EXHIBIT 1

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**SUPERIOR COURT OF CALIFORNIA**

**COUNTY OF ALAMEDA**

**UNLIMITED JURISDICTION**

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| DAVID KELLEY AND JOSHUA HENSON, INDIVIDUALLY AND ON BEHALF OF THOSE SIMILARLY SITUATED,<br><br>PLAINTIFFS,<br><br>V.<br><br>OIL CHANGER, INC., A CALIFORNIA CORPORATION, AND DOES 1 THROUGH 10, INCLUSIVE,<br><br>DEFENDANTS. | CASE NO. HG21091500<br><br>**JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT** |

# JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

This Joint Stipulation of Class and Representative Action Settlement ("Agreement" or "Settlement Agreement") is made and entered into by and between Plaintiffs David Kelley ("Kelley") and Joshua Henson ("Henson") (collectively, "Plaintiffs") and Defendant Oil Changer, Inc. ("Defendant"). Plaintiffs and Defendant collectively are referred to in the Agreement as "the Parties."

## A. DEFINITIONS

The following definitions are applicable to this Agreement. Definitions contained elsewhere in this Agreement shall also be effective:

1. "Action" means *David Kelley and Joshua Henson v. Oil Changer, Inc.*, Alameda County Superior Court, Case No. HG21091500.

2. "Agreement" or "Settlement Agreement" means this Joint Stipulation of Class and Representative Action Settlement.

3. "Class" or "Class Member(s)" means all persons currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as non-exempt, hourly-paid employees during the Class Period, defined as March 11, 2017 through January 31, 2024, in the State of California. Defendant has determined that there are approximately 2,463 individuals that comprise the Class.

4. "Class Counsel" means Kevin Woodall of Woodall Law Offices.

5. "Class Counsel Award" means such award of fees, costs and expenses as the Court may authorize for payment to Class Counsel for the services they have rendered and will render to Plaintiffs and the Class in the Action. Defendant agrees not to oppose Class Counsel Award of up to thirty-three percent (33%) of the Gross Fund Value ($3,000,000.00--Three Million Dollars) and reimbursement of actual litigation costs and expenses of up to Twenty Thousand Dollars ($20,000.00), subject to the Court finally approving this Settlement.

6. "Class List and Data" means a true and complete list of all Class Members that Defendant will compile, based on its business records, and provide to the Settlement Administrator

within five (5) business days after the Court grants preliminary approval of the Settlement. The Class List shall be formatted in Microsoft Office Excel, and shall include each Class Member's full name, social security number, last known home address, beginning and ending dates of employment, and number of workweeks during the Class Period.

7. "Class Period" means the period from March 11, 2017 through January 31, 2024.

8. "Class Representative" means Plaintiff Joshua Henson.

9. "Complaint" means the operative Second Amended Class Action and PAGA Complaint filed by Plaintiffs in this Action.

10. "Counsel for Defendant" or "Defense Counsel" means Caroline P. Donelan and Caitlin Sanders of Blank Rome, LLP.

11. "Court" means the Superior Court for the State of California, County of Alameda, or any other Court taking jurisdiction of the Action.

12. "Defendant" means Oil Changer, Inc.

13. "Effective Date" shall be the last day on which to appeal an order granting final approval of the Settlement Agreement if timely objections are filed, or the resolution of any such appeal that does not alter the terms of the settlement.

14. "Enhancement Payment" or "Service Payment" means the amount that the Court authorizes to be paid to Plaintiffs, in addition to their Individual Settlement Payments, in recognition of their efforts and risks in assisting with the prosecution of the Action. Subject to the Court granting final approval, the Parties agree that Plaintiffs shall each be paid up to Seven Thousand Five Hundred Dollars ($7,500.00) from the Gross Fund Value.

15. "Final Approval" means that the Final Approval Order and Judgment have been entered by the Court.

