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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

CHARLES RHYU, as an individual and on
behalf of all others similarly situated,

Plaintiff,

v.

ATIEVA USA, INC, an unknown entity;
ATIEVA, INC., a California Corporation;
LUCID USA, INC., a Corporation; and DOES
1 through 50, inclusive,

Defendants.

Case No. RG20084138

Assigned to the Honorable Evelio Grillo
Dept. 21

**STIPULATION AND SETTLEMENT OF
CLASS ACTION AND PAGA CLAIMS**

Complaint Filed: December 30, 2020
FAC Filed: February 24, 2021
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Subject to final approval by the Court, which counsel and parties agree to pursue and recommend in good faith, Plaintiff Charles Rhyu, individually and on behalf of stipulated settlement class members, on the one hand, and Defendants Atieva, Inc., and Lucid USA, Inc., on the other hand, hereby agree to the following binding settlement of the following case: Charles Rhyu v. Atieva USA, Inc., Atieva, Inc., and Lucid USA, Inc., Alameda County Superior Court Case No. RG20084138.

I. DEFINED TERMS

As used herein, the following terms are defined as:

“Action” means the asserted claims in the following lawsuit: Charles Rhyu v. Atieva USA, Inc., Atieva, Inc., and Lucid USA, Inc., Alameda County Superior Court Case No. RG20084138.

“Agreement,” “Settlement,” or “Stipulation” means this Stipulation and Settlement Agreement of Class Action and PAGA Claims.

“Attorneys’ Fees and Cost Award” means the amount authorized by the Court to be paid to Class Counsel for the services they have rendered and expenses they have incurred in prosecuting the Action. Class Counsel shall request, and Defendants will not oppose, an award of Attorneys’ Fees of up to one-third of the Gross Settlement Amount (i.e., \$30,000) and of Class Counsel’s actual costs. The Attorneys’ Fees and Cost Award shall be paid from the Qualified Settlement Fund. Class Counsel will be issued IRS Forms 1099 for the Fees and Cost Award.

“Claims” means all claims which were asserted, or could have been asserted, based on the factual allegations in the Action.

“Class Counsel” and “Plaintiff’s Counsel” mean and refer to Larry W. Lee of Diversity Law Group, P.C., William L. Marder of Polaris Law Group, Dennis S. Hyun of Hyun Legal, APC, and Edward W. Choi of the Law Offices of Choi & Associates, P.C. who shall be appointed Class Counsel upon approval by the Court.

“Class List and Data Report” means a list of the names, most current mailing addresses and telephone numbers, social security numbers, and the numbers of wage statements containing overtime and/or double time wages furnished to each Settlement Class Member during the

1 Settlement Class Period. Defendants will diligently and in good faith compile the Class List and
2 Data Report and provide it to the Settlement Administrator and Class Counsel within 30 business
3 days of Preliminary Approval of the Settlement. The Class List and Data Report shall be
4 provided in a computer-readable format. Social security numbers shall be redacted from the
5 Class List and Data Report provided to Class Counsel.

6 “Class Released Claims” is defined as follows: any and all claims asserted in the Action,
7 arising from or related to the facts and claims alleged in the Action, or that could have been
8 raised in the Action based on the facts and claims alleged. The Class Released Claims include
9 all claims related to wage statements; failure to keep accurate records; penalties, including civil
10 penalties, statutory penalties, recordkeeping penalties, and wage statement penalties; and
11 attorneys’ fees and costs arising from the Class Released Claims; all claims related to the Class
12 Released Claims arising under: the California Labor Code (including, but not limited to, sections
13 226 and 226.3, and 2698 *et seq.*), the Wage Orders of the California Industrial Welfare
14 Commission arising from the Class Released Claims; the California Private Attorneys General
15 Act of 2004 (“PAGA”) arising from the Class Released Claims; California Code of Civil
16 Procedure § 1021.5 arising from the Class Released Claims; the Business & Professions Code
17 related to Class Released Claims, and any tort and/or common law claims related to the Class
18 Released Claims. This release excludes the release of claims not permitted by law.

19 “Court” means the Superior Court for the State of California, for the County of Alameda.

20 “Defendants” means and refers to Defendants Atieva, Inc. and Lucid USA, Inc.

21 “Defendants’ Counsel” means Derek R. Havel, Daniel J. McQueen, and Ian A. Michalak
22 of Sheppard, Mullin, Richter, and Hampton, LLP.

23 “Effective Date” means the date by which the Settlement is finally approved, and the
24 Superior Court’s Final Judgment becomes final. For purposes of this paragraph, the Superior
25 Court’s Final Judgment “becomes final” upon the latter of: (i) if no objections are filed, then the
26 date that Notice of Entry of Judgment is served; (ii) if an objection is filed, the expiration date of
27 the time for the filing or noticing of any appeal from the Superior Court’s Judgment, assuming
28 no appeal is filed during that time; (iii) the date affirmance of an appeal of the Judgment

1 becomes final under the California Rules of Court; or (iv) the date of final dismissal of any
2 appeal from the Judgment or the final dismissal of any proceeding on review of any Court of
3 Appeal decision relating to the Judgment. In this regard, it is the intention of the Parties that the
4 Settlement shall not become final until the Court's order approving the Settlement is completely
5 final, the Court has entered an appropriate judgment, and there is no further recourse by an
6 appellant or objector who seeks to contest the Settlement.

7 "Final Approval Hearing/Settlement Fairness Hearing" means the hearing at which the
8 Court considers whether to approve the Settlement and to enter the Final Judgment.

9 "Final Approval Order" means the order from this Court granting final approval of this
10 Settlement.

11 "Final Judgment" means the Court's Final Judgment.

12 "General Release" means that release signed by Plaintiff on his own behalf and is defined
13 as follows: As of the date of Judgment, Plaintiff fully and finally releases Defendants, and each
14 of their past, present and future agents, employees, servants, officers, directors, partners, trustees,
15 representatives, attorneys, parents, subsidiaries, related companies/corporations and/or
16 partnerships, divisions, assigns, predecessors, successors, insurers, consultants, service providers,
17 joint venturers, joint employers, co-employers, dual employers, potential and alleged joint
18 employers, potential and alleged co-employers, alleged dual employers, affiliates, alter-egos, and
19 affiliated organizations, and all of their respective past, present and future employees, directors,
20 officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns
21 (collectively, the 'Released Parties'), from any and all claims, known and unknown, under
22 federal, state and/or local law, including but not limited to claims arising from or related to his or
23 her employment with Defendants ('Plaintiff's Released Claims'). Plaintiff's Released Claims
24 include, but are not limited to, all claims arising from or related to the Action. Plaintiff's
25 Released Claims include all claims for unpaid wages, including, but not limited to, failure to pay
26 minimum wages, straight time compensation, overtime compensation, double-time
27 compensation, and interest; the calculation of the regular rate of pay; premium wages for meal
28 and rest periods, including failure to pay premiums at the regular rate of compensation; non-

