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22 VEHICLE PROTECTION SPECIALISTS, LLC and DANIEL LAURENT

23 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
24 **FOR THE COUNTY OF ORANGE**

25 CARMEN LOPEZ and PETE JARAMILLO,
26 individually, and as a representative of other
27 aggrieved employees,

28 Plaintiff,

v.

VEHICLE PROTECTION SPECIALISTS,
LLC, a limited liability company; DANIEL
LAURENT, an individual; and DOES 1
through 250, inclusive,

Defendants.

Case No. 30-2020-01174402

**JOINT STIPULATION RE CLASS ACTION
AND PAGA PENALTY SETTLEMENT;
[PROPOSED] ORDER APPROVING PAGA
PENALTIES AND JUDGMENT**

Assigned for All Purposes to Honorable Glenda
Sanders, Dept. C17

Complaint Filed: December 14, 2020
FAC Filed: November 9, 2021
Trial Date: Not Set

1 Plaintiffs Carmen Lopez and Pete Jaramillo (collectively, "Plaintiffs"), individually, on
2 behalf of all others similarly situated, and in their capacities as representatives of the State of
3 California on behalf of other aggrieved employees, and Defendants Vehicle Protection Specialists,
4 LLC and Daniel Laurent (collectively, "Defendants") hereby enter into this Joint Stipulation and
5 Settlement of PAGA Claims ("Settlement" or "Agreement") as follows:

6 **DEFINITIONS**

7 1. "Action" shall mean civil action filed by Plaintiffs against Defendant on or about
8 December 14, 2020, and as amended on November 9, 2021, entitled *Carmen Lopez v. Vehicle*
9 *Protection Specialists, LLC, et al.*, in Orange County Superior Court, Case No. 30-2020-01174402.

10 2. "Claims Administrator" means Simpluris, a qualified, third-party claims
11 administrator.

12 3. "Class Counsel" shall mean Brent Buchsbaum of Buchsbaum & Haag.

13 4. "Class Period" means any time between December 14, 2016 to the date the Court
14 preliminarily approves the settlement.

15 5. "Court" means the Superior Court of the State of California, County of Orange.

16 6. "Court's Final Order and Judgment" means the Final Order Approving Class Action
17 Settlement and Judgment in a form to be agreed upon by the Parties and approved by the Court.

18 7. "Defendants" shall mean Vehicle Protection Specialists, LLC and Daniel Laurent.

19 8. "Defense Counsel" shall mean James P. Carter, Esq., and Jonathan P. Schmidt, Esq.
20 of Jackson Lewis P.C.

21 9. "Effective Date" means the later of: (a) the date that approval of the Settlement is
22 granted by the Superior Court of California for the County of Orange, or other court assuming
23 jurisdiction of this matter; (b) if any timely objections or intervenor requests are filed and not
24 subsequently withdrawn, the 60th day after the Court's Final Order and Judgment approving of this
25 Settlement; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any
26 such appeal in a way that does not alter the material terms of the Settlement.

27 10. "Final Approval Hearing" shall mean the hearing whereat the Court shall consider,
28 without limitations, any timely objections to the Settlement from Class Members, testimony from

1 the Parties or their counsel, declarations regarding the claims process from the Claims
2 Administrator, and otherwise make a final determination regarding the fairness of the Settlement as
3 set forth herein.

4 11. "LWDA" refers to the California Labor & Workforce Development Agency.

5 12. "Net Settlement Fund" means the Settlement Fund after the deduction of the
6 amounts awarded for the PAGA payment to the LWDA of attorneys' fees and costs, class
7 representative service payment, and claims administration costs.

8 13. "Notice of Proposed Settlement" or "Class Notice" means the Notice of Pendency
9 of Class Action Settlement in substantially the form attached hereto as Exhibit A, and as approved
10 by the Court.

11 14. "PAGA" refers to the Labor Code Private Attorneys General Act of 2004,
12 California Labor Code section 2698, et seq.

13 15. "PAGA Period" shall mean the period from November 2, 2019 to the date the Court
14 preliminarily approves the settlement.

15 16. "Parties" shall refer to the Plaintiffs and Defendants, each of whom is a "Party."

16 17. "Released Parties" collectively means Defendants and any divisions, affiliates,
17 parents, subsidiaries, and operating companies thereof, and their respective members, agents,
18 employees, representatives, stockholders, investors, officers, directors, attorneys, administrators,
19 assigns, executors, trustees, and partners.

20 18. "Service Payment(s)" shall mean the special service payment(s) made to Plaintiffs
21 in their capacities as Class Representatives, which sum is over and above their pro-rata shares as
22 class members.

23 19. "Settlement Awards" shall mean the monetary payments made to the Settlement
24 Class who do not validly opt-out of this Settlement.