16. "Gross Fund Value" means the settlement amount of Three Million Dollars ($3,000,000.00) to be paid by Defendant as a result of this Stipulation. If the number of Class Members or workweeks is greater than represented by Defendant for purposes of mediation (2,463 and 177,484, respectively) by more than ten percent (10%), the Gross Fund Value amount shall be increased by a pro rata amount above 10%. The Gross Fund Value includes all Individual

Settlement Payments to Settlement Class Members, the Enhancement Payments to Plaintiffs, Settlement Administration Costs to the Settlement Administrator, the PAGA Payment, Plaintiffs Non-Class Claims Payments, and Class Counsel Award. The Gross Fund Value shall expressly exclude the employer's share of payroll taxes, which will be paid by Defendant separate and apart from the Gross Fund Value.

17. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

18. "Net Settlement Amount" means the balance of the Gross Fund Value remaining after deduction of the approved Enhancement Payments to Plaintiffs, Settlement Administration Costs, the California Labor and Workforce Development Agency's ("LWDA") portion of the PAGA Payment, Plaintiffs Non-Class Claims Payments, and Class Counsel Award. The entire Net Settlement Amount is the maximum amount that will be available for distribution to Settlement Class Members.

19. "Non-Class Claims Payments" shall mean and refer to the payments of Plaintiffs Kelley and Henson of $15,000 (Fifteen Thousand Dollars), each, in exchange for their full release of all non-class action, individual claims they have or claim to have against Defendant and any of the Released Parties, as set forth in separate agreements that include a Civil Code section 1542 waiver.

20. "Notice of Objection" means a Class Member's valid and timely written objection to the Settlement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, and telephone number; (b) a written statement of basis for the objection; and (c) any copies of papers, briefs, or documents upon which the objection is based. The Notice of Objection must be returned by mail to the Settlement Administrator at the specified address indicated in the Notice Packet and must be postmarked by the Response Deadline.

21. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form attached as **Exhibit A**.

22. "PAGA Payment" means the portion of the Gross Fund Value that the Parties have agreed will be allocated to resolve all claims, penalties, and remedies under the Private Attorneys

General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*, "PAGA"). The amount of the PAGA Payment is subject to Court approval pursuant to California Labor Code section 2699(l). The Parties have agreed that Thirty-Five Thousand Dollars ($35,000.00) of the Gross Fund Value shall be allocated to the resolution of claims arising under PAGA. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Payment, *i.e.* the sum of Twenty-Six Thousand, Two Hundred and Fifty Dollars ($26,250.00), shall be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment, *i.e.* the sum of Eight Thousand Seven Hundred and Fifty Dollars ($8,750.00), shall be part of the Net Settlement Amount to be distributed to PAGA Members.

23. "PAGA Members" shall mean all persons currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as non-exempt, hourly-paid employees during the "PAGA Period", defined as March 11, 2020 through January 31, 2024, in the State of California

24. "PAGA Representative" shall mean Plaintiff David Kelley.

25. "Parties" means Plaintiffs, on behalf of themselves and Settlement Class Members and/or PAGA Members, and Defendant collectively.

26. "Preliminary Approval" means the Court's order granting preliminary approval of the Settlement.

27. "Released Claims" means the following: all claims, rights, demands, damages, liabilities and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiffs in the Second Amended Class Action and PAGA Complaint in the Action or that could have been brought by Plaintiffs against Defendant in the Action based on the factual allegations made by Plaintiffs, including without limitation, civil penalties under the Private Attorneys General Act arising during the PAGA Period that were alleged in Plaintiff Kelley's PAGA Notice dated March 10, 2021 to the Labor and Workforce Development Agency ("PAGA Release"). PAGA Members cannot "opt out" and/or refuse to be bound by this PAGA Release.

28. "Released Parties" means Defendant and Defendant's affiliates, parents, and their respective successors and predecessors in interest, all of their respective officers, directors,

employees, administrators, fiduciaries, trustees and agents, and each of their past, present and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers and reinsurers.

29. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) clearly state that the Class Member does not wish to be included in the Settlement; (b) set forth the name, address, and telephone number of the Class Member requesting exclusion; (c) be signed by the Class Member; (d) be returned by mail to the Settlement Administrator at the specified address indicated in the Notice Packet; and (e) be postmarked on or before the Response Deadline.

30. "Response Deadline" means the latter of forty-five (45) days after the Settlement Administrator initially mails the Notice Packet to Class Members or thirty (30) days after returned Notice Packets are re-mailed to a corrected address, and is the last date on which Class Members may submit Requests for Exclusion or Notices of Objections to the Settlement.

31. "Settlement" means the agreement among the Parties to resolve the Action, as set forth in this Stipulation.

32. "Settlement Administration Costs" means the fees and expenses reasonably incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Agreement, which are estimated at Nineteen Thousand Dollars ($19,000.00). Any portion of the Settlement Administration Costs not used or approved by the Court shall be added to the Net Settlement Amount.

33. "Settlement Administrator" means Phoenix Settlement Administrators.

34. "Settlement Class" or "Settlement Class Members" means all Class Members who do not submit valid and timely Requests for Exclusion.

35. "Settlement Payment Check" means the payment of the Individual Settlement Payment to Settlement Class Members.

## B. FACTUAL BACKGROUND

1. On March 11, 2021, this Action was initiated in Alameda County Superior Court. The operative Second Amended Class Action and PAGA Complaint asserts causes of action for:

(1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum and Regular Wages; (3) Failure to Make Timely Final Wage Payments; (4) Failure to Provide Proper Itemized Wage Statements, (5) Failure to Reimburse Business Expenses; (6) Failure to Provide Meal Periods and Premium Pay; (7) Failure to provide Rest Periods and Premium Pay; and (8) Unfair Competition. In addition, the operative Second Amended Class Action and PAGA Complaint asserts all of the foregoing claims for penalties under the California Private Attorneys' General Act, along with additional PAGA claims for failure to timely pay wages during employment and failure to maintain records. As alleged in the Second Amended Class Action and PAGA Complaint, Plaintiff Henson seeks to represent the Class and Plaintiff Kelley represents PAGA Members. Plaintiffs seeks damages, penalties, attorneys' fees, and costs.

2. The Parties engaged in formal and informal discovery. Defendant produced policies, handbooks, mileage and reimbursement records, the numbers of Class Members, PAGA Members and workweeks, the Class and PAGA list of employees, and a sampling of pay and time records for the Settlement Class Members within the Class Period that allowed Plaintiffs to analyze records and determine an appropriate value for Settlement.

3. On January 31, 2024, the Parties engaged in a lengthy, full-day mediation with Cynthia Remmers, an experienced wage and hour class action mediator. After the mediation ended, the mediator continued to work with the Parties and made a mediator's proposal, which was accepted by the Parties. The settlement discussions were conducted at arm's length.

4. The Parties recognize the risk, expense, and delay in continuing the Action, and therefore believe the Settlement to be fair, reasonable, and adequate. Accordingly, the Parties desire to settle, compromise, and discharge all disputes and claims arising from or relating to the Action.

## C. <u>PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF SETTLEMENT</u>

1. <u>Settlement Consideration</u>. Defendant shall pay the sum of the Gross Fund Value as specified in this Agreement, which shall be used to pay: (1) Individual Settlement Payments; (2) Class Counsel Award; (3) Enhancement Payments; (4) Settlement Administration Costs; (5) Plaintiffs Non-Class Claims Payments. and (6) the PAGA Payment. Defendant shall have no

monetary responsibility of any kind in connection with this settlement other than payment of the Gross Fund Value and the employer's portion of payroll taxes. The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Fund Value shall revert to Defendant.

