

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

MICHAEL VEGA, individually, and on behalf
of other members of the general public similarly
situated,

Plaintiff,

vs.

RIEBE’S AUTO PARTS, LLC, a Georgia
limited liability company; RIEBE’S
AUTOMOTIVE SUPPLY, INC., a California
corporation; BI WAREHOUSING, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 34-2021-00293414-CU-OE-GDS

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE**

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

2 This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiffs Michael Vega and Ruben Ruiz
4 (“Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and
5 Genuine Parts Company and Defendants Riebe’s Auto Parts, LLC; Riebe’s Automotive Supply, Inc.;
6 and BI Warehousing, Inc. (“Defendants”) (collectively with Plaintiffs, the “Parties”).

7 **DEFINITIONS**

8 The following definitions are applicable to this Settlement Agreement. Definitions contained
9 elsewhere in this Settlement Agreement will also be effective:

10 1. “Actions” means *Vega v. Riebe’s Auto Parts, LLC*, No. 34-2021-00293414-CU-OE-
11 GDS (Sacramento County Superior Court) and *Ruiz v. Riebe’s Automotive Supply, Inc.*, No. S-CV-
12 0047043 (Placer County Superior Court).

13 2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and
14 approved by the Court for Class Counsel’s litigation and resolution of the Actions, and all out-of-pocket
15 costs incurred and to be incurred by Class Counsel in the Actions, including but not limited to
16 expert/consultant fees, investigation costs, and costs associated with documenting the Settlement,
17 providing any notices required as part of the Settlement or Court order, securing the Court’s approval of
18 the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Actions.
19 Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement
20 Amount, or Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$833,333).
21 The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and
22 expenses associated with Class Counsel’s litigation and settlement of the Actions, up to Twenty
23 Thousand Dollars (\$20,000), subject to the Court’s approval. Defendants have agreed not to oppose
24 Class Counsel’s request for fees and reimbursement of costs in the amounts forth above.

25 3. “Class Counsel” means Capstone Law APC and Lawyers for Justice, PC.

26 4. “Class List” means a complete list of all Class Members that Defendants will diligently
27 and in good faith compile from their records and provide to the Settlement Administrator and Class
28 Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List

1 will be formatted in Microsoft Office Excel and will include each Class Member's full name; most
2 recent mailing address and telephone number; Social Security number; dates of employment; the
3 respective number of Pay Periods that each Class Member worked during the Class Period and PAGA
4 Period; and any other relevant information needed to calculate settlement payments.

5 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendants
6 as non-exempt, hourly paid employees in the State of California at any Riebe's Auto Parts location at
7 any time from January 29, 2017 through the earlier of August 10, 2022 or the date of Preliminary
8 Approval.

9 6. "Class Period" means the period from January 29, 2017 through the earlier of August
10 10, 2022 or the date of Preliminary Approval.

11 7. "Class Representative Enhancement Payments" means the amounts to be paid to
12 Plaintiffs in recognition of their effort and work in prosecuting the Actions on behalf of Class Members,
13 and for their general release of claims. Subject to the Court granting final approval of this Settlement
14 Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of
15 Class Representative Enhancement Payments of Ten Thousand Dollars (\$10,000), each.

16 8. "Court" means the Sacramento County Superior Court.

17 9. "Defendants" means Genuine Parts Company, Riebe's Auto Parts, LLC; Riebe's
18 Automotive Supply, Inc.; and BI Warehousing, Inc.

19 10. "Effective Date" means the later of: the sixty-first (61) calendar day after the date of
20 Final Approval, provided no appeal is initiated; or (iii) if a timely appeal is initiated, then the Effective
21 Date will be the date of final resolution of that appeal (including any requests for rehearing and/or
22 petitions for certiorari), resulting in final judicial approval of the Settlement.

23 11. "Final Approval" means the date on which the Court enters an order granting final
24 approval of the Settlement Agreement.

