10 mailing address is identified by the Settlement Administrator. Class Members who receive a re-
11 mailed Notice shall have their Response Deadline extended by fifteen (15) calendar days from the
12 original Response Deadline. All costs of skip tracing will be considered costs of administration and
13 part of the Settlement Administration Payment.

14 **c. Disputes Regarding Individual Settlement Payments.** Class Members
15 will have the opportunity, should they disagree with the Workweeks or Pay Periods attributed to
16 them in the Class Data, to provide documentation and/or an explanation to show contrary
17 employment dates, workweeks or pay periods. Any such dispute must contain: (1) the Class
18 Member's full name and address; (2) the case name and number; (3) a clear statement indicating
19 the Class Member disputes the dates of employment, workweek or pay periods attributed to them;
20 and (4) the dates of employment the Class Member contends are correct, together with any
21 supporting documents or information. If there is a dispute as to employment dates, workweeks or
22 pay periods, the Settlement Administrator will consult with counsel for the Parties to determine
23 whether an adjustment is warranted. In the absence of any contrary documentation, the Settlement
24 Administrator is authorized to presume that the Workweeks and Pay Periods contained in the Class
25 Notice are correct so long as they are consistent with the Class Data. The Settlement
26 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
27 Periods shall be final and not appealable or otherwise susceptible to challenge. The Settlement
28 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or

1 Pay Periods to Defense Counsel and Class Counsel and the Settlement Administrator's
2 determination of the challenges.

3 **d. Disputes Regarding Administration of Settlement.** Any disputes not
4 resolved by the Settlement Administrator concerning the administration of the Settlement will be
5 resolved by the Court under the laws of the State of California. Prior to any such involvement of
6 the Court, counsel for the Parties will confer in good faith to resolve the disputes without the
7 necessity of involving the Court.

8 **e. Settlement Website.** The Settlement Administrator will maintain a
9 Settlement Website dedicated to the Settlement, on which all papers filed in connection with the
10 Settlement will be posted. The Settlement Website shall, unless otherwise ordered by the Court,
11 become active within ten (10) calendar days after the Court's entry of the Preliminary Approval
12 Order and shall remain active until 180 days after the Effective Date.

13 **14. Opt-Out Right.**

14 **a. Opt-Out Deadline.** Class Members shall have the right to exclude
15 themselves from the Settlement Class by sending a written request to exclude themselves to the
16 Settlement Administrator within forty-five (45) calendar days after the original date of the
17 Settlement Administrator's mailing of the Notice of Class Action Settlement, or such other
18 deadline as the Court may set. All Class Members who do not opt out in accordance with the terms
19 set forth herein is deemed to be a Participating Class Member under this Agreement, entitled to all
20 benefits and bound by all terms and conditions of the Settlement, including the Participating Class
21 Members' Releases under Paragraph C.20 of this Agreement, regardless of whether the
22 Participating Class Member actually receives the Class Notice or Individual Settlement Payment,
23 or objects to the Settlement.

24 **b. Request for Exclusions.** Requests for Exclusion must: (a) contain the case
25 name and number of the Action; (b) include the full name, address and the last four (4) digits of the
26 Social Security number, and signature of the person requesting exclusion; and (c) include the
27 following statement: "I request to be excluded from this class action settlement. I have received
28 notice of the settlement and understand that if I am excluded from the class action settlement, I will

1 not receive any money as a result of the class portion of the settlement.” No request for exclusion
2 will be valid unless all of the information described above is included. Exclusion requests must be
3 submitted by mail to the Settlement Administrator. No later than five (5) calendar days after the
4 Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a final
5 list of the Class Members who have timely requested exclusion from the Settlement. Upon request,
6 copies of any exclusion requests received shall be forwarded to Class Counsel and Defense
7 Counsel within five (5) days of their receipt. All Class Members who submit a valid and timely
8 request to exclude themselves shall be deemed a Non-Participating Class Member and shall not
9 receive an Individual Class Payment nor have the right to object to the class action components of
10 the Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise
11 encourage Class Members to opt out of the Settlement.

12 **c. Delivery to Court.** The Settlement Administrator will retain a copy of all
13 requests for exclusion. At or before the Final Approval Hearing, the Settlement Administrator
14 shall file with the Court a declaration that appries the Court of all of the opt-outs received.

15 **d. Defendants’ Right to Withdraw.** The Settling Defendants have the right in
16 their sole and exclusive discretion to terminate and withdraw from the Settlement at any time prior
17 to the date the Court enters Final Approval of this Settlement if six percent (6%) or more of the
18 Class Members timely and validly opt out of the Settlement. The Settling Defendants must make
19 such election within fifteen (15) business days of being notified by the Settlement Administrator of
20 a 6% or greater opt-out rate.

21 **15. Objections to the Settlement.**

22 **a. Right to Object.** Only Participating Class Members may object to the class
23 action components of the Settlement and/or this Agreement, including contesting the fairness of the
24 Settlement, and/or amounts requested for the Class Counsel Attorney’s Fees and Costs and/or Class
25 Representative Service Payments. Non-Participating Class Members have no right to object to any
26 of the class action components of the Settlement. The postmark date of mailing shall be deemed the
27 exclusive means for determining that a Notice of Objection was timely submitted. Participating
28 Class Members who submit a timely Notice of Objection may appear at the Final Approval

1 Hearing to argue that the proposed Settlement should not be approved and/or to oppose the
2 application of Class Counsel for an award of Attorneys' Fees and Costs and/or the Class
3 Representative Service Awards to the Named Plaintiffs. The Notice of Objection must contain: (1)
4 the case name and number; (2) the Settlement Class Member's full legal name, home address,
5 telephone number, last four digits of their Social Security number and signature of the Settlement
6 Class Member; (3) the words "Notice of Objection" or "Formal Objection" in clear and concise
7 terms; (4) the legal and factual arguments supporting the objection; (4) a statement of whether the
8 Participating Class Member intends to appear at the Final Approval Hearing. Any Class Member
9 who opts-out of the Settlement shall not have standing to object to the Settlement or appear at the
10 Final Approval Hearing to object. The Settlement Administrator shall send all objections to
11 counsel for Named Plaintiffs and Defendants.