In addition paying the Gross Fund Value amount, Defendant shall make policy changes to improve practices relating to the following topics:

a. Payment of meal premiums when non-exempt employees are not provided the opportunity to take a timely and complete meal period;

b. Payment of travel time and mileage reimbursements to non-exempt employees who report travel time and mileage relating to pre- or post-shift bank deposits made on behalf of Defendant; and

c. Payment of time worked by non-exempt employees performing post-shift closing duties after clocking out.

2. Funding of the Gross Fund Value and Employer's Share of Payroll Taxes. The Gross Fund Value and Defendant's portion of payroll taxes shall be funded by Defendant within fourteen (14) calendar days of Final Approval (assuming there are not objections or appeals). The Settlement Administrator shall provide Defendant with wiring instructions and Defendant's portion of payroll taxes.

3. Class Counsel Award. Defendant agrees not to oppose Class Counsel Award of up to thirty-three percent (33%) of the Gross Fund Value ($3,000,000.00), *i.e.* the sum of Nine Hundred and Ninety Thousand Dollars ($990,000.00, which is comprised of $11,550 for PAGA claims and $978,450 for Class claims) and reimbursement of actual litigation costs and expenses of up to Twenty Thousand Dollars ($20,000.00), which shall be paid from the Gross Fund Value. Plaintiffs reserve the right to appeal any decision regarding attorney's fees and costs. Any portion of the Class Counsel Award not awarded to Class Counsel shall be added to the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. It is understood and agreed by the Parties, Class Counsel and Defendant's counsel that no amounts designated herein as Class Counsel's fees and expenses are accessible or otherwise available to Class Counsel until the payment amount and method are agreed to by Class Counsel and the

Settlement Administrator. A Form 1099 shall be issued to Class Counsel reflecting the awarded attorney's fees, costs and expenses.

4. Class and PAGA Representative Enhancement Payments. Defendant agrees not to oppose any application or motion by Plaintiffs for an Enhancement Payment of up to Seven Thousand Five Hundred Dollars ($7,500.00), each, to Plaintiffs. The Enhancement Payment shall be paid from the Gross Fund Value and shall be paid in addition to Plaintiffs' Individual Settlement Payments as Settlement Class Members and PAGA Members. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs reflecting the Enhancement Payments. Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on Plaintiffs' Enhancement Payment and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payments. Any portion of the Enhancement Payments not awarded to Plaintiffs shall be added to the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement.

5. Settlement Administration Costs. The Settlement Administrator shall be paid for the reasonable costs of administration of the Settlement from the Gross Fund Value, currently estimated at Nineteen Thousand Dollars ($19,000.00). These costs, which shall be paid from the Gross Fund Value, shall include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 IRS Forms, establishing a Qualified Settlement Fund, administering and distributing the Gross Fund Value Amount and Class Counsel Award, and providing necessary reports and declarations. Any portion of the Settlement Administration Costs not allowed shall be added to the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement.

6. PAGA Payment. Subject to Court approval, the Parties agree that the amount of Thirty-Five Thousand Dollars ($35,000.00) of the Gross Fund Value Amount shall be designated for satisfaction of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, *i.e.* the sum of Twenty-Six Thousand, Two Hundred and Fifty Dollars ($26,250.00), shall be paid to the LWDA. The remaining twenty-five percent (25%), *i.e*. the sum of Eight Thousand, Seven Hundred and Fifty Dollars ($8,750.00), shall

be part of the Net Settlement Amount to be distributed to PAGA Members as per this Agreement.