25 12. "Gross Settlement Amount" means the Gross Settlement Amount of Two Million Five
26 Hundred Thousand Dollars (\$2,500,000), to be paid by Defendants in full satisfaction of all Released
27 Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments,
28 Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement

1 Amount, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by
2 Plaintiffs and Defendants based on the aggregation of the agreed-upon settlement value of individual
3 claims. In no event will Defendants be liable for more than the Gross Settlement Amount except as
4 otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to
5 Defendants. Defendants will be separately responsible for any employer payroll taxes required by law,
6 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross
7 Settlement Amount.

8 13. "Individual Settlement Payment" means each Participating Class Member's and PAGA
9 Member's respective shares of the Net Settlement Fund and PAGA Fund.

10 14. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
11 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the
12 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
13 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
14 Defendants.

15 15. "Notice of Objection" means a Class Member's valid and timely written objection to the
16 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full
17 name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection
18 accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
19 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear
20 at the final fairness hearing.

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

23 17. "PAGA Members" means all persons who worked for Defendants as non-exempt,
24 hourly paid employees in the State of California at any Riebe's Auto Parts location at any time from
25 January 29, 2020 through the earlier of August 10, 2022 or the date of Preliminary Approval.

26 18. "PAGA Period" means the period from January 29, 2020 through the earlier of August
27 10, 2022 or the date of Preliminary Approval.

28 19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to

1 the Labor and Workforce Development Agency (“LWDA”) and PAGA Members in connection with
2 Plaintiffs’ claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
3 *et seq.*, “PAGA”) (“PAGA Settlement”). The Parties have agreed that One Hundred Thousand Dollars
4 (\$100,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
5 PAGA, Seventy-Five Percent (75%), or Seventy-Five Thousand Dollars (\$75,000), of the PAGA
6 Settlement Amount will be paid to the California Labor and Workforce Development Agency (“Labor
7 and Workforce Development Agency Payment”), and Twenty-Five Percent (25%), or Twenty-Five
8 Thousand Dollars (\$25,000) (“PAGA Fund”), of the PAGA Settlement will be disbursed to PAGA
9 Members, and regardless whether they request to be excluded from the Settlement Class.

10 20. “Parties” means Plaintiffs and Defendants collectively.

11 21. “Participating Class Members” means all Class Members who do not submit timely and
12 valid Requests for Exclusion.

13 22. “Pay Period(s)” means, consistent with the definition provided by Labor Code section
14 204, the number of pay periods during which each Class Members/PAGA Member worked during the
15 applicable Class Period/PAGA Period.

16 23. “Plaintiffs” means Plaintiffs Michael Vega and Ruben Ruiz.

17 24. “Preliminary Approval” means the date on which the Court enters an order granting
18 preliminary approval of the Settlement Agreement.

19 25. “Released Class Claims” means all claims, rights, demands, liabilities, and causes of
20 action, reasonably arising from, or related to, the same set of operative facts as those set forth in the
21 operative complaints during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims
22 for meal and rest break violations; (iii) all claims for unpaid minimum wages; (iv) all claims for the
23 failure to timely pay wages upon termination based on the preceding claims; (v) all claims for the failure
24 to timely pay wages during employment based on the preceding claims; (vi) all claims for the failure to
25 reimburse for necessary business expenses; (vii) all claims for wage statement violations based on the
26 preceding claims; and (viii) all claims asserted through California Business & Professions Code §§
27 17200, *et seq.*

28 26. “Released PAGA Claims” means all claims for civil penalties under California Labor

1 Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts
2 alleged in Plaintiffs' LWDA letters and/or the operative complaints filed in the Actions, during the
3 PAGA Period.

4 27. "Released Parties" means Defendants, their past or present officers, directors, owners,
5 members, equity holders, attorneys, exempt employees, shareholders, agents, principals, heirs,
6 representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective assigns,
7 successors and/or predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

8 28. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a
9 request to be excluded from the Settlement Class. The Request for Exclusion must: (i) set forth the name,
10 address, telephone number and last four digits of the Social Security Number of the Class Member
11 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
12 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
13 and (v) be faxed or postmarked on or before the Response Deadline.