compliant meal and rest periods; payment and reimbursement for all necessary business expenses; payment for all hours worked, including claims of unlawful rounding, time shaving, off-the-clock work and related claims; changing room violations; failure to pay sick leave, including at the correct rate of pay; failure to timely pay wages; failure to regularly pay wages; failure to pay all wages due at the end of the employment relationship; wage statements; deductions; failure to keep accurate records; unfair business practices; penalties, including, but not limited to, civil penalties, statutory penalties, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. Plaintiff's Released Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 202, 203, 204, 205.5, 206, 210, 216, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226 *et seq.*, 226.2, 226.3, 226.7, 226.8, 227.3, 245, 246, 246.5, 247, 247.5, 248, 248.5, 249, 256, 450, 510, 511, 512, 516, 550, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1197.2, 1197.5, 1198, 1198.5, 1199, 2698 *et seq.*, 2699 *et seq.*, 2802 *et seq.*, 2926, and 2927); all claims arising under: the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code sections 17200, *et seq.*; the California Civil Code, to include but not limited to, sections 3287, 3336 and 3294; 12 CCR § 11040; 8 CCR § 11000 *et seq.*; 8 CCR § 11040; 8 CCR § 11050; California Code of Civil Procedure § 1021.5; the California common law of contract; the FLSA, 29 U.S.C. § 201, *et seq.*; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.* ("ERISA"). Plaintiff's Released Claims also include all claims for emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contract and tort. This release excludes the release of claims not permitted by law. Plaintiff's Released Claims include all claims, whether known or unknown. Even if a Plaintiff discovers facts in addition to or different

1 from those that he or she now knows or believes to be true with respect to the subject matter of
2 Plaintiff's Released Claims, those claims will remain released and forever barred. Thus, Plaintiff
3 expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the
4 California Civil Code, which reads: **A general release does not extend to claims that the**
5 **creditor or releasing party does not know or suspect to exist in his or her favor at the time**
6 **of executing the release and that, if known by him or her, would have materially affected**
7 **his or her settlement with the debtor or released party.**

8 "Gross Settlement Amount" equals \$90,000. All payments associated with the
9 Settlement shall be paid from the Gross Settlement Amount, including all payments to
10 Participating Settlement Class Members, Plaintiff, Plaintiff's Counsel, the Labor and Workforce
11 Development Agency ("LWDA"), and the Settlement Administrator.

12 "Individual Settlement Payment" means the settlement amount for each individual
13 Participating Settlement Class Member resulting from the calculations set forth herein.

14 "Net Class Settlement Fund" refers to the funds that will be distributed to Participating
15 Settlement Class Members under this Stipulation after payment of any Attorneys' Fees and Cost
16 Award, Incentive Award(s), Claims Administration Costs, and the \$7,500 payment to the LWDA
17 pursuant to the PAGA allocation, which represents 75% of the \$10,000 PAGA settlement portion
18 from the Gross Settlement Amount. No portion of the Net Class Settlement Fund shall revert to
19 Defendants, and the entire Net Class Settlement Fund, after the deductions authorized herein,
20 shall be paid out to the Participating Settlement Class Members.

21 "Notice" and "Notice to Settlement Class Members" means the Notice of Pendency of
22 Class Action Settlement to be sent to all Settlement Class Members, which describes the
23 Settlement, the procedure and time period to submit an opt-out form or to object to the
24 Settlement, and the date set for the Final Approval Hearing. (See Attached Notice to Class
25 Members as Exhibit A).

26 "Opt-Out/Objection Deadline Date" means the date 60 calendar days after the date the
27 Notice is mailed, on or before which a Settlement Class Member must submit any written
28 objection or opt-out in order to object or to exclude themselves from the class action Settlement.

1 “PAGA Members” means and refers to any and all current and former non-exempt
2 employees of Defendants in the State of California who received overtime and/or double time
3 wages during the Settlement Class Period.

4 “PAGA Payment” means Defendants’ payment of \$7,500 to the LWDA, to be paid from
5 the Gross Settlement Amount. This LWDA payment represents 75% of the \$10,000 PAGA
6 portion of the settlement. This PAGA Payment is made pursuant to Labor Code § 2699(i).

7 “Participating Settlement Class Member” means a Settlement Class Member who has not
8 opted out of the Settlement.

9 “Parties” means Defendants, Plaintiff, and Settlement Class Members.

10 “Plaintiff” means Charles Rhyu.

11 “Preliminary Approval Order” means the Order issued by the Court preliminarily
12 approving the terms of the Settlement set forth in this Stipulation.

13 “Qualified Settlement Fund” shall be the fund established by the Settlement
14 Administrator pursuant to Internal Revenue Code Section 1.468B-1, and funded by Defendants
15 within 30 calendar days after the Effective Date.

16 “Released Parties” means Defendants Atieva, Inc., Lucid USA, Inc., and each of their
17 past, present and future agents, employees, servants, officers, directors, partners, trustees,
18 representatives, attorneys, parents, subsidiaries, related companies/corporations and/or
19 partnerships, divisions, assigns, predecessors, successors, insurers, consultants, service providers,
20 joint venturers, joint employers, co-employers, dual employers, alleged joint employers, alleged
21 co-employers, alleged dual employers, affiliates, alter-egos, and affiliated organizations, and all
22 of their respective past, present and future employees, directors, officers, agents, attorneys,
23 stockholders, fiduciaries, parents, subsidiaries, and assigns.

24 “Service Award” means the amount that the Court authorizes to be paid to the Plaintiff
25 over and above his Individual Settlement Payment, in recognition of his efforts in assisting with
26 the prosecution of the Action and in return for executing a General Release of all Claims against
27 Released Parties. Plaintiff will request a Service Award of \$2,500.

28 “Settlement Administrator” means ILYM Group, Inc.

1 “Settlement Administration Costs” means all costs incurred in administering the
2 Settlement.

3 “Settlement Class Members” means and refers to any and all current and former non-
4 exempt employees of Defendants in the State of California that received overtime and/or double
5 time wages during the Settlement Class Period.

6 “Settlement Class Period” means the period from July 5, 2019 through November 13,
7 2020.

8 “Wage Statements” means the wage statements containing payment of overtime and/or
9 double time wages furnished to a Participating Settlement Class Member during the Settlement
10 Class Period.

11 **II. RECITALS**

12 This Stipulation is made by the Plaintiff on behalf of himself and each of the Settlement
13 Class Members, on the one hand, and Defendants, on the other hand, in this Action, and is
14 subject to the approval of the Court.