7. Net Settlement Amount. The Net Settlement Amount shall be used to satisfy Individual Settlement Payments to Settlement Class Members in accordance with the terms of this Agreement. Payment will be made to Class Members based on the number of Workweeks worked by Class Members for Defendant during the Class Period. Workweeks worked shall be defined based on hire dates, termination dates, and re-hire dates (as applicable). For the Class Action, Individual Settlement Payments will be calculated by (a) dividing the Net Settlement Amount (less the $8,750 PAGA Payment) by the total number of workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's workweeks in the Class Period. For the PAGA action, payments to PAGA Members will be calculated by (a) dividing the $8,750 PAGA Payment by the total number of workweeks worked by all Participating Class Members during the PAGA Period and (b) multiplying the result by each Participating Class Member's workweeks in the PAGA Period. Settlement Class Members will have an opportunity to contest the number of workweeks listed in their class notice. The Settlement Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the workweeks contained in the Class Notice are correct as long as they are consistent with the Class Data. The Settlement Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of workweeks. The Settlement Administrator's decision shall be final and not appealable or otherwise susceptible to challenge. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payments for each Settlement Class Member so that the amount actually distributed to Settlement Class Members equals 100% of the Net Settlement Amount.

8. Calculation of Gross Fund Value. The $3,000,000 Gross Fund Value was calculated with, and is premised on, Defendant's representation that approximately 2,463 Class Members worked a total of 177,484 workweeks during the Class Period. If the number of Class Members or workweeks is greater than represented by Defendant by more than ten percent (10%), the Gross

Fund Value amount shall be increased by a pro rata amount above 10%.

9. No Credit toward Benefit Plans. The Individual Settlement Payments made to Settlement Class Members under this Agreement, the Enhancement Payments made to Plaintiffs, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plans. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

10. Settlement Administration Process. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration of the Settlement. The Settlement Administrator shall provide the following services:

a. Establish and maintain a Qualified Settlement Fund account;

b. Verify the last known address for each Class Member through a generally utilized, national address update database prior to mailing the Notice Packet;

c. Print and mail the Notice Packet;

d. Conduct additional address searches for mailed Notice Packets that are returned as undeliverable and, to the extent new and more current addresses are found, also reprint and re-mail Notice Packets accordingly;

e. Establish and maintain a toll-free informational telephone support line to assist Class Members who have questions regarding the Notice Packet;

f. Field inquiries from Class Members, and administer any Requests for Exclusion;

g. Provide weekly status reports to counsel for the Parties, including: (a) the number of Notices mailed (including information regarding undeliverable and/or emailed Notices); (b) the number of disputes received (and sending copies of said disputes); (c) the number of objections received; and (d) the number of requests for exclusion received;

h. Calculate Individual Settlement Payments;

i. Distribute and pay the Enhancement Payments, Individual Settlement Payments, Plaintiffs Non-Class Claims Payments, the PAGA Payment to the LWDA, and fees and costs awarded to Class Counsel;

j. Prepare and issue 1099 and W-2 tax forms; and

k. Provide declarations and/or other information to the Court as requested.

11. Delivery of the Class List and Data. Within five (5) business days of Preliminary Approval, Defendant shall provide the Class List and Data to the Settlement Administrator.

12. Notice by First-Class U.S. Mail. Within five (5) business days after receiving the Class List and Data from Defendant, the Settlement Administrator shall mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

13. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes.

14. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (1) information regarding the nature of the Action; (2) a summary of the Settlement's principal terms; (3) the Class definition; (4) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments, if they do not request to be excluded; (5) the dates that comprise the Class Period; (6) instructions on how to submit valid Requests for Exclusion, or objections; (7) the deadlines by which the Class Member must submit a Request for Exclusion or Notice of Objection to the Settlement; (8) the date for the final approval hearing; and (9) the claims to be released. The Notice Packet will also inform Class Members that, in order to receive the Individual Settlement Payment, they do not need to do anything except keep the Settlement Administrator apprised of their current mailing addresses.

15. Re-Mailing of Returned Notices. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly via

regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator shall indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine the correct address using a skip-trace, or other search using the name and/or address of the Class Member involved and shall then perform a re-mailing. Those Class Members who receive a re-mailed Notice Packet shall have their Response Deadline extended thirty (30) days from the re-mailing date.