14 29. "Response Deadline" means the deadline by which Class Members must postmark or
15 fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the
16 calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement
17 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of
18 the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a
19 Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which
20 the U.S. Postal Service is open.

21 30. "Settlement Administration Costs" means the costs payable from the Gross Settlement
22 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
23 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross
24 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
25 Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,
26 any such costs in excess of the amount represented by the Settlement Administrator as being the
27 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
28 approximately One Thousand One Hundred Fifty-One (1,151) Class Members, the Settlement

Administration Costs are currently estimated to be Twenty Thousand Dollars (\$20,000).

31. “Settlement Administrator” means CPT Group, Inc., or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

TERMS OF AGREEMENT

The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendants agree as follows:

32. Second Amended Complaint. As a condition of settlement, Plaintiffs will file a Second Amended Complaint (“SAC”) in *Vega v. Riebe’s Auto Parts, LLC*, No. 34-2021-00293414-CU-OE-GDS (Sacramento County Superior Court) to add Genuine Parts Company as a defendant. Plaintiff Vega will also submit an amended PAGA letter to the LWDA identifying Genuine Parts Company as an additional defendant. Defendants will not be required to file an answer or other responsive pleading to the SAC. Such amendment/PAGA letter shall not extend beyond Riebe’s Auto Parts locations or include employees who have not worked at such locations.

33. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of the Gross Settlement Amount of Two Million Five Hundred Thousand Dollars (\$2,500,000) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendants will pay the employer’s share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (i) Individual Settlement Payments; (ii) the Labor and Workforce Development Agency Payment; (iii) the Class Representative Enhancement Payments; (iv) Attorneys’ Fees and Costs; and (v) Settlement Administration Costs. Defendants will deposit the Gross Settlement Amount and the employer’s share of payroll taxes within thirty (30) calendar days of the Effective Date (“Funding Date”).

34. Attorneys’ Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for Attorneys’ Fees and Costs of not more than Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$833,333), plus the reimbursement of all out-of-pocket

1 costs and expenses associated with Class Counsel's litigation and settlement of the Actions (including
2 expert/consultant fees, investigations costs, etc.), not to exceed Twenty Thousand Dollars (\$20,000),
3 both of which will be paid from the Gross Settlement Amount. Class Counsel will divide any fee award,
4 including any multiplier, as follows: Eighty Percent (80%) to Capstone Law APC and Twenty Percent
5 (20%) to Lawyers for Justice, PC.

6 35. Class Representative Enhancement Payment. In exchange for a general release, and in
7 recognition of their effort and work in prosecuting the Actions on behalf of Class Members, Defendants
8 agree not to oppose or impede any application or motion for Class Representative Enhancement
9 Payments of Ten Thousand Dollars (\$10,000), each. The Class Representative Enhancement Payments
10 will be paid from the Gross Settlement Amount and will be in addition to Plaintiffs' Individual
11 Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to
12 pay any and all applicable taxes on the Class Representative Enhancement Payments.

13 36. Settlement Administration Costs. The Settlement Administrator will be paid for the
14 reasonable costs of administration of the Settlement and distribution of payments from the Gross
15 Settlement Amount, which is currently estimated to be Twenty Thousand Dollars (\$20,000). These
16 costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax
17 reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
18 Notice Packets, calculating and distributing the Gross Settlement Amount, and providing necessary
19 reports and declarations.

20 37. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
21 of One Hundred Thousand Dollars (\$100,000) from the Gross Settlement Amount will be designated for
22 satisfaction of Plaintiffs' PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy-
23 Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA and Twenty-Five Percent
24 (25%), or Twenty-Five Thousand Dollars (\$25,000), will be paid to PAGA Members in proportion to
25 the number of Pay Periods worked during the PAGA Period.