15 **A. INVESTIGATION IN THE CLASS ACTION**

16 The Parties have conducted significant investigation of the facts and law during the
17 prosecution of the Action. Such discovery and investigation include: propounding and
18 responding to written discovery, production of documents, detailed information and payroll data
19 relevant to Plaintiff’s claims, a deposition of Plaintiff, and the analysis by the Parties of the class-
20 wide data to investigate the merits of Plaintiff’s claims and the potential liability. Furthermore,
21 there have been numerous conferences between representatives of the Parties. Counsel for the
22 Parties have investigated the law as applied to the facts discovered regarding the alleged claims
23 of Plaintiff and potential defenses thereto, and the potential damages claimed by Plaintiff
24 including the review of records produced by Defendants to Plaintiff’s Counsel for the purposes
25 of litigation and mediation. Counsel for the Parties engaged in extensive discussions about the
26 strengths and weaknesses of the claims and defenses.

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28 ///

1 **B. BENEFITS OF SETTLEMENT TO PARTICIPATING CLASS MEMBERS**

2 Plaintiff and Plaintiff's Counsel recognize the expense and length of continued
3 proceedings necessary to litigate his disputes through trial and through any possible appeals.
4 Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation,
5 and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's Counsel are
6 also aware of the burdens of proof necessary to establish liability for the claims asserted in the
7 Action, both generally and in response to Defendants' defenses thereto. Plaintiff and Plaintiff's
8 Counsel have also taken into account the extensive settlement negotiations conducted. Plaintiff
9 and Plaintiff's Counsel have also taken into account Defendants' agreement to enter into a
10 settlement that confers substantial relief upon the Participating Settlement Class Members.
11 Based on the foregoing, Plaintiff and Plaintiff's Counsel have determined that the Gross
12 Settlement Amount set forth in this Agreement is a fair, adequate, and a reasonable settlement,
13 and is in the best interests of the Settlement Class Members.

14 **C. DEFENDANTS' REASONS FOR SETTLEMENT**

15 Defendants have concluded that any further defense of this litigation would be protracted
16 and expensive. Substantial amounts of time, energy, and resources have been spent and, unless
17 this Settlement is made, will continue to be devoted to the defense of the Claims asserted.
18 Defendants have also taken into account the risks of further litigation in reaching its decision to
19 enter into this Settlement. Defendants have, therefore, agreed to settle in the manner and upon
20 the terms set forth in this Agreement to put to rest the Claims as set forth in the Action.

21 Defendants deny and continue to deny all of Plaintiff's claims and contentions alleged in
22 the Action. Defendants have repeatedly asserted and continue to assert defenses thereto, and
23 have expressly denied and continue to deny any wrongdoing or legal liability arising out of any
24 of the facts or conduct alleged in the Action.

25 **D. PLAINTIFF'S CLAIMS**

26 Plaintiff has claimed and continues to claim the Class Released Claims have merit and
27 give rise to liability on the part of Defendants. This Agreement is a compromise of disputed
28 claims. Nothing contained in this Agreement and no documents referred to herein and no action

1 taken to carry out this Agreement may be construed or used as an admission by or against the
2 Plaintiff or Plaintiff's Counsel as to the merits or lack thereof of the Claims asserted.

3 **III. STIPULATION AND AGREEMENT**

4 ***NOW, THEREFORE, IT IS HEREBY STIPULATED***, by and among the Plaintiff on
5 behalf of the Settlement Class Members on the one hand, and Defendants, on the other hand, and
6 subject to the approval of the Court, that the Action is hereby being compromised and settled
7 subject to the following terms and conditions:

8 1. **Full Investigation.** Plaintiff and Plaintiff's Counsel have fully investigated the
9 factual and legal bases for the causes of action asserted in the Action.

10 2. **Release As To All Participating Settlement Class Members.** As of the date of the
11 Final Approval Order in this Action, the Participating Settlement Class Members, including
12 Plaintiff, release the Released Parties from the Class Released Claims.

13 3. **General Release By Plaintiff Only.** In addition to the releases made by the
14 Participating Settlement Class Members as set forth in Paragraph 2 hereof, Plaintiff, in his
15 individual capacity and with respect to his individual claims only, releases the Released Parties
16 pursuant to the General Release defined above.

17 4. **Service Award.** Subject to Court approval, in exchange for his General Release
18 and for his time and effort in prosecuting this matter, Plaintiff shall be paid up to \$2,500. This
19 time and effort payment shall be paid to the Plaintiff by the Claims Administrator no later than
20 45 calendar days after the Effective Date. The Service Award shall be made solely from the
21 Qualified Settlement Fund. The Parties agree that a decision by the Court to award Plaintiff an
22 amount less than the amount stated above shall not be a basis for the Plaintiff or Plaintiff's
23 Counsel to void this Stipulation. The Settlement Administrator shall issue a Form 1099 – MISC,
24 Box 3 for the Service Award. Any amount awarded for service payments to the Plaintiff less
25 than the amount stated above will result in the non-awarded funds being part of the Net Class
26 Settlement Fund available for distribution to the Participating Settlement Class Members. The
27 Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this
28 payment and shall hold harmless Defendants from any claim or liability for taxes, penalties, or

1 interest arising as a result of the Service Award. The Service Award shall be in addition to the
2 Plaintiff's share of the Net Class Settlement Fund as a Participating Settlement Class Member.

3 5. Tax Liability. Defendants make no representations as to the tax treatment or legal
4 effect of the payments called for hereunder, and Plaintiff is not relying on any statement or
5 representation by Defendants in this regard.

6 6. Creation of the Qualified Settlement Fund and Administration of the Settlement.
7 Within 30 calendar days after the Effective Date, Defendants shall deliver the Gross Settlement
8 Amount into the Qualified Settlement Fund created by the Settlement Administrator. All
9 payments that Defendants are required to make pursuant to the Settlement Agreement shall be
10 made from the Qualified Settlement Fund. Payments from the Qualified Settlement Fund shall
11 be made for: (1) the Service Award to Plaintiff, as specified in this Agreement and approved by
12 the Court; (2) Attorneys' Fees and Cost Award paid to Class Counsel, as specified in this
13 Agreement and approved by the Court; (3) the Settlement Administration Costs; and (4) the
14 amount allocated to be paid to the LWDA as PAGA penalties. The balance remaining shall
15 constitute the Net Class Settlement Fund from which Individual Settlement Payments shall be
16 made to the Participating Settlement Class Members. The Administrator shall calculate and
17 make all payments on Defendants' behalf and shall be responsible for any reporting obligations
18 on the same. In the event this Settlement does not become final for any reason, then the Gross
19 Settlement Amount, along with any interest accrued, shall be returned to Defendants
20 immediately within seven calendar days, except that any fees already incurred by the Settlement
21 Administrator shall be paid in equal parts by Plaintiff and Defendants.