25 20. "Settlement Class Award" shall mean the pro-rata share of the Net Settlement
26 Amount for Settlement Class Members who do not validly opt-out of this Settlement.

21. “Settlement Class Member(s)” or “Class Member(s)” means the collective of all current and former California employees of Defendants who worked in non-exempt positions from December 14, 2016 to the date the Court grants preliminary approval of the settlement.

22. "Settlement Fund" refers to the Two Hundred and Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) that Defendants will pay pursuant to this Settlement. Defendants will not be required to pay any additional monies beyond the amount of the Settlement Fund under any provision of this Settlement, other than employer payroll tax on the wage portion of the settlement.

RECITALS

23. On November 2, 2020, on behalf of Plaintiffs, Class Counsel sent the Labor and Workforce Development Agency a letter alleging that Defendants were in violation of the Labor and sought civil penalties, as set forth in the PAGA letter attached hereto as Exhibit “B”.

24. On December 14, 2020, plaintiff Carmen Lopez filed a class action complaint against the Defendants, alleging claims for unpaid overtime (Labor Code §510), minimum wage violations (Labor Code §1194), paystub violations (Labor Code §§226 and 11174), meal and rest period violations (Labor Code §226.7 and 512), PAGA violations (Labor Code §2699) and Unfair Business Practices (Business & Professions Code §17200). On November 19, 2021, a First Amended Complaint was filed, adding Peter Jaramillo as a class representative.

25. On May 13, 2022, the Parties participated in a full-day mediation with mediator Glenn Lerman, Esq. Pursuant to a mediator's proposal, the Parties settled the matter and now enter into this more detailed, formalized settlement agreement to submit to the Court for preliminary and final approval.

26. Solely for the purpose of settling this case only, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class meet the requirements of Code of Civil Procedure § 382.

27. Defendants deny any liability or wrongdoing of any kind whatsoever associated with the claims in the Action, and further denies that, for any purpose other than settling this lawsuit, this Action is appropriate for class action or representative treatment.

28. It is the Parties' desire to fully, finally and forever settle, compromise and discharge all disputes and claims alleged by Plaintiffs in the First Amended Complaint, or that could have been asserted in the First Amended Complaint based on the same facts, transactions, or occurrences.

29. Class Counsel has conducted a thorough investigation into the facts of this Action, including propounding discovery, meeting and conferring on discovery responses, an extensive review of relevant documents and data, and has diligently pursued an investigation of claims of the members of the Settlement Class against Defendants. Based on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendants is fair, reasonable and adequate and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, the Settlement Class being decertified, and the defenses asserted by Defendants. Defendants and Defense Counsel also agree that the Settlement is fair and in the best interests of the Settlement Class.

30. The Parties agree to cooperate and take all steps necessary and appropriate to consummate this settlement and to dismiss this case with prejudice after all settlement sums have been paid out in accordance with this Stipulation of Settlement.

SETTLEMENT AND RELEASE

31. The aforementioned Recitals are incorporated as material terms of this Stipulation of Settlement. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

a. It is agreed by and between Plaintiffs and Defendants that this case and any claims, damages or causes of action arising out of the disputes which are the subject of this case, be settled and compromised as between the Settlement Class and Defendants, subject to the terms and conditions set forth in this Stipulation of Settlement and the Court's approval.

b. Effective Date: The Settlement embodied in this Stipulation of Settlement shall become effective when all of the following events have occurred (“Effective Date”): (i) this Stipulation of Settlement has been executed by Plaintiffs, Defendants, Class Counsel and Defense Counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been

1 sent to the Settlement Class, providing them the opportunity to object to the Settlement, and the
2 opportunity to opt out of the Settlement; (iv) the Court has held a formal fairness hearing and
3 entered the Court's Final Order and Judgment; and (v) only in the event there are written objections
4 filed prior to the formal fairness hearing which are not later withdrawn, the later of the following
5 events: (A) when the period for filing any appeal, writ or other appellate proceeding opposing the
6 Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed;
7 (B) when any appeal, writ or other appellate proceeding opposing the Settlement has been
8 dismissed finally and conclusively with no right to pursue further remedies or relief; or (C) when
9 any appeal, writ or other appellate proceeding has upheld the Court's Final Order and Judgment
10 with no right to pursue further remedies or relief. If the Court declines to approve the Settlement,
11 the entire Stipulation of Settlement is deemed void and unenforceable as if no settlement of any
12 claim was ever reached. All negotiations, statements and proceedings and data relating thereto shall
13 be protected by California Evidence Code § 1152 and shall be without prejudice to the rights of
14 any of the Parties, all of whom shall be restored to their respective positions prior to the entry of
15 this Settlement.