12 **b. Objection Deadline.** The deadline for filing an objection with the Court
13 shall be forty-five (45) calendar days after the Settlement Administrator's mailing of the Notice of
14 Class Action Settlement, or such other deadline as the Court shall set. The Notice of Class Action
15 Settlement will advise Settlement Class Members of this objection deadline. Settlement Class
16 Members may also seek information on the Settlement Website. Any Settlement Class Member
17 who fails to file a timely written objection by filing the objection shall be foreclosed from objecting
18 to this Settlement and shall be bound by the terms of this Agreement, unless otherwise permitted
19 by the Court. Class Counsel and Defense Counsel will file any responses to any written objections
20 submitted to the Court in accordance with this Settlement Agreement at least seven (7) court days
21 before the Final Approval Hearing, or according to such other schedule as the Court may set.

22 **c. Failure to Object.** Any Class Member who fails to timely file and serve
23 such a written statement of his/her intent to object shall be foreclosed from making any objection to
24 this Settlement, unless otherwise ordered by the Court.

25 **16. Record Keeping and Reporting Obligations Prior To Final Approval.**

26 **a.** As soon as practicable following the Response Deadline, and in all events no
27 later than seven (7) business days after the Response Deadline, the Settlement Administrator will
28 provide Class Counsel and Defense Counsel with a declaration attesting to completion of the notice

1 process set forth in Paragraph C.14, including an explanation of efforts to re-send undeliverable
2 notices returned with forwarding addresses, the number of timely requests for exclusion, the
3 number of objections received, and any other information as the Parties mutually agree or the Court
4 orders the Settlement Administrator to provide, which declaration will be filed with the Court by
5 Class Counsel with all moving papers for Final Approval.

6 **b.** As soon as practicable following the Opt-Out Deadline and the Objection
7 Deadline, and in all events no later than seven (7) business days after the Opt-Out Deadline and the
8 Objection Deadline, the Settlement Administrator will provide Class Counsel and Defense Counsel
9 with a report attesting to the total number of Settlement Class Members, the total number of Class
10 Members who opted-out of the settlement, and the total amount of settlement payments to be
11 issued.

12 **c.** The Settlement Administrator will stamp the date received, and if received
13 by United States First Class Mail, also the postmark date, on the original of any Request for
14 Exclusion Form it receives. On the Monday of each week from the time notice is mailed until the
15 Response Deadline, the Settlement Administrator will provide a report to Class Counsel and
16 Defense Counsel concerning receipt of Class Members' Opt-Out Forms, objections, and returned
17 mail. The Settlement Administrator shall make any of these original forms available for inspection
18 by Class Counsel and Defense Counsel.

19 **d.** No later than two (2) business days after the Response Deadline, the
20 Settlement Administrator shall provide counsel for the Parties a report by email regarding the total
21 number of Class Members who Opted-Out.

22 **17. Final Approval Motion.** By the filing deadline provided for in the preliminary
23 approval order, Named Plaintiffs and Class Counsel shall file with the Court a motion for final
24 approval, which motion shall request final approval of the Settlement, a determination of the
25 amounts payable for the Class Representative Service Awards, Class Counsel Fees and Costs
26 Award, PAGA Allocation, Settlement Administration Payment, and entry of judgment in the
27 Action. Class Counsel shall provide a courtesy draft of these papers to Defense Counsel at least
28 three (3) business days before filing the documents.

1 **18. Cooperation.** Plaintiffs and Defendants agree to take all steps as may be
2 reasonably necessary to secure both preliminary and final approval of the Settlement, to the extent
3 not inconsistent with the terms of this Settlement, and will not take any action adverse to each other
4 in obtaining Court approval. Named Plaintiffs and Defendants expressly agree that they will not
5 file any objection to the terms of this Settlement or assist or encourage any person or entity to file
6 any such objection.

7 **19. Settlement Distribution Procedures.**

8 **a. Qualified Settlement Fund (“QSF”).** The Settlement Administrator shall
9 establish a Qualified Settlement Fund (“QSF”) for the benefit of the Settlement Group Members
10 and from which all payments under this Agreement shall be paid. The Settlement Administrator
11 shall have its own Employer Identification Number under IRS Form W-9 and shall use its own
12 Employer Identification Number and shall transmit the required employers’ and employees’ share
13 of the withholdings, if any, to the appropriate state and federal tax authorities. The Settlement
14 Administrator shall establish a settlement fund that meets the requirements of a QSF under U.S.
15 Treasury Regulation section 468B-1 and section 468B of the Internal Revenue Code of 1986, as
16 amended (the “Code”). The QSF shall be an interest-bearing account at a federally insured bank
17 that is mutually acceptable to the Parties and the Settlement Administrator.

18 **b. Tax Reporting.** The Settlement Administrator shall provide copies to the
19 Settling Defendants of any federal, state, and local income or other tax reporting, return, and filing
20 prepared on the Settling Defendants’ behalf. The Parties agree to cooperate with the Settlement
21 Administrator and one another to the extent reasonably necessary to carry out the provisions of this
22 Paragraph. The Settlement Administrator shall be treated as an “administrator” as defined at
23 Treasury Regulation section 1.468B-2(k) for purposes of federal and state income tax reporting
24 with respect to the distributions and payments made under this Agreement. Accordingly, Forms
25 1099 will be distributed by the Settlement Administrator at times and in the manner required by the
26 Code and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or
27 other applicable tax law, is changed after the date of this Agreement, the processes set forth in this
28 section may be modified in a manner to comply with any such changes.

1 **c. Timing of Distribution.** Within twenty-five (25) calendar days of the
2 Effective Date, the Settlement Administrator shall mail Individual Settlement Payments by regular
3 First-Class U.S. Mail to Settlement Group Members' last known address.

4 **d. PAGA Allocation.** The Settlement Administrator shall issue and mail a
5 check to the State of California for the LWDA PAGA Allocation payment from the Gross
6 Settlement Amount. Should the Court, at the Preliminary Approval Hearing deem that additional
7 PAGA penalties need to be allocated, or should the LWDA challenge the amount, the Parties agree
8 to revise the allocated PAGA penalties amount as deemed necessary, the funds of which shall be
9 paid from the Gross Settlement Amount but will not increase the GSA.

10 **e. Settlement Administration Process.** The Settlement Administrator shall
11 provide Class Counsel and Defense Counsel a report listing the amount of all Individual Settlement
12 Payments to be made to each Settlement Class Member. Individual Settlement Payment checks
13 shall be valid for 180 days from the date on the check. Fourteen (14) calendar days before the
14 expiration of the 180-day period, the Settlement Administrator will send a notice to Settlement
15 Class Members who have been sent settlement award checks but who have not cashed them,
16 reminding them of the expiration of the 180-day period. The Settlement Administrator will also
17 perform other tasks to which the Parties mutually agree or the Court orders. Proof of payment will
18 be provided to Class Counsel and Defendants' Counsel, and to the Court if required.