22 7. Attorneys' Fees and Cost Award. Defendants agree not to oppose or impede any
23 application or motion by Class Counsel for attorneys' fees of up to one-third of the Gross
24 Settlement Amount (i.e., \$30,000) and of Class Counsel's actual costs. Any amount awarded for
25 attorneys' fees and costs to Class Counsel less than the requested amounts will result in the non-
26 awarded amounts to be part of the Net Settlement Fund, available for distribution to Participating
27 Settlement Class Members. So long as there are no objections, Class Counsel shall be paid any
28 Court-approved fees and costs no later than 45 calendar days after the Effective Date. Class

1 Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made
2 pursuant to this Paragraph. Forms 1099 – MISC, Box 14 shall be provided to Class Counsel for
3 the payments made pursuant to this Paragraph.

4 8. Settlement Administrator. The Settlement Administrator shall be paid for the
5 costs of administration of the settlement from the Gross Settlement Amount. The estimate of
6 such costs of administration for the disbursement of the Gross Settlement Amount is \$5,990.00.
7 Any amount awarded for costs of administration to the Settlement Administrator less than
8 \$5,990.00 will result in the non-awarded amount to be part of the Net Settlement Fund, available
9 for distribution to Participating Settlement Class Members. This estimate includes the required
10 tax reporting on the settlement amounts, including the issuing of 1099 forms. The Administrator
11 shall be responsible for all tax reporting requirements. Sixteen court days prior to the Final
12 Approval Hearing, the Settlement Administrator shall provide the Court and all counsel for the
13 Parties with a statement detailing the costs of administration of the Gross Settlement Amount. A
14 Form 1099 – MISC, Box 7 shall be issued to the Settlement Administrator. The Settlement
15 Administrator will also cooperate with Class Counsel's requests for data relating to information
16 relating to the Settlement benefits payable to class members, opt-outs, objections, or other data
17 necessary to support Final Settlement Approval. This shall include any declaration testimony by
18 a representative of the Settlement Administrator.

19 9. Preliminary Approval Hearing. As part of this Settlement, the Parties agree to the
20 following procedures for obtaining preliminary Court approval of the Settlement, notifying
21 Settlement Class Members, obtaining final Court approval of the Settlement, and processing the
22 Individual Settlement Payments:

23 a. The Parties stipulate to class certification of the Settlement Class for
24 purposes of settlement only. If the Court does not grant preliminary or final approval of
25 this Settlement, the Parties stipulate that the stipulated class certification will be revoked.

26 b. Plaintiff shall request a hearing before the Court to request preliminary
27 approval of the Settlement and to request the entry of the Preliminary Approval Order.
28

1 c. In conjunction with this hearing, Plaintiff will submit this Stipulation and
2 Settlement of Class and PAGA Claims, and will include proposed forms of all notices
3 and other documents as attached hereto necessary to implement the Settlement. The
4 Order shall provide for Notice of the Settlement and related matters to be sent to
5 Settlement Class Members as specified herein.

6 d. Plaintiff will submit this proposed settlement to the LWDA at the same
7 time that it is submitted to the Court, in compliance with Labor Code section 2699(1)(2).

8 10. Settlement Administration/Management. The Individual Settlement Payments
9 shall be managed and administered as follows:

10 a. Defendants shall have no obligation to segregate the funds to be used for
11 the Gross Settlement Amount from its other assets. Defendants will retain exclusive
12 authority over, and responsibility for, the funds comprising the Gross Settlement Amount
13 until such time as payment is due (30 calendar days after the Effective Date).

14 b. ILYM Group, Inc. shall be retained to serve as Settlement Administrator.
15 The parties each represent they do not have any financial interest in the Settlement
16 Administrator or otherwise have a relationship with the Settlement Administrator that
17 could create a conflict of interest.

18 c. Defendants shall provide the Settlement Administrator and Class Counsel
19 only, the Class List and Data Report, as described above, within 30 business days of
20 Preliminary Approval of the settlement. Social Security Numbers shall be redacted from
21 the Class List and Data Report provided to Class Counsel.

22 d. Within 10 days of receipt of the Class List and Data Report, the Settlement
23 Administrator shall mail the Notices to all Settlement Class Members.

24 e. No later than 45 calendar days prior to the Final Approval Hearing, the
25 Settlement Administrator shall provide Defendants and Class Counsel a report showing:
26 (i) the names and numbers of Settlement Class Members who have objected to the
27 Settlement; (ii) the names and number of the Settlement Class Members who have not
28 timely filed valid requests for exclusion; (iii) the names and number of Settlement Class

1 Members who filed valid and timely requests for exclusion from the settlement; and (iv)
2 the names of, number of, and amount owed to each Participating Settlement Class
3 Member.

4 f. The Parties agree to cooperate in the settlement administration process and
5 to make all reasonable efforts to control and minimize the costs and expenses incurred in
6 administration of the Settlement.

7 g. The Settlement Administrator shall be responsible for: printing and
8 mailing the Notices to Settlement Class Members as directed by the Court; receiving and
9 reporting the opt-outs and objections submitted by Settlement Class Members; mailing
10 Individual Settlement Payments to Participating Settlement Class Members; and other
11 tasks as the Parties mutually agree or the Court orders the Settlement Administrator to
12 perform. The Settlement Administrator shall keep Defendants, Defendants' Counsel and
13 Class Counsel timely apprised of the performance of all responsibilities.

14 h. The Settlement Administrator, on Defendants' behalf, shall have the
15 authority and obligation to make payments, credits and disbursements, including
16 payments and credits in the manner set forth herein, to Participating Settlement Class
17 Members calculated in accordance with the methodology set out in this Agreement and
18 orders of the Court, and the Settlement Administrator shall furnish counsel with the
19 procedures it has in place to ensure that all payments to be made shall be made to the
20 parties entitled to said payments.

21 i. Any tax return filing required by this Agreement shall be made by the
22 Settlement Administrator. Any expenses incurred in connection with such filing shall be
23 a cost of administration of the Settlement.

24 j. No person shall have any claim against Defendants or Defendants'
25 Counsel, Plaintiff, Participating Settlement Class Members, Plaintiff's Counsel, the
26 Settlement Class, or the Settlement Administrator based on distributions and payments
27 made in accordance with this Agreement.
28

1 11. Calculation of Individual Settlement Amount. To determine the Individual
2 Settlement Payment for each Participating Settlement Class Member, the Settlement
3 Administrator will:

- 4 a) Divide the number of Wage Statements furnished to the Settlement Class Member by
5 the total number of Wage Statements furnished to all Settlement Class Members
6 during the Settlement Class Period. The resulting percentage shall be applied to the
7 Net Settlement Fund to determine the Individual Settlement Payment for that
8 Participating Settlement Class Member.
- 9 b) For taxation purposes, the Individual Settlement Payment to each Participating
10 Settlement Class Member shall be allocated 100% to penalties and interest to be paid
11 as one check and reported on a 1099 Form.
- 12 c) The Settlement Administrator shall determine the eligibility for, and the amounts of,
13 any Individual Settlement Payments under the terms of this Settlement Agreement.
- 14 d) Only Participating Settlement Class Members shall be entitled to Individual
15 Settlement Payments.
- 16 e) The Settlement Administrator shall be responsible for issuing the payments and for
17 federal and state tax reporting obligations.