16. Request for Exclusion Procedures. Any Class Member, other than Plaintiffs, may opt-out from the Settlement by submitting a written Request for Exclusion to the Settlement Administrator postmarked by the Response Deadline. A Request for Exclusion must: (1) contain the name, address, and telephone number of the person requesting exclusion; (2) clearly state that the Class Member does not wish to be included in the Settlement; (3) be signed by the Class Member; (4) be returned by mail to the Settlement Administrator at the specified address; and (5) be postmarked on or before the Response Deadline. The date of the postmark shall be the exclusive means to determine whether a Request for Exclusion is timely. By submitting such a Request for Exclusion, a Class Member shall be deemed to have exercised their option to opt out of the Action and not be bound by this Agreement. Accordingly, a Class Member who timely submits a valid Request for Exclusion will not be entitled to any payments under this Settlement and will not be bound by the terms of the Settlement. Any Class Member who fails to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be deemed a Settlement Class Member and will be bound by all terms of the Settlement to the fullest possible extent if the Settlement is granted final approval by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit a Request for Exclusion.

17. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely Request for Exclusion shall be bound by all terms of the Settlement to the fullest possible extent, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court.

18. Objection Procedures. Any Class Member who does not opt-out of this Settlement shall be entitled to object to the Settlement. To object to the Settlement, a Class Member must return by mail a written statement of objection to the Settlement Administrator at the specified address by the Response Deadline. The Notice of Objection must include: (a) the objector's full name, signature, address, and telephone number; (b) a written statement of the basis for the objection; and (c) any copies of papers, briefs, or documents upon which the objection is based. Alternatively, a Class Member may appear at the Final Approval Hearing and present their objection to the Court orally, even without written objection.

At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from the Order and Judgment. Any Class Member who submits a valid Request for Exclusion shall not be allowed to object to this Settlement. No later than five (5) days after the Response Deadline, the Settlement Administrator shall provide Defense Counsel with a complete list of all Class Members who have timely and properly requested exclusion from the Class.

19. Defendant's Right to Rescind. If more than five percent (5%) of the Class Members submit a timely and valid Request for Exclusion, Defendant will have the right, but not the obligation, to revoke and void this Agreement at its discretion. Defendant must exercise the option to rescind within ten (10) business days of Defense Counsel receiving notification from the Settlement Administrator that more than five percent (5%) of the Class Members have submitted timely and valid Requests for Exclusion from the Settlement. If Defendant exercises this right to void the Agreement, then the Parties will have no further obligations under the Agreement, including, without limitation, any obligation by Defendant to pay the Gross Fund Value, or any amounts that otherwise would have been owed under this Agreement, except that Defendant shall pay all Settlement Administration Costs incurred by the Settlement Administrator. In the event the Settlement is terminated, the Parties shall proceed in all respects as if this Agreement had not been executed, and will submit a request to change the trial date and other deadlines.

20. Settlement Administrator's Reports of Information. The Settlement Administrator shall provide Defense Counsel and Class Counsel a weekly report which certifies the number of

Class Members who have submitted valid Requests for Exclusion. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement as needed or requested. The Settlement Administrator shall also forward to Parties' counsel any Notices of Objection received immediately upon receipt. Further, the Settlement Administrator shall immediately forward any Request for Exclusion to the Parties' counsel so that they can determine whether the Request for Exclusion is valid and timely.

21. Distribution Timing of Individual Settlement Payments. No earlier than the Effective Date, and no later than 21 calendar days after the Effective Date, the Settlement Administrator shall issue payments to (1) Settlement Class Members; (2) the Labor and Workforce Development Agency; (3) Plaintiffs; and (4) Class Counsel (unless a later date is agreed to between Class Counsel and the Settlement Administrator). The Settlement Administrator shall also issue a payment to itself for services performed in connection with the Settlement.