19 **f. No Effect on Benefit Plans.** The payments made to Settlement Group
20 Members pursuant to this Agreement are not being made for any other purpose and shall not be
21 construed as compensation for purposes of determining eligibility for any health and welfare
22 benefits or unemployment compensation, and no benefits, including but not limited to pension
23 and/or 401(k), shall increase or accrue as a result of any payment made as a result of this
24 Settlement, unless required by the plan documents or otherwise required by law.

25 **g. Employer's Share of Employment Taxes.** The employer's share of any
26 payroll taxes and withholdings attributable to any payments made to the Named Plaintiffs and the
27 Settlement Group Members hereunder shall not be paid from the Gross Settlement Amount. The
28 Settlement Administrator shall advise the Settling Defendants of additional monies required to

1 cover the employer's share of payroll tax obligations separate and apart from the Gross Settlement
2 Amount. The Settling Defendants shall be responsible for paying any such amounts.

3 **h. Cy Pres Recipient.** For any Settlement Group Member whose Individual
4 Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void
5 date, the Settlement Administrator shall transmit the funds represented by such checks to California
6 Court Appointed Special Advocates Association ("California CASA"), consistent with Code of
7 Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient"). The Parties, Class Counsel and
8 Defense Counsel represent that they have no interest or relationship, financial or otherwise, with
9 the intended Cy Pres Recipient.

10 **20. Releases of Claims.**

11 **a. Participating Class Members' Released Claims.** As of the Effective
12 Date, all Participating Class Members, including the Named Plaintiffs, are deemed to have, and by
13 operation of the Order Granting Final Approval of the Settlement will have, fully, finally, and
14 forever released the Released Parties, as defined in Paragraph A29, from any and all claims, debts,
15 liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or
16 causes of action arising from work performed for the Settling Defendants during the Class Period
17 that were alleged in the operative Complaint, or that are reasonably related to or arise from the
18 allegations and claims asserted against the Released Parties in the operative Complaint of the
19 Action, or which reasonably could have been asserted, based on the facts and legal theories
20 contained in the operative Complaint, including without limitation: (1) any and all claims for meal
21 period violations including, but not limited to, claims for late, short, interrupted and/or missed meal
22 periods and/or the failure to pay premium wages therefor; (2) any and all claims for rest break
23 violations including but not limited to, claims for late, short, interrupted and/or missed rest breaks
24 and/or the failure to pay premium wages therefor; (3) any and all claims for alleged unpaid wages
25 including, but not limited to, claims related to minimum wage, overtime, double-time, commission
26 pay, reporting time pay, off-the-clock pay, failure to pay for all hours worked at correct rates, and
27 all other potential wages; (4) any and all claims for improper and/or inaccurate itemized wage
28 statements including, but not limited to, claims for injuries suffered therefrom; (5) any and all

1 claims for unreimbursed business expenses; (6) failure to keep complete and/or accurate payroll
2 records; (7) any and all claims for statutory penalties including, but not limited to, waiting time
3 penalties under Labor Code Section 203 and/or wage statement penalties under Labor Code
4 Section 226(e); (8) any other claims or penalties under the wage and hour laws pleaded in the
5 Action, including any claims under the applicable IWC Wage Orders; (9) any and all claims under
6 the Business & Professions Code (including Section 17200 et seq.), and other equitable relief,
7 liquidated damages, punitive damages, or penalties arising from the foregoing alleged claims; (10)
8 any and all claims that were alleged, or reasonably could have been alleged in the Action, based on
9 the allegations stated in the operative Complaint and ascertained in the course of the Action,
10 including any and all damages, penalties, interest and other amounts recoverable under said causes
11 of action under California and Federal law, to the extent permissible, including but not limited to
12 the California Labor Code as to the facts alleged in the Action, the applicable Wage Orders as to
13 the facts alleged in the operative Complaint, and the California Unfair Competition Law; punitive
14 and exemplary damages; and any other benefit claimed on account of the allegations asserted or
15 that could have been asserted in the Complaint. The Released Claims do not include claims for
16 workers' compensation benefits or any of the claims that may not be released as a matter of law.
17 The *res judicata* effect of the Judgment will be the same as that of the Release. For the sake of
18 clarity, any Participating Class Member's claims based on a Participating Class Member's
19 employment with, or work performed for, one or more Settling Defendants are released even if
20 asserted against another Defendant named in this Action, whereas claims based solely on a
21 Participating Class Member's employment with, or work performed for, any other Defendant are
22 not released.

23 **b. Aggrieved Employees' Released Claims.** As of the Effective Date, all
24 Aggrieved Employees, including all Non-Participating Class Members who qualify as Aggrieved
25 Employees, and the Named Plaintiffs as designated agents and proxies of the LWDA and the state
26 of California, irrevocably and unconditionally release the Released Parties, as defined in Paragraph
27 A.29, from any and all claims for PAGA civil penalties arising from work performed for the
28 Settling Defendants during the PAGA Period, and that were alleged in the Named Plaintiffs'

1 PAGA LWDA Notices and/or the operative Complaint, and all claims reasonably related to or
2 arising from the claims asserted in Plaintiff's LWDA PAGA Notices and/or operative Complaint,
3 and any claims that reasonably could have been alleged based on the allegations, facts and/or legal
4 theories stated in the operative Complaint or the PAGA Notices submitted by the Named Plaintiffs,
5 and/or ascertained in the course of the Action.

6 **c. Named Plaintiffs' General Release and Waiver of All Claims.** In
7 addition to the Named Plaintiffs' Releases set forth in Paragraphs C20a and C20b of the
8 Agreement, as of the Effective Date, the Named Plaintiffs, on their own behalves, and on behalf of
9 each of their former and present spouses, representatives, agents, attorneys, heirs, administrators,
10 successors, and assigns generally, irrevocably and unconditionally release, acquit, and forever
11 discharge the Released Parties, as defined in Paragraph A.29, from any and all claims, demands,
12 rights, liabilities and causes of action including, but not limited to all claims that were, or
13 reasonably could have been, alleged, in the Action. The Named Plaintiffs' released claims include,
14 but are not limited to, any and all known and unknown claims for violation of the California Labor
15 Code, the Private Attorneys General Act, the applicable IWC Wage Orders or any similar state or
16 federal law, whether for economic damages, non-economic damages, liquidated damages, punitive
17 damages, restitution, penalties, alleged unpaid wages, interest, other monies, or other relief based
18 on any facts, circumstances, transactions, events, policies, occurrences, acts, disclosures,
19 statements, omissions or failures to act that have been asserted or could have been asserted based
20 on the facts alleged in this litigation, including any and all claims that the Named Plaintiffs have
21 arising out of or relating directly or indirectly in any manner whatsoever to their employment with
22 the Settling Defendants, as well as the facts alleged or which could have been alleged or asserted in
23 the Named Plaintiffs' LWDA Notices or operative Complaint. The Named Plaintiffs understand
24 and each expressly agree that the general release set forth herein includes a general release of all
25 claims and a waiver of rights under Code of Civil Procedure Section 1542, including but not
26 limited to a release of any and all claims under the Age Discrimination in Employment Act, the
27 Americans with Disabilities Act, the Family Medical Leave Act, Title VII of the Civil Rights Act,
28 the California Fair Employment and Housing Act and the California Family Rights Act, and any