18 12. Notice to Class Members. Notice of the Settlement shall be provided to
19 Settlement Class Members using the following procedures:

- 20 a. Notice By First-Class Mail. Within 10 calendar days after receipt of the Class
21 List and Data, the Settlement Administrator shall mail the Notices to the Settlement Class
22 Members via first-class regular U.S. mail. Prior to mailing, the Settlement Administrator
23 will perform a search based on the National Change of Address Database information to
24 update and correct for any known or identifiable address changes. If a new address is
25 obtained by way of a returned Notice Packet, then the Settlement Administrator shall
26 promptly forward the original Notice Packet to the updated address via first-class regular
27 U.S. mail indicating on the original Notice Packet the date of such re-mailing.
- 28

1 b. Opt-Out/Objection Deadline Date. Settlement Class Members will have 60
2 days from the mailing of the Notices to opt-out, or object to the settlement.

3 c. Procedure For Undeliverable Notices. Any Notices returned to the Settlement
4 Administrator as non-delivered on or before the Opt-Out/Objection Deadline Date shall
5 be sent to the forwarding address affixed thereto within five court days. If no forwarding
6 address is provided, then the Settlement Administrator shall promptly attempt to
7 determine a correct address using a single skip-trace, computer or other search using the
8 name, address, and/or Social Security number of the individual involved, and shall then
9 perform a single re-mailing within five court days. In the event the procedures in this
10 paragraph are followed and the intended recipient of a Notice still does not receive the
11 Notice, the Settlement Class Members shall be bound by all terms of the Settlement and
12 any Final Judgment entered by the Court if the Settlement is approved by the Court. In
13 the event of remailing, the Settlement Class Member shall have an additional 7 calendar
14 days added to his/her Opt-Out/Objection Deadline.

15 d. At least 45 calendar days prior to the Final Approval Hearing the Settlement
16 Administrator shall provide Defendants and Class Counsel a report showing: (i) the
17 names and number of Settlement Class Members objecting to the settlement; (ii) the
18 names and number of the Participating Settlement Class Members; (iii) the names and
19 number of Settlement Class Members opting out of the settlement; and (iv) the amount
20 owed to each Participating Settlement Class Member.

21 13. Procedure For Objecting To Or Opting Out Of The Class Action Settlement. The
22 Settlement Class Members shall submit objections to and opt-out of the Settlement, using the
23 following procedures:

24 a. Procedure for Objecting. The Notices shall provide that those Settlement
25 Class Members who wish to object to the Settlement must mail a written statement of
26 objection ("Notice of Objection") to the Settlement Administrator, Class Counsel, and
27 Defendants' Counsel no later than the Opt-Out/Objection Deadline Date. The postmark
28 date of the mailing shall be deemed the exclusive means for determining that a Notice of

1 Objection is timely. The Notice of Objection must contain a statement of the objections,
2 and any legal briefs, papers or memoranda the objecting Settlement Class Member
3 proposes to submit to the Court. No later than 3 business days after receipt of any
4 Notices of Objection, the Settlement Administrator shall provide counsel for the Parties
5 with complete copies of any and all objections received, including the postmark dates for
6 each objection. Settlement Class Members will also have the right to appear and be heard
7 orally at the Final Approval hearing, without submitting a written objection.

8 b. Procedure for Opting Out. The Notices to Settlement Class Members shall
9 provide that those Settlement Class Members who wish to opt-out of the Settlement must
10 mail a written signed request for exclusion expressing a desire to opt-out from the
11 settlement, and any such statement shall include the name (and former names, if any) and
12 current address and state that “I wish to opt-out from this Settlement.” Any Settlement
13 Class Member who wishes to request exclusion from the Settlement must submit a
14 request to be excluded from the Settlement to the Settlement Administrator postmarked
15 no later than the Opt-Out/Objection Deadline Date. Any Settlement Class Member who
16 submits a valid and timely request for exclusion form shall no longer be a member of the
17 Settlement Class, shall be barred from participating in this Settlement, shall be barred
18 from objecting to this Settlement, and shall receive no benefit from this Settlement.
19 Eligible PAGA Members will receive their share of the employee portion of the PAGA
20 Payment and will be deemed to have released any claims arising out of the PAGA,
21 regardless of whether they submit a Request for Exclusion.

22 c. No Solicitation of Settlement Objections or Opt-Outs. The Parties agree to
23 use their best efforts to carry out the terms of this Settlement. At no time shall any of the
24 Parties or their counsel seek to solicit or otherwise encourage or influence Settlement
25 Class Members to submit written objections to the Settlement, submit requests for
26 exclusion from the Settlement, or to appeal from the Order and Final Judgment.
27
28

1 14. Procedure for Dispute of Wage Statements.

2 a. If a Settlement Class Member disputes the number of Wage Statements
3 that is the basis for their settlement figure provided in the notice, then the Settlement
4 Class Member must submit supporting documentation. The Settlement Administrator
5 will forward the dispute to counsel for Plaintiff and Defendants, and Defendants will
6 investigate the dispute. The Settlement Administrator will decide the dispute; the
7 Settlement Administrator's decision will be final and the Settlement Administrator will
8 provide the Settlement Class Member with the results of the investigation. Failure of the
9 Settlement Class Member to submit documentation to support his/her dispute will result
10 in the Settlement Class Member being paid pursuant to Defendants' records.

11 15. Procedure for Payment of Individual Settlement Payments:

12 a. All Participating Settlement Class Members will receive an Individual
13 Settlement Payment distributed through the Settlement Administrator from the Qualified
14 Settlement Fund.

15 b. Individual Settlement Payments for Participating Settlement Class
16 Members shall be paid pursuant to the settlement formula set forth herein, and shall be
17 mailed within 45 calendar days after the Effective Date.

18 c. Should any question arise regarding the determination of eligibility for, or
19 the amounts of, any Individual Settlement Payment under the terms of this Agreement,
20 Class Counsel and Defendants' Counsel shall meet and confer in an attempt to reach
21 agreement. If they cannot agree, the Settlement Administrator shall make the final
22 determination, and that determination shall be conclusive, final, and binding on all
23 Parties, including all Participating Settlement Class Members.

24 d. If a check sent to a valid and timely Participating Settlement Class
25 Member is returned with a forwarding address provided by the Postal Service, it shall be
26 re-mailed to the forwarding address provided.

27 e. To the extent any Participating Settlement Class Member fails to cash a
28 settlement check within 180 days of issuance, the uncashed funds, including interest

1 accrued in the Qualified Settlement Fund, will escheat to the State Controller to be
2 deposited in the Unclaimed Property Fund, in the name of the Participating Settlement
3 Class Member.