22. Uncashed Settlement Payment Checks. Any Settlement Payment Checks issued by the Settlement Administrator to Settlement Class Members shall be negotiable for not less than one hundred eighty (180) calendar days from the date of their issuance. This is a non-reversionary settlement. All Individual Settlement Payments to Class Members that remain un-cashed after one hundred eighty (180) days of the mailing of Settlement Payment Checks by the Settlement Administrator shall be cancelled and the unclaimed funds associated with such checks shall be transmitted to the California's Controller's Office, Unclaimed Property Fund. If the Court does not approve transmission of the unclaimed funds to the California Controller's Office, Unclaimed Property Fund, the funds will revert to a *cy pres* recipient, Legal Aid at Work (or any other *cy pres* recipient deemed acceptable by the Court).

23. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator shall provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

24. Administration Costs if Settlement Fails or is Delayed. If the Court does not approve the Settlement due to an objection or the Settlement is otherwise deemed void or rescinded, any costs incurred by the Settlement Administrator shall be borne equally by Defendant

and Plaintiffs, unless otherwise specified in this Agreement.

25. Treatment of Individual Settlement Payments. Eighty percent (80%) of the Individual Settlement Payments shall be allocated as interest, penalties, and other non-wage damages, to be reported on an IRS Form 1099 by the Settlement Administrator. The remaining twenty percent (20%) of the Individual Settlement Payments shall be allocated as wages, subject to payroll deductions and to be reported on an IRS Form W-2 by the Settlement Administrator.

26. Administration of Taxes by the Settlement Administrator. The Settlement Administrator shall be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Members and Class Counsel, 1099 and W-2 forms or other tax forms as may be required by law for all amounts paid pursuant to this Agreement.

27. Tax Liability. Defendant, Defense Counsel, the Settlement Administrator, and Plaintiffs' counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Settlement Class Members are not relying on any statement, representation, or calculation by Defendants, Defense Counsel, Plaintiffs' counsel, or by the Settlement Administrator in this regard. Plaintiffs and Settlement Class Members understand and agree that they will be solely responsible for the payment of any and all taxes and penalties assessed on their respective payments described herein and will defend, indemnify, and hold Defendant, Defense Counsel, Plaintiffs' counsel and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable penalties/damages.

28. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE

MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

29. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

30. Release of Claims by Settlement Class Members. As of the date of the funding of the Gross Fund Value Amount, Plaintiffs and all Settlement Class Members, as well as their spouses, heirs, executors, administrators, trustees, and/or permitted assigns, hereby do and shall be deemed to have fully, finally and forever released, settled, compromised, relinquished and discharged, to the fullest extent possible, any and all of the Released Parties of and from any and all Released Claims.

31. Nullification of Settlement. In the event that the Settlement does not become final for any reason, then this Agreement, and any documents generated to bring it into effect, shall be

null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall likewise be treated as void from the beginning.

32. Disputes Regarding Individual Settlement Payments. In the event that Class Members have a dispute as to the data provided by the Defendant, Class Members will have the opportunity to provide documentation and/or an explanation. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement, and that determination shall be binding.

33. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. No further award of attorney fees or costs shall be sought by or made to Class Counsel in connection with any such further proceedings.

34. Preliminary Approval Hearing. Plaintiffs shall obtain a hearing before the Court to request the Preliminary Approval of the Settlement, conditional certification of the Class, and the entry of a Preliminary Approval Order: (i) approving of the proposed Settlement, and (ii) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order shall provide for the Notice Packet to be sent to all Class Members as specified herein. Class Counsel shall prepare the motion for Preliminary Approval of the Settlement and all supporting papers. In conjunction with the Preliminary Approval hearing, Plaintiffs shall submit this Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet, attached to this Agreement as **Exhibit A**.

35. Final Settlement Approval Hearing. Upon expiration of the deadlines to submit Requests for Exclusion or Notices of Objections to the Settlement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing shall be conducted to determine the Final Approval of the Settlement along with the amounts properly payable for (i) Individual Settlement Payments; (ii) the LWDA Payment; (ii) the Class Counsel Award; (iii) the

Enhancement Payments; and (iv) Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the Final Approval Hearing.