1 claim based on an alleged tort, violation of contract, violation of state or federal constitution, or
2 other local, state, or federal law. The Named Plaintiffs also waive the right to participate in, or to
3 receive recovery from, any other representative action, collective action, class action or PAGA
4 action brought by any other employee against any of the Defendants that covers the Class Period.
5 The Named Plaintiffs, on their own behalfs and on behalf of their respective spouses, heirs,
6 successors and assigns, understand and expressly waive the benefits of California Civil Code §
7 1542 and agrees that this Agreement extends to all of their claims against the Released Parties, as
8 defined in Paragraph A.29 of this Agreement, regardless of nature or kind, whether known or
9 unknown, suspected or unsuspected, vested or contingent, whether in tort, contract, equity, or
10 otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, arising
11 from or attributable to any incident or event, occurring in whole or in part, on or before the Parties'
12 execution of this Settlement Agreement, including but not limited to all claims arising out of, based
13 upon, or relating to the Named Plaintiffs' employment with any of the Defendants or the
14 remuneration for, or termination of, such employment, and that any and all rights granted under
15 any state or federal law or regulation limiting the effect of this Agreement, including the provisions
16 of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. The
17 Named Plaintiffs' release includes a waiver of California Civil Code section 1542, which provides
18 as follows:

19 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
20 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT
21 TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
22 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
DEBTOR OR RELEASED PARTY.

23 Thus, notwithstanding the provisions of Section 1542, and for the purpose of implementing
24 a full and complete release and discharge of the Settling Defendants, the Named Plaintiffs
25 expressly acknowledge that this release is intended to include in its effect, without limitation, any
26 and all claims that any of the Named Plaintiffs does not know or suspect to exist at the time of
27 execution hereof, and that this Agreement contemplates the extinguishment of any such claim or
28 claims. The Named Plaintiffs' Released Claims do not include, and the Named Plaintiffs do not

1 waive, release or discharge: (i) any claims under state workers' compensation or unemployment
2 laws; or (ii) any other claims or benefits that cannot be waived by law.

3 **21. Class Certification.** For the purposes of this Settlement only, the Parties agree to
4 the certification of the Class as defined, supra, in Paragraph A.5 herein. As part of their motion for
5 preliminary approval of the Settlement, the Named Plaintiffs shall request conditional certification
6 of the Class based on the preliminary approval of this Agreement, including the Settlement Class
7 Notice.

8 **22. Waiver and Dismissals of Certain Appeals & Arbitration Rights.**

9 **a.** With the exception of the Named Plaintiffs' and Class Counsel's right to
10 appeal the Court's award of fees and costs, the Named Plaintiffs and Class Counsel agree to waive
11 all appeals from the Court's final approval of the Settlement, except in the event the Court imposes
12 modifications to the Settlement that were not agreed to by the Parties and that materially alter the
13 Settlement terms.

14 **b.** The Parties agree that, within five (5) calendar days from the Effective Date
15 the Named Plaintiffs and Class Counsel shall dismiss with prejudice Plaintiffs' appeal pending in
16 the Court of Appeal of the State of California, First Appellate District, Division Two, Case No.
17 A172696.

18 **c.** The Parties agree that, within five (5) calendar days from the Effective Date,
19 all Participating Class Members shall dismiss with prejudice any arbitrations or demands for
20 arbitration asserting or seeking to assert Released Claims against the Settling Defendants, that were
21 initiated by Class Counsel on behalf of Class Members in their individual capacity, including but
22 not limited to: Kade Armond; Shalyce Beck; Evairis Delgado Trujillo; Martha Delgado; Drake
23 Edwards; Bruce Ely; Clint Hasma; Glenn Jackson; Veronica Jamerson; Jason James; Mark
24 Joachim; Nathan Johnson; Julie Kosieradzki; Jeffrey Perkins; Andrew Perez; and Lamont Jones.
25 To the extent that Participating Class Members have arbitrations or demands for arbitrations
26 against individuals or entities other than the Settling Defendants, or to the extent that Participating
27 Class Members have arbitrations or demands for arbitrations against the Settling Defendants for
28 claims other than the Released Claims, there shall be no obligation to dismiss any such arbitrations.

1 d. The Parties acknowledge and agree that Plaintiffs' dismissal with prejudice
2 of the appeal pending in the Court of Appeal of the State of California, First Appellate District,
3 Division Two, Case No. A172696, as well as dismissal with prejudice of any individual
4 arbitrations or demands for arbitration covered by Paragraph C.22 of this Agreement are material
5 terms of this Settlement. The Settlement Administrator Shall not distribute any settlement funds to
6 the Named Plaintiffs or Class Counsel unless and until the requirements of Paragraphs C.22(b) and
7 C.22(c) have been fully satisfied.

8 **23. General Provisions.**

9 a. **No Admission.** By agreeing to this Settlement, Defendants deny that they
10 have engaged in any unlawful activity, that they failed to comply with the law in any respect, that
11 they have any liability to anyone based on the claims asserted in the Action. Nothing in this
12 Agreement is intended or shall be construed as an admission of liability or wrongdoing by
13 Defendants or the accuracy of any allegation made by Named Plaintiffs or Class Counsel. This
14 Agreement is a compromise of disputed claims. To the fullest extent possible under the law,
15 nothing contained in this Agreement and no documents referred to herein and no action taken to
16 carry out this Agreement may be construed or used as an admission by or against the Defendants or
17 Named Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted.