16 c. Settlement Amount: To implement the terms of this Settlement, Defendants agrees
17 to pay a total of Two Hundred and Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00)
18 ("Settlement Fund"), which includes payments to Settlement Class Members (the "Settlement
19 Awards"), Service Payments to the Class Representatives, the Claims Administrator's fees and
20 costs, approved attorneys' fees and litigation costs, the PAGA Award, and any other payments
21 provided by this Settlement. Under no circumstances shall Defendants be required to pay any
22 additional monies beyond the amount of the Settlement Fund, other than its own employer payroll
23 tax on the wage portion of the settlement. Further, under no circumstances whatsoever shall any
24 portion of the Settlement Fund ultimately revert to Defendants, and any amount of the Settlement
25 Fund not required to pay the above referenced costs shall be paid to the Settlement Class on a pro
26 rata basis according to the terms and conditions contained herein. Defendants shall wire the
27 Settlement Fund to the Claims Administrator within fifteen (15) business days of the Effective
28 Date.

1 d. Allocation of Settlement Fund: The Parties agree the Settlement Fund, subject to
2 Court approval, shall be allocated as follows:

3 i. The Net Settlement Fund will be paid to the Settlement Class Members who
4 do not validly opt-out of this Settlement on an equal pro-rata basis, based on the number of
5 workweeks they worked during the Class Period. To the extent that amounts in Subparagraphs (iii)
6 through (vi) below are not approved by the Court, such amounts will be reallocated to the Net
7 Settlement Fund unless allocated otherwise by agreement of the Parties, with approval of the Court.
8 Ninety Percent (90%) of the Settlement Award shall be classified as penalties and interest, and 10%
9 as wages. Within thirty (30) calendar days after the Effective Date, the Claims Administrator shall
10 issue to each Settlement Class Member who does not validly opt-out of this Settlement his/her
11 portion of the Settlement Class Award. Settlement Class Members shall have one-hundred eighty
12 (180) days from the date of issuance of the check to negotiate the check. The funds from any
13 checks returned as undeliverable, and any checks not negotiated within 180 days, shall be
14 transmitted to the California State Controller's office in the name of the class member.

15 ii. Settlement Awards Do Not Trigger Additional Benefits: All Settlement
16 Awards to the Settlement Class shall be deemed to be income solely in the year in which such
17 Settlement Awards are issued to the members of the Settlement Class. It is expressly understood
18 and agreed that the receipt of such Settlement Awards will not entitle any Settlement Class
19 Member to additional compensation or benefits under any company bonus, contest or other
20 compensation or benefit plan or agreement in place (including, but not limited to, health and
21 welfare benefits) during the period covered by the Settlement, nor will it entitle any Settlement
22 Class Member to any increased retirement, 401(k) benefits or matching benefits, or deferred
23 compensation benefits. It is the intent of this Settlement that the Settlement Awards provided for
24 in this Stipulation of Settlement are the sole payments to be made by Defendant to the Settlement
25 Class in connection with the Action and this Settlement, and that the Settlement Class is not
26 entitled to any new or additional compensation or benefits as a result of having received the
27 payments (notwithstanding any contrary language or agreement in any benefit or compensation
28 plan document that might have been in effect during the period covered by this Settlement).

1 iii. Claims Administrator: The fees and expenses of the Claims Administrator,
2 up to a maximum amount of \$6,300 for work done shall be paid out of the Settlement Fund. If the
3 Settlement is not given Final Approval by the Court, and except as otherwise provided herein,
4 Plaintiffs and Defendants shall equally bear the cost of such fees and expenses.

5 iv. Attorneys' Fees and Attorneys' Costs: Subject to the Court's approval,
6 Defendants further agree to pay Class Counsel within fifteen (15) business days after the Effective
7 Date attorneys' fees in the total sum of up to one-third (1/3) of the Settlement Fund, or
8 approximately Ninety-One Thousand and Six Hundred and Sixty-Six Dollars and Sixty-Six Cents
9 (\$91,666.67) and litigation costs up to a maximum of \$10,000. Defendants will not object to Class
10 Counsel's application for attorneys' fees and costs in these amounts. The amount set forth above
11 will cover all work performed and all fees and costs incurred to date, and all work to be performed
12 and all fees and costs to be incurred in the future in connection with the approval by the Court of
13 this Stipulation of Settlement and the administration of the Settlement. Should Class Counsel
14 request a lesser amount, or should the Court approve a lesser amount of attorneys' fees and/or
15 attorneys' costs, the difference between the lesser amount and the maximum amount set forth
16 above shall be added back into the Net Settlement Fund. Class counsel will not be entitled to
17 further fees or costs from Defendants if it elects to appeal any reduction in the requested fee or cost
18 award.