4 16. Certification By Settlement Administrator. Upon completion of administration of
5 the distributions, the Settlement Administrator shall provide written certification of such
6 completion to the Court and counsel for all Parties.

7 17. Final Settlement Approval Hearing and Entry of Final Judgment. Upon
8 expiration of the Opt-Out/Objection Deadline Date, with the Court's permission, a Final Fairness
9 Hearing shall be conducted to determine final approval of the Settlement along with the amount
10 properly payable for (i) reasonable attorneys' fees and costs, (ii) any Service Awards, and (iii)
11 cost of administration. The Final Fairness Hearing shall not be held earlier than 15 calendar days
12 from the Opt-Out/Objection Deadline Date. Upon final approval of the Settlement by the Court
13 the Parties shall present the Final Judgment to the Court for its approval. After entry of the Final
14 Judgment, the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the
15 interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration
16 matters, and (iii) such post-Final Judgment matters as may be appropriate under court rules or as
17 set forth in this Agreement. Within 10 days of entry of the Final Judgment, Plaintiff shall submit
18 a copy of the judgment to the LWDA, in compliance with Labor Code section 2699(l)(3).

19 18. Nullification of Settlement Agreement. In the event that 5% or more Class
20 Members opt-out of the Settlement, Defendants, in their sole discretion, may exercise their
21 option of nullifying the Agreement. In order to exercise this option, Defendants must notify
22 Class Counsel in writing within 20 business days of learning from the Administrator that the
23 number of opt-outs equals 5% or more. If the option is exercised, Defendants agree to pay for
24 the costs of the Settlement Administrator incurred up to this point. Further, this Settlement
25 Agreement shall be null and void, and any order or judgment entered by the Court in furtherance
26 of this Settlement shall be treated as void from the beginning, and the Stipulations and Recitals
27 contained herein shall be of no force or effect, and shall not be treated as an admission by any
28 parties or their Counsel. In such a case, the Parties and any funds to be awarded under this

1 Settlement shall be returned to their respective statuses as of the date and time immediately prior
2 to the execution of this Agreement (along with any accrued interest), and the Parties shall
3 proceed in all respects as if this Settlement Agreement had not been executed, except that any
4 fees already incurred by the Settlement Administrator shall be paid in equal parts by Plaintiff and
5 Defendants. In addition, in the event: (i) the Court does not enter the Final Approval Order
6 specified herein; (ii) the Court does not finally approve the Settlement as provided herein; (iii)
7 the Court does not enter a Final Judgment as provided herein, which becomes final as a result of
8 the occurrence of the Effective Date; or (iv) the Settlement does not become final for any other
9 reason, this Settlement Agreement shall be null and void, and any order or judgment entered by
10 the Court in furtherance of this Settlement shall be treated as void from the beginning, and the
11 Stipulations and Recitals contained herein shall be of no force or effect, and shall not be treated
12 as an admission by any parties or their Counsel.

13 19. Settlement Class Members. The Gross Settlement Amount of \$90,000 is
14 premised upon Defendants' representation that it issued 2,335 wage statements containing
15 overtime/double-time wages to California employees from July 5, 2019, through November 12,
16 2020. In the event that the actual number of wage statements containing overtime/double-time
17 wages during this time period is 5% higher than 2,335 wage statements, then Plaintiff shall have
18 the option of terminating the Settlement Agreement, e.g., if Defendants actually issued 2,475
19 wage statements containing overtime/double-time wages from July 5, 2019, through November
20 12, 2020, Plaintiff may terminate the Settlement Agreement, it shall be rendered null and void,
21 and the Parties shall revert back to their positions as though the Parties never executed this
22 Settlement Agreement.

23 20. Publicity. Plaintiff and his counsel are prohibited from issuing any press release
24 or announcement of any kind related in any way to the settlement and Plaintiff's counsel will not
25 reference the settlement on any website, promotional materials, or similar location. Plaintiff and
26 his counsel agree that, prior to preliminary approval of the settlement, they will keep the terms of
27 this settlement confidential except for purposes of communicating with Plaintiff only. Plaintiff
28 shall be informed that the settlement is confidential and shall be advised to keep the settlement

1 confidential. From and after preliminary approval of the settlement, the Settlement Class
2 Members (including Plaintiff and his counsel) may: (1) as required by law; (2) as required under
3 the terms of the settlement; or (3) as required under counsel's duties and responsibilities as Class
4 Counsel, comment regarding the specific terms of the settlement and facts regarding this case.
5 Plaintiff and Class Counsel further agree not to use the logos or trademarks of Released Parties
6 for advertising purposes. Nothing in this Paragraph is intended to interfere with Class Counsel's
7 duties and obligations to faithfully discharge their duties as Class Counsel, including but not
8 limited to, communicating with Settlement Class Members regarding the settlement.

9 21. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
10 the interpretation, calculation or payment of settlement claims, or other disputes regarding
11 compliance with this Agreement shall be resolved as follows:

12 a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Participating
13 Settlement Class Member, or Defendants at any time believe that the other Party has
14 breached or acted contrary to the Agreement, that Party shall notify the other Party in
15 writing of the alleged violation.

16 b. Upon receiving notice of the alleged violation or dispute, the responding
17 Party shall have 10 calendar days to correct the alleged violation and/or respond to the
18 initiating Party with the reasons why the party disputes all or part of the allegation.

19 c. If the response does not address the alleged violation to the initiating
20 Party's satisfaction, the Parties shall negotiate in good faith for up to 10 calendar days to
21 resolve their differences.

22 d. If Class Counsel and Defendants are unable to resolve their differences
23 after 20 calendar days, either Party may file an appropriate motion for enforcement with
24 the Court.

25 e. Reasonable attorneys' fees and costs for work done in resolving a dispute
26 under this Section may be recovered by any party that prevails under the standards set
27 forth within the meaning of applicable law.
28

1 22. No Retaliation. Defendants shall not take any adverse action against any
2 Settlement Class Members, including Plaintiff, because of the Action or because of the existence
3 of, and/or participation in, the Settlement, or because they choose to benefit from the Settlement
4 or to object to the Settlement. Defendants shall not take action to discourage Settlement Class
5 Members from participating in the Settlement. Notice to Settlement Class Members will include
6 a statement that Defendants will not retaliate against Settlement Class Members for participating
7 in the Settlement.

8 23. Exhibits and Headings. The terms of this Agreement include the terms set forth
9 in attached Exhibit A which is incorporated by this reference as though fully set forth herein.
10 Any exhibits to this Agreement are an integral part of the Settlement. The descriptive headings
11 of any paragraphs or sections of this Agreement are inserted for convenience of reference only
12 and do not constitute a part of this Agreement.

13 24. Interim Stay of Proceedings. The Parties agree to the Court staying and holding
14 all proceedings in the Action, except such proceedings necessary to implement and complete the
15 Settlement, in abeyance pending the Settlement Hearing to be conducted by the Court.