18 b. **Parties Authorized to Enter into Settlement Agreement.** The
19 individual(s) executing this Agreement on behalf of a Party represent and warrant that he or she is
20 fully authorized to execute this Agreement on such Party's behalf and to carry out the obligations
21 provided for therein. Each person executing this Agreement on behalf of a Party covenants,
22 warrants, and represents that he or she is and has been fully authorized to do so by such Party.
23 Each Party represents and warrants that he, she or it intends to be bound fully by the terms of this
24 Agreement.

25 c. **Time Periods.** The time periods and dates described in this Agreement with
26 respect to the giving of Settlement Class Notice and hearings will be subject to Court approval and
27 modification by the Court or by written stipulation of counsel.

28 d. **No Construction Against Drafter.** This Agreement is deemed to have been

1 drafted by all Parties, and any rule that a document shall be interpreted against the drafter will not
2 apply to this Agreement.

3 **e. Agreement Binding on Successors in Interest.** This Agreement is binding
4 on and shall inure to the benefit of the respective heirs, successors, and assigns of the Parties
5 hereto, as previously defined.

6 **f. Signatures.** The Parties and their counsel may sign separate copies of this
7 Agreement, which together will constitute one agreement. In addition, signatures sent in pdf
8 format by email or by facsimile constitute sufficient execution of this Agreement.

9 **g. Execution in Counterparts.** This Agreement is effective upon its execution
10 by all Parties. The Parties may execute this Agreement in counterparts. Each counterpart shall be
11 deemed to be an original, and execution of counterparts shall have the same force and effect as if
12 all Parties had signed the same instrument.

13 **h. Entire Agreement.** This Agreement contains the entire agreement between
14 the Parties and supersedes all prior understandings, agreements, or writings regarding the subject
15 matter of this Agreement. This Agreement may be modified only by a written instrument signed
16 by all Parties or their successors in interest or their duly authorized representatives.

17 **i. Headings.** The descriptive headings of any paragraphs or sections of this
18 Agreement are inserted for convenience of reference only and do not constitute a part of this
19 Agreement.

20 **j. Waiver.** The waiver by one Party of any breach of this Agreement by any
21 other Party shall not be deemed a waiver, by that Party or by any other Party, of any other prior or
22 subsequent breach of this Agreement.

23 **k. Governing Law.** This Agreement shall be subject to, governed by,
24 construed, enforced and administered in accordance with the laws of the State of California.

25 **l. Stay Pending Final Approval.** All discovery, motions, and other
26 proceedings, other than those necessary to obtain the Court's preliminary and final approval of the
27 Settlement, shall remain stayed pending final approval. This includes an agreement to, as of July
28

30, 2025, toll any applicable statute of limitations applicable to appeals and/or arbitrations envisioned in Paragraph C.22.

m. Dispute Resolution. The Parties agree to submit any disputes concerning the implementation, enforcement or interpretation of this Agreement to Hon. Stephen Gizzi for informal resolution. In accordance with California Rule of Court 3.769(h), the Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith

n. Class Counsel and Named Plaintiffs Signatories. It is agreed that because the Settlement Class Members are so numerous, it is impossible or impractical to have each Settlement Class Member execute this Settlement. The Notice will provide all Class Members with a summary of the Settlement and will advise all Class Members of the binding nature of the Release. Excepting for Non-Participating Class Members, the Settlement shall have the same force and effect as if this Settlement were executed by each settlement Class Member. Class Counsel warrants and represents that they are authorized by the Named Plaintiffs to take all appropriate action required to effectuate the terms of this Agreement.

o. Amendment or Modification. This Agreement may be amended or modified only by a written instrument that is signed by counsel for all Parties or their successors-in-interest and approved by the Court.

p. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

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IT IS SO AGREED:

Huy Tran

Soulinthong Soungpanya

Jennifer Avila

Justin Tinker, Chief Financial Officer
On behalf of Defendant LLOYD A. WISE MOTORS,
INC.

Justin Tinker, Chief Financial Officer
On behalf of Defendant ANTHONY A. BATARSE,
INC.

Justin Tinker, Chief Financial Officer
On behalf of Defendant VALLEJO NISSAN, INC.

Justin Tinker, Chief Financial Officer
On behalf of Defendant WISE VISION, INC.

APPROVED AS TO FORM AND CONTENT:

CLASS COUNSEL

DATED: 10/26, 2025

PHILLIPS, ERLEWINE, GIVEN & CARLIN LLP

By: 

NICHOLAS A. CARLIN

Attorneys for Plaintiffs and the Class

DEFENDANTS' COUNSEL

DATED: October 25, 2025

HANSON BRIDGETT LLP

By: 

JAHMAL T. DAVIS
JOSUE R. APARICIO
LUCERO CORDOVA-ARELLANES

Attorneys for Defendants
Lloyd A. Wise Motors, Inc., Anthony A. Batarse, Inc.,
Vallejo Nissan, Inc., and Wise Vision, Inc.

Exhibit 1

NOTICE OF CLASS ACTION SETTLEMENT

To: All current and former non-exempt employees who were employed by Defendants Anthony A. Batarse, Inc., Lloyd A. Wise Motors, Inc. and/or Vallejo Nissan, Inc., and paid on an hourly basis and/or on a commission basis, at any time from January 7, 2017 through July 30, 2025, and all current and former non-exempt employees who were employed by Defendant Wise Vision, Inc., and paid on an hourly basis and/or on a commission basis, at any time from November 17, 2019 through July 30, 2025.

A court authorized this Notice. This is not a solicitation.

This is not a lawsuit against you and you are not being sued.

However, your legal rights may be affected by a class action settlement.

Your rights and each option – and the deadlines to exercise each of them –are explained in this Notice.

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

If the contact information that is listed here for you needs to be updated or corrected, please inform the Settlement Administrator immediately.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
TO RECEIVE A SETTLEMENT PAYMENT	The estimated amount of your Individual Settlement Payment is shown in Paragraph 8 of this Notice. To receive your payment, all you need to do is to keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the Settlement, the Settlement Administrator will mail your check to the last known address on file for you.
CHANGE CONTACT INFORMATION	Update your contact information with the Settlement Administrator to ensure that your Individual Settlement Payment check is sent to the correct address.
EXCLUDE YOURSELF Deadline: [Response Deadline]	You can exclude yourself from the Settlement if you do not wish to participate in the Settlement. This is the only option that allows you to pursue your own lawsuit against Defendants about the legal claims in this case. If you exclude yourself, you will not receive an Individual Settlement Payment.
OBJECT Deadline: [Response Deadline]	If you think the Settlement is not fair, you can submit a written objection (“Notice of Objection”) to the Settlement Administrator, and it will be considered by the Court. If you submit an objection, you may also ask to speak in Court about why you think the Settlement is not fair at the time of the Final Approval Hearing. If the Settlement is approved, you will be bound by the terms of the Settlement and releases described in this Notice.
DO NOTHING	If you do nothing (that is, if you do not submit a timely request for exclusion), you will be mailed an Individual Settlement Payment at the address listed above, and will be bound by the terms of the Settlement and releases described in this Notice.