19 v. Class Representative: Subject to the Court's approval, Defendants further
20 agree to pay within fifteen (15) business days after the Effective Date the Class Representatives
21 two equal Service Payments up to a maximum of Seven Thousand Five Hundred Dollars
22 (\$7,500.00) to each of Plaintiff for their services as Class Representatives. Defendants will not
23 object to Class Counsel's application for Court approval of a Service Payments to the Class
24 Representatives in the amount of Seven Thousand Five Hundred Dollars \$7,500.00 each. It is
25 understood that the Service Payments is in addition to any claimed individual Settlement Class
26 Award to which Plaintiffs are entitled.

27 vi. PAGA Award: Subject to the Court's Approval, Defendants further agree to
28 pay within fifteen (15) business days after the Effective Date up to a maximum of Twenty-

Thousand Dollars (\$20,000.00) for alleged penalties under PAGA, with (\$15,000), representing 75% of the penalties paid pursuant to the PAGA, shall be paid to the California Labor and Workforce Development Agency. While Five-Thousand Dollars (\$5,000), representing 25% of the penalties paid pursuant to the PAGA, shall be reallocated into the Net Settlement Fund. The PAGA Award shall be taken out of the Settlement Fund and under no circumstances shall it be construed to be in addition to the monies provided in the Settlement Fund. The PAGA members who worked during the PAGA Period will be paid their share of the PAGA settlement on a pro-rata basis of workweeks.

vii. Tax Forms and Indemnification: The Claims Administrator shall be responsible for issuing the payments and withholding all required state and federal taxes in accordance with this Stipulation of Settlement. The Claims Administrator will issue IRS Forms 1099 with respect to the amounts paid to the Settlement Class Members, which shall be classified as 100% penalties. The Claims Administrator will also issue IRS Forms 1099 to: (1) Plaintiffs for the Service Payments for their services as Class Representatives; and (2) Class Counsel for the amount paid for approved fees and costs. The Claims Administrator will be responsible for preparing these forms correctly. Plaintiffs and Class Counsel will be responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. Plaintiffs and Class Counsel agree to indemnify Defendants for any liability it may incur to any tax authority on account of Plaintiffs' and/or Class Counsel's failure to pay all taxes due on the Service Payments and/or awarded attorneys' fees and costs.

CLASS MEMBER LIST

32. Within twenty-one (21) calendar days of preliminary approval of this Settlement by the Court, Defendants shall provide to the Claims Administrator a Settlement Class List, consisting of the names, addresses, and social security numbers of the Settlement Class Members.

33. Defendants' records will be presumed determinative with respect to whether an individual is a Class Member.

34. The Class List and any other data provided by Defendants to the Claims

1 Administrator shall be treated as confidential and not subject to disclosure by the Claims
2 Administrator to Class Counsel, or to any third party (except to the extent necessary for the Claims
3 Administrator to perform its obligations described in this Stipulation of Settlement) and shall not
4 be used by the Claims Administrator for any purpose other than as permitted by this Stipulation of
5 Settlement. Further, the Claims Administrator shall use commercially reasonable efforts to secure
6 the data provided by Defendant at all times so as to avoid inadvertent or unauthorized disclosure or
7 use of such data other than as permitted by this Stipulation of Settlement and shall destroy the data
8 (and all copies of it) in a complete and secure manner when such data is no longer required for
9 purposes of this Stipulation of Settlement. At no time during the settlement process will any Class
10 Member's address, telephone number or Social Security Number be filed with the Court, except
11 under seal as may be ordered by the Court. The Claims Administrator shall ensure the Notice,
12 Exclusion Form, Objection Form and any other communications to Class Members shall not
13 include the Class Members' Social Security Number except for the last four digits. Class Members
14 may, however, be required to submit a form W-2 or W-9 as required by the Claims Administrator
15 for tax reporting purposes.

16 35. Defendants or Class Counsel may communicate with the Claims Administrator upon
17 simultaneous notice provided to the other Party. In the event that either Defendant or Class
18 Counsel take the position the Claims Administrator is not acting in accordance with the terms of
19 this Stipulation of Settlement, the Parties' counsel shall meet and confer and then, if necessary,
20 with the Claims Administrator and/or the Court in an effort to resolve the issue or dispute.