16 25. Amendment or Modification. This Agreement may be amended or modified only
17 by a written instrument signed by counsel for all Parties or their successors-in-interest.

18 26. Entire Agreement. This Agreement and any attached exhibits constitute the entire
19 agreement among these Parties, and no oral or written representations, warranties, or
20 inducements have been made to any Party concerning this Agreement or its exhibits other than
21 the representations, warranties, and covenants contained and memorialized in such documents.

22 27. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
23 warrant and represent they are expressly authorized by the Parties whom they represent to
24 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
25 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
26 documents required to effectuate the terms of this Agreement. The Parties and their counsel will
27 cooperate with each other and use their best efforts to affect the implementation of the
28 Settlement. In the event the Parties are unable to reach agreement on the form or content of any

document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf of Defendants represent and warrant that they are authorized to sign this Agreement on behalf of Defendants.

28. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

29. California Law Governs. All terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

30. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves original signed counterparts.

31. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential and the extensive investigation that has occurred.

32. Jurisdiction of the Court. Pursuant to Code of Civil Procedure § 664.6, the Parties understand, agree and expressly request the Court to 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. The prevailing party to any such enforcement action shall be entitled to recover its reasonable attorneys' fees and costs incurred in connection with such enforcement.

33. Cooperation and Drafting. Each of the Parties has cooperated in the drafting and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be construed against any of the Parties.

34. 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.

35. Plaintiff's Waiver of Right to Object. Plaintiff waives any right to object to this Agreement, and by signing this Agreement is bound by the terms herein.

Dated: 12/6/2022

DocuSigned by:
By: Charles Rhyu
6DDDC0DBAA140E...

Charles Rhyu

Dated: 12/6/2022

DIVERSITY LAW GROUP, P.C.

By: [Signature]

Larry W. Lee
Attorneys for Plaintiff and the Class

SHEPPARD MULLIN RICHTER & HAMPTON LLP

Dated: _____

By: _____

Derek R. Havel
Daniel J. McQueen
Ian A. Michalak
Attorneys for Defendants

Dated: _____

By: _____

Defendant Lucid USA, Inc.

Dated: _____

By: _____

Defendant Atieva, Inc.

34. 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.

35. Plaintiff's Waiver of Right to Object. Plaintiff waives any right to object to this Agreement, and by signing this Agreement is bound by the terms herein.

Dated: _____

By: _____

Charles Rhyu

Dated: _____

DIVERSITY LAW GROUP, P.C.

By: _____

Larry W. Lee
Attorneys for Plaintiff and the Class

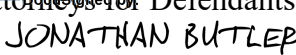
SHEPPARD MULLIN RICHTER & HAMPTON LLP

Dated: 12/08/22

By:  _____

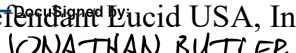
Derek R. Havel
Daniel J. McQueen
Ian A. Michalak
Attorneys for Defendants

Dated: 12/06/2022 | 4:52:32 PM PST

By:  _____
BD25E3630B0541E...

Jonathan Butler, General Counsel

Dated: 12/06/2022 | 4:52:32 PM PST

By:  _____
BD25E3539B0541E...

Defendant Lucid USA, Inc.

Jonathan Butler, General Counsel

Defendant Atieva, Inc.

EXHIBIT A

*SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA
Charles Rhyu v. Atieva USA, Inc., Atieva, Inc., and Lucid USA, Inc., Case No. RG20084138*

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND
FAIRNESS HEARING**

Read this notice carefully. If you worked in California as a non-exempt employee for Atieva, Inc. or Lucid USA, Inc. and were paid overtime and/or double time wages between July 5, 2019 through November 13, 2020, your legal rights may be affected.

A court authorized this notice. This is not a solicitation from a lawyer.

- Records indicate that you are a settlement class member.
- The parties have reached a settlement of all issues in the above-noted lawsuit in order to avoid the cost of litigation. As a Class Member, you now have a choice to make.

YOUR LEGAL RIGHTS AND OPTIONS:

Do Nothing You will receive settlement funds in exchange for giving up certain rights.

If you do nothing and if the settlement is granted final approval by the Court, you will automatically receive a share of the settlement proceeds and you will have released the class claims set forth in the release.

Opt Out You will not receive any portion of the settlement proceeds.

If you opt out, you will no longer be a member of the Class and will be barred from participating in or objecting to the settlement. You will not release the class claims as set forth in this Notice, but your claims under the Private Attorneys General Act (“PAGA”) will be released and you will still receive your share of the PAGA Payment.

Object If you do nothing, you also have the right to object to the settlement.

Your options are more fully explained in this notice. The deadline to submit an objection or to opt-out is **[60 days after mailing date]**.

1. Why did I receive this notice?

You have received this Notice because records indicate that you are a Class Member. You are not being sued. This Notice informs you of your right to share in the settlement and your ability to object to the settlement.

The Parties to the lawsuit signed a Stipulation and Settlement of Class Action and PAGA Claims (the “Agreement”) that fully sets forth the details of the settlement. You may obtain a copy of the Agreement from Class Counsel (identified below). The proposed Agreement has been submitted to the Court and has received preliminary approval. The Court must give final approval of the terms of the settlement described below as fair and reasonable to the class. The settlement will affect all members of the class. You may get money from the class action settlement, but only if you do not opt-out as indicated below.

2. What is the case about?

On December 30, 2020, Charles Rhyu (“Plaintiff”) filed a class action lawsuit against Atieva, Inc. and Atieva USA, Inc., entitled Rhyu v. Atieva, Inc., et al., Alameda County Superior Court Case No. RG20084138. The lawsuit is referred to as “the Action.”

Plaintiff alleges that Atieva, Inc. and Lucid USA, Inc. (“Defendants”) issued improper wage statements when paying overtime or double-time.

Defendants strongly deny all allegations in the Action and contend they fully complied with the law. Defendants entered into this settlement to avoid the costs and expense of litigation.

Class Members in the Action include California non-exempt employees of Atieva, Inc. or Lucid USA, Inc. who received overtime or double-time between July 5, 2019 through November 13, 2020. You have received this Notice because records indicate that you fit into the class definition.

3. What Are My Options?

You may do nothing or opt out. You also have a right to object to the settlement if you do not opt out. The option you choose affects whether you receive a settlement payment and whether you give up certain rights.

a. What happens if I do nothing?

If you do nothing, you will receive a settlement payment and you will release all claims that are released pursuant to the terms of the Agreement.

b. How do I opt-out?

If you do not want to be a member of the Class or participate in this settlement, you must take the following steps:

- (1) You must mail a written signed statement expressing your desire to opt-out from the settlement no later than **[60 days after mailing]** to the Settlement Administrator, **[REDACTED]**.