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BASIC INFORMATION

1. Why did I get this notice?

A settlement has been reached in the case entitled *Huy Tran et al. v. Wise Auto Group, et al.* – involving Defendants Anthony A. Batarse, Inc., Lloyd A. Wise Motors, Inc., Vallejo Nissan, Inc., and Wise Vision, Inc. (collectively, “Defendants”), which is pending in the Superior Court for the State of California, County of Solano (“Court”) (“Action” or “Lawsuit”). The Settlement has been reached on behalf of a proposed Class, defined as: all current and former non-exempt employees who were employed by Defendants Anthony A. Batarse, Inc., Lloyd A. Wise Motors, Inc. and/or Vallejo Nissan, Inc., and paid on an hourly basis and/or on a commission basis, at any time from January 7, 2017 through July 30, 2025, and all current and former non-exempt employees who were employed by Defendant Wise Vision, Inc., and paid on an hourly basis and/or on a commission basis, at any time from November 17, 2019 through July 30, 2025 (These time periods shall be referred to herein as the “Class Periods”).

You have received this notice because Defendants' records indicate that you worked at dealerships operated by some or all of Defendants Anthony A. Batarese, Inc., Lloyd A. Wise Motors, Inc. and/or Vallejo Nissan, Inc., and paid at any time from January 7, 2017 through July 30, 2025, and/or or that you worked at dealerships operated by Wise Vision, Inc., at any time from November 17, 2019 through July 30, 2025., and therefore, you may be a member of the Class ("Class Member"). The purpose of this notice is to explain the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this Lawsuit about?

Huy Tran, Soulinthong Soungpanya and Jennifer Avila ("Plaintiff" or "Plaintiffs") are former employees of various Defendants. This Lawsuit was commenced on January 7, 2021. Plaintiff asserted that Defendants violated multiple provisions of the California Labor Code and California Business and Professions Code with respect to Plaintiff and the Class by, *inter alia*, failing to properly pay minimum wages and overtime pay, failing to provide legally compliant meal and rest breaks and premium pay in lieu thereof, failing to timely pay wages during employment and upon termination, failing to provide accurate wage statements, failing to maintain requisite payroll records, failing to reimburse business expenses, engaging in unfair competition, and related claims. The Lawsuit also makes a claim for civil penalties pursuant to the California Labor Code Private Attorneys General Act of 2004.

Defendants deny the allegations in the Lawsuit and contend that they complied at all times with California law. The settlement is not an admission of any wrongdoing by Defendants or an indication that any law was violated.

3. Why is this a class action?

In a class action, one or more individuals called Class Representatives (in this case, Named Plaintiffs Huy Tran, Jennifer Avila, and Soulinthong Soungpanya) sue on behalf of themselves and other people who have similar claims. The group of people with similar claims is called a "Class." Each person covered by the class definition is a "Class Member." One court resolves the issues for all Class Members, except those individuals who request to be excluded from the Class. The Court has preliminarily appointed Phillips, Erlewine, Given & Carlin LLP to serve as Counsel for the Class ("Class Counsel").

4. Why is there a Settlement?

The Court has not decided in favor of Named Plaintiffs or Defendants. There was no trial. Instead, the Parties hired an experienced, neutral mediator to resolve the lawsuit by negotiating to end the case by agreement rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the lawsuit and enforcing the Agreement, the Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

5. Who are the Parties in this Lawsuit?

Named Plaintiffs Huy Tran, Soulinthong Soungpanya, and Jennifer Avila worked at dealerships operated by various Defendants.

Anthony A. Batarese, Inc., Lloyd A. Wise Motors, Inc., Vallejo Nissan, Inc., and Wise Vision, Inc. are the named Defendants ("Defendants") and "Released Parties" are Defendants and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, and all persons acting under, by, through, or in concert with any of them, and each of them.

6. Who are the Attorneys for the Parties?

Class Counsel

Nicholas A. Carlin

Brian S. Conlon

Robert Carroll III

Phillips, Erlewine, Given & Carlin LLP

Counsel for Defendants

Jahmal T. Davis, Esq.

Josue A. Aparicio, Esq.

Lucero Cordova Arrellanes, Esq.

Hanson Bridgett LLP

39 Mesa Street, Suite 201
San Francisco, CA 94129
415-398-0900

425 Market St 26th Floor
San Francisco, CA 94105
(415)-777-3200

If you have questions regarding this Settlement, you should contact Class Counsel, or the Settlement Administrator at 1-800-[telephone]. You may also view documents relating to the Settlement (including, but not limited to, the complaint, all papers filed in connection with the motion for preliminary approval of the Settlement, the order granting preliminary approval of the Settlement, and other documents) by visiting the following website:

www.AutoDealershipSettlement.com.

THE TERMS OF THE SETTLEMENT

7. What is the settlement amount and how will the Individual Settlement Payments be calculated?

Under the proposed Settlement, Defendants will pay \$875,000 (referred to as the “Gross Settlement Amount”) to fully and finally resolve all claims in the Lawsuit. Defendants will separately fund the amount of the employer-side payroll taxes.

The “Net Settlement Amount” or “NSA” means the Gross Settlement Amount, less all of the following amounts, which are subject to approval by the Court:

- A. Attorneys’ Fees and Costs: Class Counsel will apply to the Court for attorneys’ fees of up to \$291,666.67, and reimbursement of actual litigation costs and expenses.
- B. Class Representative Service Awards: Class Counsel will apply to the Court for a Service Award of up to \$15,000 to Plaintiffs Huy Tran, Soulinthong Soungpanya, and Jennifer Avila. Named Plaintiffs’ Service Awards will be in addition to any Individual Settlement Payment he or she receives as a Settlement Class Member.
- C. LWDA Payment: Under the Settlement, \$50,000 will be allocated towards penalties under the Labor Code Private Attorneys General Act (“PAGA”). Pursuant to PAGA, 75% of the PAGA penalties, or \$37,500, will be paid to the Labor and Workforce Development Agency. The remaining 25% of the PAGA penalties (or \$10,000) will remain in the Net Settlement Amount, to be distributed to Class Members who do not opt out of the Settlement (*i.e.*, Settlement Class Members) in the manner described herein.
- D. Settlement Administration Costs: The Settlement Administration Costs refer to the fees and expenses reasonably incurred by the Settlement Administrator in administering the Settlement, including, among other things, distributing the Notice to Class Members, processing requests for exclusion and Notices of Objection, and distributing payments under the Settlement. The Settlement Administration Costs are estimated to be up to \$11,250.