26 38. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement
27 resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private
28 Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA

1 Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and
2 all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA
3 Member has the right to object to the PAGA Settlement Amount.

4 39. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
5 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

6 40. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
7 portion of the PAGA Fund will revert to or be retained by Defendants.

8 41. Individual Settlement Payment Calculations. Individual Settlement Payments will be
9 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of Pay
10 Periods a Class Member worked during the Class Period and PAGA Period. Specific calculations of
11 Individual Settlement Payments will be made as follows:

12 41(a) Payments from the Net Settlement Fund. Defendants will calculate the total
13 number of Pay Periods worked by each Class Member during the Class
14 Period and the aggregate total number of Pay Periods worked by all Class
15 Members during the Class Period. To determine each Class Member's
16 estimated "Individual Settlement Payment" from the Net Settlement Fund,
17 the Settlement Administrator will use the following formula: The Net
18 Settlement Fund will be divided by the aggregate total number of Pay
19 Periods, resulting in the "Pay Period Value." Each Class Member's
20 "Individual Settlement Payment" will be calculated by multiplying each
21 individual Class Member's total number of Pay Periods by the Pay Period
22 Value. The Individual Settlement Payment will be reduced by any required
23 deductions for each Participating Class Member as specifically set forth
24 herein, including employee-side tax withholdings or deductions. The entire
25 Net Settlement Fund will be disbursed to all Class Members who do not
26 submit timely and valid Requests for Exclusion. If there are any valid and
27 timely Requests for Exclusion, the Settlement Administrator shall
28 proportionately increase the Individual Settlement Payment for each

1 Participating Class Member according to the number of Pay Periods
2 worked, so that the amount actually distributed to the Settlement Class
3 equals 100% of the Net Settlement Fund.

4 41(b) Payments from the PAGA Fund. Defendants will calculate the total number
5 of Pay Periods worked by each PAGA Member during the PAGA Period
6 and the aggregate total number of Pay Periods worked by all PAGA
7 Members during the PAGA Period. To determine each PAGA Member's
8 estimated "Individual Settlement Payment," the Settlement Administrator
9 will use the following formula: The PAGA Fund will be divided by the
10 aggregate total number of Pay Periods, resulting in the "PAGA Pay Period
11 Value." Each PAGA Member's "Individual Settlement Payment" will be
12 calculated by multiplying each individual PAGA Member's total number of
13 Pay Periods by the PAGA Pay Period Value. The entire PAGA Fund will
14 be disbursed to all PAGA Members.

15 42. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
16 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
17 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
18 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
19 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
20 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,
21 or amounts to which any Class Members may be entitled under any benefit plans.

22 43. Administration Process. The Parties agree to cooperate in the administration of the
23 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
24 administration of the Settlement.

25 44. Delivery of the Class List. Within thirty (30) calendar days of Preliminary Approval,
26 Defendants will provide the Class List to the Settlement Administrator and to Class Counsel.

27 45. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
28 List from Defendants, the Settlement Administrator will 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.

46. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

47. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (i) information regarding the nature of the Actions; (ii) a summary of the Settlement's principal terms; (iii) the Settlement Class and PAGA Member definitions; (iv) the total number of Pay Periods each respective Class Member and PAGA Member worked for Defendants during the Class Period and PAGA Period; (v) each Class Member's and PAGA Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the dates which comprise the Class Period and PAGA Period; (vii) instructions on how to submit Requests for Exclusion or Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Request for Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

48. Disputed Information on Notice Packets. Class Members will have an opportunity to dispute the information provided in their Notice Packets. To the extent Class Members dispute their employment dates or the number of Pay Periods on record, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendants' records will be presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the

Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will be decided within ten (10) business days after the Response Deadline. To the extent a dispute remains unresolved by the Parties, the Settlement Administrator shall make the decision.

49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked or received by fax within that period, it will be deemed untimely and ineffective.

50. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the Settlement Agreement must sign, and fax or postmark, a written Request for Exclusion to the Settlement Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

51. Escalator. The Settlement is premised on the understanding that there are approximately One Thousand One Hundred Fifty-One (1,151) Class Members eligible to participate in the Settlement. If the actual number of Class Members eligible to participate in the Settlement is greater than Ten Percent (10%) of this estimate, then the Class Period will end on the day before the number of Class Members exceeded One Thousand Two Hundred Sixty-Six (1,266) Class Members.

52. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

53. Releases by Participating Class Members. Upon the Funding Date, and except as to such

1 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
2 together and individually, on their behalf and on behalf of their respective heirs, executors,
3 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
4 Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

5 54. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or
6 claims as may be created by this Settlement Agreement, each PAGA Member, together and individually,
7 on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys,
8 shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the
9 Released PAGA Claims during the PAGA Period.

10 55. Objection Procedures. To object to the Settlement Agreement, a Class Member may
11 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
12 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
13 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
14 deemed to have waived all objections to the Settlement and will be foreclosed from making any
15 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
16 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
17 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
18 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
19 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
20 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
21 Class Member shall not participate in or be bound by the Settlement.

22 56. Certification Reports Regarding Individual Settlement Payment Calculations. The
23 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
24 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
25 the Settlement, and whether any Class Member has submitted a challenge to any information contained
26 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
27 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

28 57. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days

of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class Members and PAGA Members; (ii) the Labor and Workforce Development Agency; (iii) Plaintiffs; and (iv) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

58. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to the Working Wardrobes (the “Cy Pres Beneficiary”). The Parties do not have a connection to or a relationship with the Cy Pres Beneficiary that could reasonably create the appearance of impropriety as between the selection of the Cy Pres Beneficiary as the recipient of the unclaimed residuals and the interests of the class.

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

60. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (i) Twenty-Five Percent (25%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy-Five (75%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

61. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

62. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

63. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES

1 OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
2 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
3 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
4 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
5 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
6 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
7 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
8 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
9 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
10 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
11 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
12 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
13 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
14 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
15 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
16 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
17 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
18 ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER
19 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
20 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
21 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
22 AGREEMENT.

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

27 65. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
28 approve the Settlement as provided herein, or approves the Settlement with modifications not approved

1 by the Parties; or (ii) the Settlement does not become final for any other reason, then this Settlement
2 Agreement, and any documents generated to bring it into effect, will be null and void. Any order or
3 judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as
4 void from the beginning.

5 66. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
6 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
7 Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii)
8 preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness
9 hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class
10 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will
11 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
12 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for
13 drafting all documents necessary to obtain preliminary approval.

14 67. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
15 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
16 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
17 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii)
18 the Class Representative Enhancement Payments; (iii) Individual Settlement Payments; (iv) the Labor
19 and Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final
20 fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class
21 Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel
22 will also be responsible for drafting the attorneys' fees and costs application to be heard at the final
23 approval hearing.

24 68. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
25 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
26 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
27 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
28 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or

1 as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
2 Administrator's website. Ruiz shall immediately dismiss *Ruiz v. Riebe's Automotive Supply, Inc.*, No.
3 S-CV-0047043 (Placer County Superior Court), with prejudice, within three (3) Court days following
4 the Effective Date. Ruiz shall not take any further action to prosecute such case prior to its dismissal,
5 unless the settlement contemplated by this Agreement is not approved by the Court and all efforts in
6 furtherance of approval have been exhausted. Plaintiff and Defendants in that case shall jointly seek a
7 stay of proceedings to the extent necessary.

8 69. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by
9 all Participating Class Members, Plaintiffs will release and forever discharge the Released Parties, to the
10 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
11 asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of
12 this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the
13 California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive
14 any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California
15 Civil Code or similar provisions of applicable law which are as follows:

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

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

25 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
26 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
27 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
28 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is

1 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
2 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
3 contradict the terms of this Settlement Agreement.