21 36. The Claims Administrator (along with any of its agents) shall represent and warrant
22 that it will: 1) provide reasonable and appropriate administrative, physical and technical safeguards
23 for any personally identifiable information ("PII"), which it receives from Defense Counsel and/or
24 Class Counsel; 2) not disclose the PII to third parties, including agents or subcontractors, without
25 Defendant's consent; 3) not disclose or otherwise use the PII other than to carry out its duties as set
26 forth herein; 4) promptly provide Defendants with notice if PII is subject to unauthorized access,
27 use, disclosure, modification, or destruction; and 5) destroy the PII upon termination of its services.
28 Once the PII has been destroyed, the Claims Administrator will provide written notice within ten

1 (10) days of such destruction to Defense Counsel. The Claims Administrator may provide notice
2 to both parties if the PII is subject to unauthorized access, use, disclosure, modification or
3 destruction, however, all additional communications from the Claims Administrator regarding the
4 scope, circumstances, and substance shall be communicated solely to Defendant.

5 37. The Claims Administrator shall send Notice of Proposed Settlement to each
6 Settlement Class Member by first class mail within ten (10) calendar days of receipt of the
7 Settlement Class List. Prior to mailing the Court approved Notice, the Claims Administrator shall
8 update the addresses of the Settlement Class Members by reference to the National Change of
9 Address Database maintained by the United States Postal Service. If a Notice of Proposed
10 Settlement is returned as non-deliverable but with a forwarding address, the Claims Administrator
11 shall resend the Notice of Proposed Settlement to the forwarding address. If a Notice of Proposed
12 Settlement is returned as non-deliverable with no forwarding address, the Claims Administrator
13 shall conduct an advanced skip trace to locate the most current address of the person to whom the
14 Notice of Proposed Settlement was addressed, and shall resend within five (5) calendar days the
15 Notice of Proposed Settlement to any updated address. Upon completion of these steps, the Parties
16 shall be deemed to have satisfied their obligations to provide the Notice of Proposed Settlement to
17 the affected members of the Settlement Class.

18 38. The Claims Administrator shall provide to the Court, concurrently with Plaintiffs'
19 Motion for Final Approval, a declaration of due diligence and proof of mailing with regard to the
20 mailing of the Notice of Proposed Settlement.

21 **REQUESTS FOR EXCLUSION**

22 39. Each Settlement Class Member shall have forty-five (45) calendar days from the
23 mailing of the Notice of Proposed Settlement within which to postmark a written request for
24 exclusion by submitting a completed Exclusion Form (attached hereto as Exhibit B) to the Claims
25 Administrator. No requests for exclusion shall be accepted if postmarked after the forty-five (45)
26 calendar day period for the filing of exclusions. Settlement Class Members are responsible to
27 maintain a photocopy of their Exclusion Form, reflecting that it was submitted in a timely manner.
28 Any disputes regarding the timeliness of an Exclusion Form or whether an Exclusion Form

1 constitutes a valid request that cannot be resolved between the Parties shall be determined by the
2 Court, whose determination shall be final.

3 Any Settlement Class Member who validly excludes him/herself from this Settlement shall
4 not be bound by this Settlement and shall not be entitled to any portion of the Settlement Class
5 Award.

6 40. If ten percent (10%) or more of the Settlement Class opt out of the Settlement Class
7 by submitting valid and timely Exclusion Forms, Defendants shall have the right in its sole
8 discretion to rescind and void the Parties' Settlement at any time before final approval by the
9 Court, by providing written notice to Class Counsel at least fourteen (14) calendar days prior to the
10 final fairness hearing, provided the Claims Administrator has previously furnished Defendants with
11 the number and percentage of valid and timely Exclusion Forms. If Defendants exercise this
12 option, Defendants shall pay all costs of administration incurred up to that date.

13 **OBJECTIONS TO THE SETTLEMENT**

14 41. Each Settlement Class Member who does not opt-out of this Settlement shall
15 have forty-five (45) calendar days from the mailing of the Notice of Proposed Settlement, or such
16 number of days as the Court shall specify, within which to postmark a written objection, by
17 submission of a completed Objection Form (attached hereto as Exhibit C) to the Claims
18 Administrator. In order for the Objection Form to be deemed valid, the Class Member must
19 provide a written statement of the grounds for his or her objection, sign the Objection Form, return
20 the form by mail to the Settlement Administrator at the specified address indicated in the Notice of
21 Proposed Settlement. The Class Member may include with the Objection Form any copies of any
22 evidence and supporting papers (including, without limitation, all briefs, written evidence, and
23 declarations) upon which the objection is based. Class Members may also submit their objection in
24 any other written format in lieu of the Objection Form, as long as they provide their name and
25 contact information, the case name and number, provide a written statement of the grounds for
26 their objection(s), mail the objection to the Claims Administrator at the specified address, and
27 postmark the written objection on or before forty-five (45) calendar days from the mailing of the
28 Notice of Proposed Settlement. Further, objecting Class Members may appear at the Final