If the Court grants final approval of the Settlement, the NSA will be paid out entirely, automatically, to all Class Members who do not request exclusion from the Settlement (“Settlement Class Members”). Any portion of the NSA that would have been paid to individuals who timely request exclusion from the Settlement will be paid to the Settlement Class Members who participate in the Settlement. In other words, the entire NSA will be paid to Settlement Class Members, and no portion of the NSA will be returned to Defendants under any circumstances.

Each Settlement Class Member’s share of the NSA will be based on the total gross hourly wages Defendants paid to him or her during the time he or she worked for any Defendant during the relevant Class Periods (“Covered Period”), using the following procedure:

- dividing the NSA by the total number of Workweeks collectively worked by all Participating Class Members during the relevant Class Period; and

- multiplying the result by the number of Workweeks worked by each individual Participating Class Member. One day worked in a given Workweek will be credited as a Workweek for purposes of this calculation. Therefore, the value of each Individual Class Payment ties directly to the amount of Class Period Workweeks that he or she worked.

For tax purposes, each Individual Settlement Payment will be allocated as follows: (i) 20% as wages (to be reported on IRS Form W-2), (ii) 80% as penalties and interest (to be reported on IRS Form 1099). Each Individual Settlement Payment will be reduced for the employee's share of taxes and withholdings with respect to the wages-portion of the Individual Settlement Payment.

8. How much will my Individual Settlement Payment be?

Defendants' records indicate that **you were employed by one or more Defendants for [INSERT AMOUNT] workweeks and [INSERT AMOUNT] pay periods, during the Covered Period.**

Based on the number of workweeks you worked during the Covered Period, **your estimated Individual Settlement Payment is approximately \$<<Estimated Individual Class Payment>>.**

Based on the number of pay periods you worked during the Covered Period, **your estimated Individual PAGA Payment is approximately \$<<Estimated Individual Settlement Payment>>.**

The above-stated amount is only an estimate, and is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment. The actual Individual Settlement Payment you receive may be slightly more or less than the estimated amount shown.

9. What do I do if my dates of employment are wrong?

As described above, the amount of your Individual Settlement Payment will be based on the number of workweeks and pay periods you worked during the Covered Period. Your dates of employment, and the number workweeks and pay periods attributed to you, have been determined based upon Defendants' records. If you believe that the dates of employment, workweeks, or pay periods attributed to you are not right, you may send a letter to the Settlement Administrator indicating what you believe to be the correct dates or amount of workweeks or pay periods. In order to be considered, your dispute must be mailed to the Settlement Administrator at the address listed below, in Paragraph 12 of this Notice, postmarked on or before [Response Deadline], 2025. Your dispute must contain: (1) your full name and address; (2) the case name and number (*Huy Tran et al. v. Wise Auto Group, et al.*, Case No. FCS055892); (3) a clear statement indicating that you wish to dispute the dates of employment, workweeks, or pay periods attributed to you; and (4) the dates of employment, workweeks, or pay periods that you contend are correct, together with any supporting documents or information. The Settlement Administrator will resolve any dispute regarding your dates of employment, workweeks, and pay periods based on Defendants' records and any information you provide.

HOW TO GET A PAYMENT

10. How do I get my Individual Settlement Payment?

If you do nothing, you will automatically receive your Individual Settlement Payment after the Court approves the Settlement at a Final Approval Hearing. You must notify the Settlement Administrator of any change or correction in your contact information, or if the information shown in Paragraph 8 regarding your employment with Defendants is not correct. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. If final approval of the Settlement is granted, your Individual Settlement Payment will be mailed to the last known address that the Settlement Administrator has on file for you.**

Settlement Class Members receiving an Individual Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any.

11. What am I giving up to get an Individual Settlement Payment?

Unless you request to be excluded from the Settlement, you will be deemed a Participating Class Member. If the Settlement is granted final approval, Participating Class Members will not be able to sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues alleged in this case arising during the Covered Period. Specifically, you will be giving up or “releasing” the claims described below:

Release of Claims: After the Court has approved the Settlement, each Class Member who has not submitted a timely and valid request to be excluded from the Settlement will be bound by the approval and judgment and thereby released Defendants, including their the Settling Defendants, as well as each of their past, present and/or future officers, directors, shareholders, employees, owners, representatives, administrators, agents, principals, accountants, auditors, consultants, attorneys, insurers and reinsurers, and their respective heir(s) and/or assigns, successors and predecessors in interest, affiliates, operating entities, divisions, facilities, parent or related corporate entities, subsidiaries and affiliated corporations and entities, (collectively, “Released Parties”) from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, actions or causes of action arising from work performed for the Defendants during the Class Periods that were alleged in the operative Complaint, or that are reasonably related to or arise from the allegations and claims asserted against the Released Parties in the operative Complaint of the Action, or which reasonably could have been asserted, based on the facts and legal theories contained in the operative Complaint, including without limitation: (1) any and all claims for meal period violations including, but not limited to, claims for late, short, interrupted and/or missed meal periods and/or the failure to pay premium wages therefor; (2) any and all claims for rest break violations including but not limited to, claims for late, short, interrupted and/or missed rest breaks and/or the failure to pay premium wages therefor; (3) any and all claims for alleged unpaid wages including, but not limited to, claims related to minimum wage, overtime, double-time, commission pay, reporting time pay, off-the-clock pay, failure to pay for all hours worked at correct rates, and all other potential wages; (4) any and all claims for improper and/or inaccurate itemized wage statements including, but not limited to, claims for injuries suffered therefrom; (5) any and all claims for unreimbursed business expenses; (6) failure to keep complete and/or accurate payroll records; (7) any and all claims for statutory penalties including, but not limited to, waiting time penalties under Labor Code Section 203 and/or wage statement penalties under Labor Code Section 226(e); (8) any other claims or penalties under the wage and hour laws pleaded in the Action, including any claims under the applicable IWC Wage Orders; (9) any and all claims under the Business & Professions Code (including Section 17200 et seq.), and other equitable relief, liquidated damages, punitive damages, or penalties arising from the foregoing alleged claims; (10) any and all claims that were alleged, or reasonably could have been alleged in the Action, based on the allegations stated in the operative Complaint and ascertained in the course of the Action, including any and all damages, penalties, interest and other amounts recoverable under said causes of action under California and Federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Action, the applicable Wage Orders as to the facts alleged in the operative Complaint, and the California Unfair Competition Law; punitive and exemplary damages; and any other benefit claimed on account of the allegations asserted or that could have been asserted in the Complaint. The released claims do not include claims for workers’ compensation benefits or any of the claims that may not be released as a matter of law. The *res judicata* effect of the Judgment will be the same as that of the release. For the sake of clarity, any participating Class Member’s claims based on a participating Class Member’s employment with, or work performed for, one or more Defendants are released even if asserted against another party named in this Action, whereas claims based solely on a Participating Class Member’s employment with, or work performed for, any other party named in this Action are not released.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I get out of the Class Portion of the Settlement?