4 72. Amendment or Modification. No amendment, change, or modification to this Settlement
5 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

6 73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
8 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
9 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
10 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
11 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
12 reach agreement on the form or content of any document needed to implement the Settlement, or on any
13 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
14 may seek the assistance of the Court to resolve such disagreement.

15 74. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
16 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

17 75. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
18 will be governed by and interpreted according to the laws of the State of California.

19 76. Execution and Counterparts. This Settlement Agreement is subject only to the execution
20 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
21 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
22 copies of the signature page, will be deemed to be one and the same instrument.

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

1 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
2 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
3 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
4 valid and enforceable.

5 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
6 certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may
7 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
8 and either party may appeal any court order that materially alters the Settlement Agreement's terms
9 without the Parties' consent, to the extent the Settlement Agreement is not voided by such action.

10 80. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
11 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
12 approved, the stipulation to certification will be void. The Parties further agree that certification for
13 purposes of the Settlement is not an admission that class action certification is proper under the standards
14 applied to contested certification motions and that this Settlement Agreement will not be admissible in
15 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendants
16 are liable to Plaintiffs or any Class Member, other than according to the Settlement's terms.

17 81. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
18 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
19 entering into this Settlement, Defendants do not admit, and specifically deny, that they violated any
20 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
21 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
22 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
23 respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
24 of the negotiations connected with it, will be construed as an admission or concession by Defendants of
25 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
26 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
27 offered or received as evidence in any action or proceeding to establish any liability or admission on the
28 part of Defendants or to establish the existence of any condition constituting a violation of, or a non-

1 compliance with, federal, state, local or other applicable law.

2 82. No Public Comment: The Parties and their counsel agree that they will not issue any
3 press releases, initiate any contact with the press, respond to any press inquiry, or have any
4 communication with the press about the fact, amount or terms of the Settlement.

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

8 84. Enforcement Actions. In the event that one or more of the Parties institutes any legal
9 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
10 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
11 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
12 expert witness fees incurred in connection with any enforcement actions.

13 85. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
15 more strictly against one party than another merely by virtue of the fact that it may have been prepared
16 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
17 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

18 86. Representation By Counsel. The Parties acknowledge that they have been represented
19 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
20 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
21 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

22 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
23 this Settlement Agreement herein will be subject to final Court approval.

24 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
25 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
26 Settlement Agreement.

27 89. Binding Agreement. The Parties warrant that they understand and have full authority to
28 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully

1 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
2 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
3 otherwise might apply under federal or state law.

4 **READ CAREFULLY BEFORE SIGNING**

6 **PLAINTIFF**

7 Dated: 9/1/2022

DocuSigned by:
Michael Vega
C28D190724B84D2...

MICHAEL VEGA

9 **PLAINTIFF**

10 Dated: _____

RUBEN RUIZ

13 **DEFENDANT**

14 Dated: _____

Name of Authorized Signatory
GENUINE PARTS COMPANY

17 **DEFENDANT**

18 Dated: _____

Name of Authorized Signatory
RIEBE'S AUTO PARTS, LLC; RIEBE'S
AUTOMOTIVE SUPPLY, INC.; AND BI
WAREHOUSING, INC.

enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

MICHAEL VEGA

PLAINTIFF

Dated: 09/01/2022


Hinter AssumeSign® 2022-09-01 16:49:28 UTC - 172.56.31.44 #069563c-e25d-4823-8195-a03010d8697

RUBEN RUIZ

DEFENDANT

Dated: _____

Name of Authorized Signatory
GENUINE PARTS COMPANY

DEFENDANT

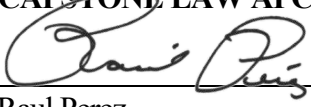
Dated: _____

Name of Authorized Signatory
RIEBE'S AUTO PARTS, LLC; RIEBE'S
AUTOMOTIVE SUPPLY, INC.; AND BI
WAREHOUSING, INC.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