(2) The written statement MUST include: (i) your name (and former names, if any); (ii) your current address; and (iii) the statement “I wish to opt out from this Settlement.”

If you meet the requirements set forth above, you will no longer be a member of the Class, you will be barred from participating in the settlement or objecting to the settlement, and you will receive no benefit from this settlement, but will retain your own rights to assert against Defendants. However, you cannot opt out-out of the PAGA portion of the settlement.

c. How do I object to the settlement?

If you are satisfied with the proposed settlement, you do not need to appear at the hearing at which the Court will consider final approval of the settlement. However, if you object to the proposed settlement you must take the following steps:

(1) You must mail a written statement of the objection stating the basis for the objection no later than **[60 days after mailing]** to the Settlement Administrator, [REDACTED]. Do not mail your objection to the court.

(2) The written statement MUST include: (i) a statement advising if you plan to address the Court at the hearing; (ii) a statement of your objections; and (iii) any other papers which you propose to submit to the Court, including any legal briefs. You may appear personally at the final approval hearing, or through your own counsel, paid for at your expense.

Even if you do not submit a written objection, you have the right to address the Court at the Final Approval Hearing currently scheduled for [REDACTED], 2023 at [REDACTED], before the Honorable Evelio Grillo in Department 21 of the Alameda County Superior Court, located at 1225 Fallon Street, Oakland, California 94612.

Class Members who fail to make any written or oral objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections to any aspect of the proposed settlement.

4. How is my individual settlement amount calculated?

a. Summary of settlement

The maximum sum that Defendants will pay in connection with the settlement is \$90,000 (“Gross Settlement Amount”). Your individual settlement award will be determined by dividing the number of wage statements you received during the Class Period containing overtime or doubletime wages by the total number of wage statements all Participating Class Members received during the Class Period containing overtime or doubletime wages. The Class Period is July 5, 2019 through November 13, 2020.

Your estimated settlement amount is \$ [REDACTED]. For purposes of taxation, 100% shall be considered penalties to be reported on a 1099 Form.

b. Will the Named Plaintiff receive any additional payment?

Yes. The Court will also be asked to award a \$2,500 service payment to Plaintiff Charles Rhyu. The service payment will be paid from the Gross Settlement Amount. This service payment is sought to compensate Plaintiff for his efforts in assisting with the prosecution of the Action on behalf of the Class and in return for executing a General Release of all Claims. The actual amount awarded will be determined by the Court to ensure it is reasonable.

c. How will the attorneys for the class be paid?

You do not need to pay any portion of either Class Counsel or Defendants' attorneys' fees and costs. All payments to Class Counsel will be deducted from the Gross Settlement Amount. Class Counsel will apply to the court for attorneys' fees not to exceed \$30,000 and actual costs. Further, the Settlement Administrator's costs are estimated to be \$####. The actual amounts awarded will be determined by the Court.

5. What are the rights at issue in this lawsuit?

The settlement relates to the time that you worked for Defendants as a non-exempt employee. If the proposed Settlement is approved, all Participating Class Members will have released the "Released Parties" from the "Released Claims" as defined below and will be permanently barred from suing or otherwise making a claim against any of the Released Parties that is in any way related to the Released Claims. This is more completely explained below:

"Released Parties" means Defendants Atieva, Inc., Lucid USA, Inc., and each of their past, present and future agents, employees, servants, officers, directors, partners, trustees, representatives, attorneys, parents, subsidiaries, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, service providers, joint venturers, joint employers, co-employers, dual employers, alleged joint employers, alleged co-employers, alleged dual employers, affiliates, alter-egos, and affiliated organizations, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns.

As of the date of the Judgment, all Participating Settlement Class Members fully and finally release Defendants and the Released Parties from any and all Class Released Claims. The Class Released Claims include any and all claims asserted in the Action, arising from or related to the facts and claims alleged in the Action, or that could have been raised in the Action based on the facts and claims alleged. The Class Released Claims include all claims related to wage statements; failure to keep accurate records; penalties, including civil penalties, statutory penalties, recordkeeping penalties, and wage statement penalties; and attorneys' fees and costs arising from the Class Released Claims; all claims related to the Class Released Claims arising under: the California Labor Code (including, but not limited to, sections 226 and 226.3, and 2698 *et seq.*), the Wage Orders of the California Industrial Welfare Commission arising from the Class Released Claims; the California Private Attorneys General Act of 2004 ("PAGA") arising from the Class Released Claims; California Code of Civil Procedure § 1021.5 arising from the

Class Released Claims, the Business & Professions Code related to Class Released Claims, and any tort and/or common law claims related to the Class Released Claims. This release excludes the release of claims not permitted by law.

6. Will I be subject to discipline based on whether I participate in the settlement?

No. Your decision as to whether or not to participate in the settlement will in no way affect your employment with Defendants. Defendants are prohibited from retaliating in any way based on your decision whether or not to participate in the settlement.

7. Where can I get additional information?

This Notice only summarizes this lawsuit and the settlement. For more information, you may inspect the Court files at located at 1225 Fallon Street, Oakland, California 94612. If you have questions about the settlement, you may also contact Class Counsel as follows:

Larry W. Lee (State Bar No. 228175)
DIVERSITY LAW GROUP, P.C.
 515 S. Figueroa St., Suite 1250
 Los Angeles, CA 90071
 (213) 488-6555
 (213) 488-6554 facsimile

Dennis S. Hyun (State Bar No. 224240)
HYUN LEGAL, APC
 515 S. Figueroa Street, Suite 1250
 Los Angeles, California 90071
 (213) 488-6555
 (213) 488-6554 facsimile

William L. Marder, Cal Bar No. 170131
POLARIS LAW GROUP, LLP
 501 San Benito Street, Suite 200
 Hollister, California 95023
 Telephone: 831.531.4214
 Facsimile: 831.634.0333

Edward W. Choi, Esq. SBN 211334
LAW OFFICES OF CHOI & ASSOCIATES, APLC
 515 S. Figueroa St., Suite 1250
 Los Angeles, CA 90071
 Telephone: (213) 381-1515
 Facsimile: (213) 465-4885

8. Payment of Settlement Share

The court must finally approve the settlement at the final approval hearing before settlement checks are mailed. Assuming the court grants final approval of the settlement, and assuming there are no objections or appeals, checks should be mailed to those who do not opt out, approximately 45 days after the final approval hearing. If you have moved, or your check is returned as undeliverable and/or the check you are mailed is not cashed, then your portion of the settlement share will escheat to the State Controller to be deposited in the Unclaimed Property Fund in your name. If this happens, you can contact the California State Controller's Office and make a claim to obtain your settlement amount. The State Controller's office can be contacted through <http://www.sco.ca.gov/> or by calling: (213) 833-6010.

DO **NOT** CONTACT THE COURT FOR INFORMATION REGARDING THIS
SETTLEMENT.