If you do not wish to participate in the Class Action portion of the Settlement, you may exclude yourself from (or “opt out” of) the Settlement. To exclude yourself from the Settlement, you must submit a timely and valid written request for exclusion to the Settlement Administrator. If you exclude yourself from the Settlement, you will no longer be a Participating Settlement Class Member and **will not** receive an Individual Class Payment.

The request for exclusion must contain: (1) your full name, address, and the last four digits of your Social Security number; (2) your signature or the signature of your legal representative; (3) the case name and number (*Huy Tran, et al. v. Wise Auto Group, et al.*, Case No. FCS055892); and (4) the following statement, "I request to be excluded from this class action settlement. I have received notice of the settlement and understand that if I am excluded from the class action settlement, I will not receive any money as a result of the settlement."

To be timely, any request for exclusion must be mailed to the Settlement Administrator, postmarked on or before [Response Deadline], to the following address:

Auto Dealership Class Action Settlement
[Settlement Administrator]
[Address]

Requests for exclusion which are postmarked after the Response Deadline will not be accepted.

IMPORTANT: You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert representative PAGA claims against Defendants based on the factual allegations and legal claims asserted in Plaintiffs' PAGA Notice, or that are reasonably related to or arising from the allegations in Plaintiff's PAGA Notice.

13. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves, for the Class Periods. *If you have a pending lawsuit, speak to your lawyer in that case immediately.* You must exclude yourself from this Class to continue your own lawsuit.

OBJECTING TO THE SETTLEMENT

14. How do I tell the Court that I don't like the Settlement?

If you do not think the Settlement is fair, you may object to the Settlement and tell the Court that you do not agree with it or some part of it. You may object to the settlement for any reason, including objection to class counsel's request for fees.

To object to the Settlement, you must mail a written statement of objection ("Notice of Objection") to the Settlement Administrator at the address listed above (in Paragraph 12 of this Notice), postmarked no later than [Response Deadline].

To be valid, a Notice of Objection must contain all of the following: (1) your signature; (2) your full legal name, home address, telephone number, and the last four digits of your Social Security number; (3) the case name and number (*Huy Tran et al. v. Wise Auto Group, et al.*, Case No. FCS055892); (4) a clear statement indicating that you wish to object to the Settlement (such as "Notice of Objection" or "Formal Objection"); (5) the basis for your objection; and (6) whether or not you intend to appear at the Final Approval Hearing.

IMPORTANT: Only Participating Class Members have the right to object to the Settlement. If you requested to be excluded from the Settlement, you cannot object to the Settlement.

15. What is the difference between objecting and excluding?

Objecting is telling the Court that you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be a Settlement Class Member. You may only object if you remain a Participating Class Member. If you exclude yourself, you have no basis to object because the case does not affect you.

THE COURT'S FINAL APPROVAL HEARING

16. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing in Department [3] of the Superior Court of California, County of Solano, located at [Address], on [Date], at [Time]. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative Service Awards, the allocation for PAGA penalties, and the Settlement Administration Costs. The Court may reschedule the Final Approval Hearing without further notice to Class Members. Any updates will be available at www.AutoDealershipSettlement.com and on the Solano County Superior Court's website. The Court's website can be accessed at [https://portal.solano.courts.ca.gov/\(choose Case Query and enter Case No. FCS055892 where prompted\)](https://portal.solano.courts.ca.gov/(choose Case Query and enter Case No. FCS055892 where prompted)). Any Final Approval Order and Judgment that the Court enters in the Action, relating to the Settlement, will also be available at www.AutoDealershipSettlement.com and on the Court's website.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But, you are welcome to come at your own expense. You may also hire and pay your own lawyer to attend if you so desire.

If you send a Notice of Objection, you do not have to come to Court to talk about it. As long as you have submitted your Notice of Objection on time, the Court will consider it.

18. May I appear and speak at the hearing?

You may appear at the Final Approval Hearing on your own or through your own attorney, at your own expense. If you wish to appear and speak at the Final Approval Hearing about your Notice of Objection, you must indicate your intention to speak at the Final Approval Hearing in your Notice of Objection (see Paragraph 14, above).

GETTING MORE INFORMATION

19. Who may I contact if I have questions about the Settlement?

If you have any questions about the Settlement, you may contact Class Counsel at the address or telephone listed above, in Paragraph 6 of this Notice. You may also contact the Settlement Administrator by calling toll free 1-[telephone number], or by writing to the Settlement Administrator, at the address shown in Paragraph 12, above.

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting Class Counsel. You can also review the settlement documents, including applicable motions and orders, at www.AutoDealershipSettlement.com. Settlement documents, imaged by the Court, can also be accessed on the Court's website (see information in Paragraph 16, above).

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS, OR THEIR ATTORNEYS FOR INFORMATION. (Note: the attorneys identified as "Counsel for Defendants" in Paragraph 6 of this Notice are Defendants' attorneys and should not be contacted. You may, however, contact the attorneys identified as "Class Counsel" in Paragraph 6 of this Notice.)

ADDITIONAL IMPORTANT INFORMATION

- 20. It is your responsibility to ensure that the Settlement Administrator has your current mailing address and telephone number on file**, as this will be the address to which your Individual Settlement Payment installments will be sent.
- 21. Individual Settlement Payment checks must be cashed soon after receipt.** Individual Settlement Payment checks that remain uncashed 180 calendar days after the date of issuance will be voided, and the funds represented by any such uncashed checks shall be distributed to a nonprofit organization or foundation as agreed to by the Parties and approved by the Court. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.