1 Approval hearing, either in person or through counsel retained at his or her expense, to have their
2 objections heard, whether or not they submitted a prior written objection. The Claims
3 Administrator will forward all valid and timely written objections received to the Parties, and the
4 Parties will be permitted to respond in writing to such objections at least seven (7) calendar days
5 prior to the Final Approval hearing or within the time period set by the Court. Any Class Members
6 who do not submit a written objection according to this Paragraph or do not present an objection at
7 the Final Approval hearing will be deemed to have waived any objections and will be foreclosed
8 from making any objection to the Settlement, including by appealing the order granting Final
9 Approval. At no time shall any of the Parties or their counsel seek to solicit or otherwise
10 encourage Class Members to object to the Settlement or appeal from the Order and Judgment.
11 Class Counsel shall not represent any Class Members with respect to any such objections to this
12 Settlement. Any Class Member who submits a valid Exclusion Form shall not be allowed to object
13 to this Settlement.

14 **RELEASE BY THE SETTLEMENT CLASS**

15 42. Upon funding of the Settlement Fund by Defendants, each Class Member,
16 including all sub-class members, who has not submitted a valid request for exclusion fully releases
17 and discharges Defendants and the Released Parties, from any and all claims, debts, liabilities,
18 demands, obligations, guarantees, costs, expenses, attorneys' fees, and/or damages, including
19 without limitation for violation of all corresponding Labor Code and related claims based on the
20 facts alleged in the Operative Complaint ("Class Member Released Claims").

21 **RELEASED CLAIMS BY CLASS REPRESENTATIVE**

22 43. Released Claims by Class Representative. The Class Representatives
23 hereby fully and finally releases and discharges Defendants and the Released Parties, from any and
24 all claims, whether known or unknown, at any time up to and including the date of preliminary
25 court approval of this Settlement, involving federal, state and/or local law, statute, ordinance,
26 regulation, common law or other source of law including those arising from or dependent on the
27 California Labor Code; the Fair Labor Standard Act; California Business and Professions Code
28 Section 17200 *et seq.*, whether or not such claims are in the nature of claims for damages, unpaid

1 wages including, but not limited to, overtime and minimum wages and payments for alleged meal
2 and rest period violations, improper deductions, unreimbursed business expenses and any and all
3 available penalties including, but not limited to, record-keeping penalties, pay stub penalties,
4 failure to pay on time penalties, minimum wage penalties, meal and rest period penalties and
5 premium payments, waiting time penalties, PAGA penalties, interest and other claims or penalties
6 and other alleged state or federal law wage and hour violations, attorneys' fees and/or injunctive
7 relief.

8 44. Class Representative waives all rights and benefits afforded by Section
9 1542 of the Civil Code of the State of California and does so understanding the significance of that
10 waiver. Section 1542 provides: "A general release does not extend to claims that the creditor or
11 releasing party does not know or suspect to exist in his or her favor at the time of executing the
12 release and that, if known by him or her, would have materially affected his or her settlement with
13 the debtor or released party."

14 45. If this Settlement is not approved by the Court, neither the
15 Settlement nor this Stipulation of Settlement shall be used or shall be admissible in any subsequent
16 proceedings either in this Court or in any other Court or forum.

17 46. The Parties shall keep the terms and conditions of this Settlement confidential
18 until the Motion for Preliminary Approval is filed with the Court. The Parties acknowledge and
19 agree that neither they nor Class Counsel or Defense Counsel will issue any press release or initiate
20 any contact with the press, disclose to the press the fact or terms of the Settlement or respond to
21 any press inquiry concerning the Settlement until the Motion for Preliminary Approval is filed with
22 the Court. This confidentiality provision shall not prohibit Class Counsel from timely posting the
23 Complaint, Preliminary Approval Motion, Final Approval Motion, Attorneys' Fee Request and this
24 Agreement.

25 47. Any communication about the Settlement with Class Members prior to the Court-
26 approved Notice packet being mailed by the Claims Administrator will be limited to a general
27 statement that a settlement has been reached and that the details will be communicated to them by
28 U.S. Mail in a forthcoming Court-approved Notice.

1 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

2 48. Class Counsel shall promptly submit this Stipulation of Settlement to the
3 Court in support of Plaintiff's Motion for Preliminary Approval and determination by the Court as
4 to whether the proposed Settlement is within the range of possible judicial approval. Promptly
5 upon execution of this Stipulation of Settlement, Class Counsel shall apply to the Court for the
6 entry of an order substantially in the following form:

7 a. Scheduling of the Final Approval Hearing on the question of whether the proposed
8 Settlement, including payment of attorneys' fees and costs and the Class Representative's Service
9 Payment should be finally approved as fair, reasonable and adequate as to the Settlement Class
10 Members;

11 b. Certifying the Settlement Class;

12 c. Approving the manner and method for the Settlement Class Members to request
13 exclusion from the Settlement as contained herein and within the Notice of Proposed Settlement;

14 d. Directing the mailing of the Notice of Proposed Settlement by first class mail to the
15 Settlement Class Members; and

16 e. Preliminarily approving the Settlement subject only to the objections of the
17 Settlement Class Members and final review by the Court.