APPROVED AS TO FORM

September 7, 2022
Dated: _____

CAPSTONE LAW APC
By:  _____
Raul Perez
Attorneys for Plaintiff Michael Vega

Dated: _____

LAWYERS FOR JUSTICE, PC
By: _____
Arby Aiwazian
Attorneys for Plaintiff Ruben Ruiz

Dated: _____

HAWKINS PARNELL & YOUNG, LLP
By: _____
Khaled Taqi-Eddin
Attorneys for Defendants Genuine Parts Company,
Riebe's Auto Parts, LLC; Riebe's Automotive
Supply, Inc.; and BI Warehousing, Inc.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

By: _____
Raul Perez
Attorneys for Plaintiff Michael Vega

LAWYERS FOR JUSTICE, PC

Dated: 09/01/2022

By: 
Arby Aiwazian
Attorneys for Plaintiff Ruben Ruiz

HAWKINS PARNELL & YOUNG, LLP

Dated: _____

By: _____
Khaled Taqi-Eddin
Attorneys for Defendants Genuine Parts Company,
Riebe's Auto Parts, LLC; Riebe's Automotive
Supply, Inc.; and BI Warehousing, Inc.

Exhibit A

Vega v. Riebe's Auto Parts, LLC, No. 34-2021-00293414-CU-OE-GDS
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SACRAMENTO
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who worked for Defendants Genuine Parts Company, Riebe's Auto Parts, LLC; Riebe's Automotive Supply, Inc.; and BI Warehousing, Inc. ("Defendants") as non-exempt, hourly paid employees in the State of California at any Riebe's Auto Parts location at any time from January 29, 2017 through the earlier of August 10, 2022 or the date of Preliminary Approval ("Class Members").

All persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any Riebe's Auto Parts location at any time from January 29, 2020 through the earlier of August 10, 2022 or the date of Preliminary Approval ("PAGA Members").

On _____, the Honorable Lauri A. Damrell of the Sacramento County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants' records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____:00 __.m. on _____, 2022 in Department 28 of the Sacramento County Superior Court located at 720 9th Street, Sacramento, California 95814.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Summary of the Litigation

Plaintiffs Michael Vega and Ruben Ruiz, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse employees for necessary business expense; (5) provide adequate seating; and (6) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On May 10, 2022, the parties participated in a mediation with Mr. Jeffrey Ross, Esq., an experienced and well-respected class action mediator. With Mr. Ross's guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC and Lawyers for Justice, PC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiffs' claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiffs.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$2,500,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of \$10,000, each, to Michael Vega and Ruben Ruiz for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendants; (3) \$833,333 in attorneys' fees and up to \$15,500 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$25,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$20,000. After deducting the above payments, a total of approximately \$ _ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member from January 29, 2017 through the earlier of August 10, 2022 or the date of Preliminary Approval ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$ ____.

Payments from PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member from January 29, 2020 through the earlier of August 10, 2022 or the date of Preliminary Approval ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual Participating PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendants' records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$ ____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Fax No. _____

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

Released Class Claims: All claims, rights, demands, liabilities, and causes of action, reasonably arising from, or related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims for meal and rest break violations; (iii) all claims for unpaid minimum wages; (iv) all claims for the failure to timely pay wages upon termination based on the preceding claims; (v) all claims for the failure to timely pay wages during employment based on the preceding claims; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all claims for wage statement violations based on the preceding claims; and (viii) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*

Released PAGA Claims: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts alleged in Plaintiffs' LWDA letters, or which were asserted in the Plaintiffs' complaints filed in the underlying lawsuit(s), during the PAGA Period.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2022. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2022, your Request for Exclusion will be rejected, and you will be included in the settlement class.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will, however, release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2022. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Sacramento and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 225-9339

Arby Aiwarzian
Lawyers for Justice, PC
410 Arden Ave., Suite 203
Glendale, CA 91203
Phone: Number

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******