36. Entry of Judgment and Continued Jurisdiction of the Court. Concurrent with the Motion for Final Approval, the Parties shall also jointly seek the entry of Judgment consistent with the terms of this Agreement. After entry of the Judgment, the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

37. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

38. Entire Agreement. This Agreement and any attached Exhibits constitute the entirety of the Parties' Settlement terms. No other prior or contemporaneous written or oral negotiations or agreements may be deemed binding on the Parties.

39. Disputes Regarding Language of Final Settlement Agreement. If the Parties have a dispute with regard to the language of the Agreement, the Parties agree to attempt to informally resolve the dispute by engaging Cynthia Remmers to mediate such dispute.

40. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by the Parties or their successors-in-interest. The Parties counsel have authority to sign any amended or modified instrument on behalf of their respective clients, provided the clients have provided their consent to the amendment or modification.

41. Authorization to Enter into Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by the Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each

other and use their best and good-faith efforts to affect the implementation of the Settlement. If 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.

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

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

44. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, shall be deemed to be one and the same instrument provided that counsel for the Parties shall exchange among themselves original signed counterparts.

45. Acknowledgement that the Settlement Is Fair and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations, mediation, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

46. No Admission of Liability or Class Certification. The Parties are agreeing to class certification for settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that Defendant committed any violation of statute or other wrongdoing, that Defendant is liable to Plaintiffs or to any other Class Members, that certification of a class for trial or any other purpose is appropriate or proper or that Plaintiffs or any Class Member can establish any of the requisite elements for class treatment of any of the claims in this Action. If, for any reason, the Settlement is not finally approved, this Agreement will be void and the Parties will be restored to their respective positions

in the lawsuit as if they had not entered into this Agreement. The Parties further agree that this Agreement or any documents or orders issued related to this Settlement will not be admissible, other than according to the Settlement's terms, in this or any other proceeding as evidence that either: (i) a class action should be certified, or (ii) Defendant is liable to Plaintiffs or any Class Member.

47. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law, regulation, or legal requirement. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission of any nature on the part of Defendant, or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

48. Captions. The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Agreement.

49. Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto shall be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

50. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this

Settlement, or to declare rights and/or obligations under this Settlement, the prevailing Party or Parties shall be entitled to recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

51. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

52. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel.

53. Cooperation and Execution of Necessary Documents. All Parties shall cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

54. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement shall be fully enforceable and binding on all Parties and agree that it shall be admissible and subject to disclosure in any proceeding to enforce its terms.

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

DATED: Apr 16 2024 David Kelleyp 999

Plaintiff David Kelley

DATED: Apr 13 2024 Joshua Henson

Plaintiff Joshua Henson

**DEFENDANT OIL CHANGER, INC.**

DATED: ____________________ ______________________________________

Its:

**APPROVED AS TO FORM**

**WOODALL LAW OFFICES**

DATED: Apr 16 2024

By: Kevin Woodall
Kevin Woodall
Attorneys for Plaintiffs and the Class and PAGA Members

**BLANK ROME, LLP**

DATED: ____________________

By:______________________________
Caroline P. Donelan
Caitlin Sanders
Attorneys for Defendant Oil Changer, Inc.

**DEFENDANT OIL CHANGER, INC.**

DATED: 4/15/2024

DocuSigned by:
Eric Frankenberger
24AFD5EFDDEC4A1...
Eric Frankenberger
Its: President

**APPROVED AS TO FORM**

**WOODALL LAW OFFICES**

DATED: ____________________

By:________________________________
Kevin Woodall
Attorneys for Plaintiffs and the Class and PAGA Members

**BLANK ROME, LLP**

DATED: April 15, 2024

By:________________________________
Caroline P. Donelan
Caitlin Sanders
Attorneys for Defendant Oil Changer, Inc.