18 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

19 49. Following final approval by the Court of the settlement provided for in this
20 Stipulation of Settlement, Class Counsel shall submit a proposed Final Order and Judgment in
21 approximately the following form:

22 Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate,
23 and directing consummation of its terms and provisions including the approval of Class Counsel's
24 application for an award of attorneys' fees and costs and the Service Payment to the Class
25 Representative.

26 **CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT**

27 50. The Parties enter into this Stipulation of Settlement and the Settlement contained
28 therein on a conditional basis. The Stipulation of Settlement and Settlement contained therein is

1 contingent upon, and will become final and effective, only upon the occurrence of all of the
2 following events: (1) the Court entering an Order granting preliminary approval of the Settlement
3 and conditional certification of a Class for settlement purposes only consistent with the terms
4 described in this Agreement (or as otherwise agreed upon in writing by the Parties); (2) the Claims
5 Administrator mailing the Notice of Proposed Settlement, Exclusion Form and Objection form to
6 Class Members in accordance with the Court's Order granting preliminary approval of the
7 Settlement; (3) the Court setting and later conducting a fairness hearing; (4) the Court later entering
8 an Order granting final approval of the Settlement and a Judgment thereon consistent with the
9 terms described in this Agreement (or as otherwise agreed upon in writing by the Parties); and
10 (5) the Effective Date occurring.

11 51. This Stipulation of Settlement is contingent upon each of the conditions precedent
12 occurring and is entered into voluntarily by the Parties for settlement purposes only. If the Court
13 does not grant preliminary or final approval of this Settlement or, if appealed, the Settlement is not
14 affirmed, or if the Settlement does not become effective for any other reason, the Parties agree that
15 conditional Class Certification for settlement purposes only will automatically be deemed revoked
16 as of that date. In the event that the conditional Class Certification for settlement purposes is
17 deemed revoked, the class certification for settlement purposes only shall have no precedential
18 value and it shall not be introduced into evidence or used for any other purpose. To the extent this
19 Stipulation of Settlement is deemed void, the conditional certification of the Class shall be void and
20 of no further effect and all matters covered by this Stipulation of Settlement and the releases
21 contained herein shall be null and void. In such event, nothing in this Stipulation of Settlement or
22 any draft thereof, or of the discussion, negotiation, documentation, other part or aspect of the
23 Parties' settlement discussions leading to the execution of this Stipulation of Settlement or any
24 document submitted to the Court in support of this Stipulation of Settlement or Court approval
25 thereof, shall have any effect, nor shall any such matter be admissible in evidence for any purpose
26 in the Action or in any other proceeding or forum, nor shall any such matter be used or construed
27 by or against any Party as a determination, admission or concession of any issue of law or fact in
28 this, or any other litigation or proceeding, the Parties do not waive, and instead expressly reserve,

1 their respective rights with respect to the prosecution and defense of the Action as if this
2 Stipulation of Settlement never existed and it shall have no precedential or *res judicata* value or
3 effect in this Action or in any other case, shall be of no force or effect whatsoever, shall not be
4 referred to or utilized for any purpose whatsoever and shall not be introduced into evidence for any
5 purpose at any time.

6 **PARTIES' AUTHORITY**

7 52. The signatories hereto hereby represent that they are fully authorized to enter
8 into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

9 **MUTUAL FULL COOPERATION**

10 53. The Parties agree to fully cooperate with each other to accomplish the terms
11 of this Stipulation of Settlement, including, but not limited to, execution of such documents and
12 taking of such action as reasonable may be necessary to implement the terms of this Stipulation of
13 Settlement. The Parties to this Stipulation of Settlement shall use their best efforts, including all
14 efforts contemplated by this Stipulation of Settlement and any other efforts that may become
15 necessary by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the
16 terms set forth herein. As soon as practicable after execution of this Stipulation of Settlement,
17 Class Counsel shall take all necessary steps to secure the Court's final approval of this Stipulation
18 of Settlement.

19 54. The Parties and their respective counsel agree that they will not attempt to
20 encourage or discourage Settlement Class Members from filing Requests for Exclusion.

21 **NO PRIOR ASSIGNMENTS**

22 55. The Parties and their respective counsel represent, covenant and warrant that
23 they have not directly or indirectly, assigned, transferred, encumbered or purported to assign,
24 transfer or encumber to any person or entity any portion of any liability, claim, demand, action,
25 cause of action or right herein released and discharged except as set forth herein.

26 **NO ADMISSION**

27 56. Nothing contained herein, nor the consummation of this Stipulation of
28

1 Settlement, is to be construed or deemed an admission of liability, culpability, negligence or
2 wrongdoing on the part of Defendants. Each of the Parties hereto has entered into this Stipulation
3 of Settlement solely with the intention to avoid further disputes and litigation with the attendant
4 inconvenience and expenses.

5 ENFORCEMENT ACTIONS

6 57. The Court shall retain jurisdiction to enforce the terms of this Stipulation of
7 Settlement pursuant to CCP § 664.6. In the event one or more of the Parties to this Stipulation of
8 Settlement institutes any legal action or other proceeding against any other party or parties to
9 enforce the provisions of this Stipulation of Settlement or to declare rights or obligations under this
10 Stipulation of Settlement, the successful party or parties shall be entitled to recover from the
11 unsuccessful party or parties reasonable attorneys' fees and costs, including expert witness fees
12 incurred in connection with any enforcement actions. All such disputes shall be resolved by the
13 Court.

14 NOTICES

15 58. Unless otherwise specifically provided herein, all notices, demands or other
16 communications given hereunder shall be in writing and shall be deemed to have been duly given
17 as of the third business day after mailing by United States registered or certified mail, return receipt
18 requested, addressed as follows:

19
20 To Plaintiff, the Settlement Class and Class Counsel:

21 Brent S. Buchsbaum
22 Law Offices of Buchsbaum & Haag, LLP
23 100 Oceangate, Suite 1200
24 Long Beach, CA 90802

25 To Defendants and Defense Counsel:

26 James P. Carter
27 Jonathan P. Schmidt
28 JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618

CONSTRUCTION

1 59. The Parties hereto agree that the terms and conditions of this Stipulation of
2 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties with the
3 assistance of a neutral mediator, and this Stipulation of Settlement shall not be construed in favor
4 of or against any party by reason of the extent to which any Party or his, her or its counsel
5 participated in the drafting of this Stipulation of Settlement.

6 **CAPTIONS AND INTERPRETATIONS**

7 60. Paragraph titles or captions contained herein are inserted as a matter of
8 convenience and for reference, and in no way define, limit, extend or describe the scope of this
9 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is
10 contractual and not merely a recital.

11 **MODIFICATION**

12 61. This Stipulation of Settlement may not be changed, altered or modified,
13 except in writing and signed by the Parties (and or their counsel) hereto and approved by the Court.
14 This Stipulation of Settlement may not be discharged except by performance in accordance with its
15 terms or by a writing signed by the Parties hereto.

16 **INTEGRATION CLAUSE**

17 62. This Stipulation of Settlement, and the Exhibits attached hereto and
18 incorporated herein by reference, contain the entire agreement between the Parties relating to the
19 settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
20 understandings, representations and statements, whether oral or written and whether by a Party or
21 such Party's legal counsel, are merged herein. No rights hereunder may be waived except in
22 writing.

23 **BINDING ON ASSIGNS**

24 63. This Stipulation of Settlement shall be binding upon and inure to the benefit
25 of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and
26 assigns.

27 **CLASS MEMBER SIGNATORIES**

64. It is agreed that because the Settlement Class Members are so numerous, it is impossible or impractical to have each member execute this Stipulation of Settlement. The Notice of Proposed Settlement, Exhibit "A" hereto, will advise the Settlement Class of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member.

COUNTERPARTS

65. This Stipulation of Settlement may be executed in counterparts and by facsimile or electronic signatures (including DocuSign), and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all parties.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release between Plaintiffs and Defendants as of the date(s) set forth below:

Dated: August 21, 2022

CARMEN LOPEZ

By: CARMEN LOPEZ, Plaintiff and PAGA Representative

Dated: August 2, 2022

PETE JARAMILLO

By: PETE JARAMILLO, Plaintiff and PAGA Representative

1 Dated: ^{8/25} June __, 2022

VEHICLE PROTECTION SPECIALISTS, LLC

2
3 By: 
4 DANIEL LAURENT, Owner of Defendant Vehicle
Protection Specialists, LLC

5 Dated: ^{8/25} June __, 2022

DANIEL LAURENT

6
7 By: 
8 Daniel Laurent, Defendant

9 Dated: ^{8/26} June __, 2022

BUCHSBAUM & HAAG, LLP

10 By: 
11 Brent S. Buchsbaum
12 Attorneys for Plaintiffs

13 Dated: August 24, 2022

JACKSON LEWIS P.C.

14
15 By: 
16 James P. Carter
Jonathan P. Schmidt
17 Attorneys for Defendants
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