

FIRST AMENDMENT TO SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS

*Munzer Alkaddomui v. Fremont Automotive Acquisition dba Fletcher Jones Motorcars
Alameda County Case No. RG21106760*

This First Amendment to Settlement Agreement and Release of PAGA Claims (“First Amendment”) is made by and between the Named Plaintiff and Defendant (collectively the “Parties”) and enumerates all amended terms of the Settlement Agreement and Release of PAGA Claims (the “Settlement Agreement”) which was entered on or about October 14, 2022.

All other provisions of the Settlement Agreement are incorporated by this reference as if set forth fully herein, and this First Amendment shall not be deemed a waiver by any party of any provisions, conditions, obligations, or rights otherwise available under the Settlement Agreement.

RECITALS

WHEREAS, on or around October 14, 2022, the Parties entered into the Settlement Agreement settling all the claims in the PAGA action titled *Munzer Alkaddomui v. Fremont Automotive Acquisition dba Fletcher Jones Motorcars*, filed in Alameda County Superior Court, Case No. RG21106760 (the “Action”).

WHEREAS, on or around November 3, 2022, the Parties moved the Superior Court of the State of California, County of Alameda (the “Court”) for approval of the Settlement Agreement.

WHEREAS, on or around December 2, 2022, the Court continued the hearing for Motion for PAGA Settlement Approval to allow time for the Parties to cure the deficiencies that the Court noted to the Settlement Agreement.

WHEREAS, this First Amendment only amends the paragraphs referenced below of the Settlement Agreement. All other provisions of the Settlement Agreement are incorporated herein by reference and remain in full force and effect.

A. RESIDUAL BENEFICIARY

Paragraph 43 of the Settlement Agreement is hereby amended to read as follows: All settlement checks will remain valid and negotiable for 180 days from the date of their mailing by the Settlement Administrator. After 180 days from the date of their mailing by the Settlement Administrator, any uncashed checks will be void and escheat to the Justice Gap Fund, a cy pres beneficiary administered by the State Bar of California.

Paragraph 46 of the Settlement Agreement is hereby amended to read as follows: Solely for the purposes of this Settlement, the Parties, subject to Court approval, stipulate and agree that ILYM shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for: (a) preparing, printing, and mailing the Notice of Individual Shares to the

PAGA Settlement Members in a form substantially similar to Exhibit A appended hereto and/or as modified and approved by the Court; (b) calculating the work weeks and pro-rata share for each PAGA Settlement Member; (c) performing skip traces and/or using other more up to date technology to find current address information; (d) remailing Notice of Individual Shares to the PAGA Settlement Members following a skip trace; (e) calculating and mailing each PAGA Settlement Members' individual Settlement Share check; (f) mailing the LWDA's portion of the PAGA Fund; (g) distributing the Plaintiff's Counsel Payment of Attorney's Fees and Costs; (h) printing and providing the PAGA Settlement Members and Plaintiff's Counsel with IRS form 1099 for their share of the Settlement Payment; (i) providing a due diligence declaration for submission to the Court upon completion of the Settlement Payment distribution; (j) turning over any funds remaining in the Qualified Settlement Fund at the close of the 180-day period as a result of uncashed checks to the Justice Gap Fund; (k) serve to Defendant's Counsel a copy of each Notice of Individual Shares sent out by the Claims Administrator to each PAGA Settlement Member; (l) provide Defendant and/or its counsel at their request, copies of any and all documents confirming the Settlement Administrator performed all duties and responsibilities as provided for in this Agreement and (m) perform other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in ILYM or otherwise have a relationship with ILYM that could create a conflict of interest.

B. CLAIMS RELEASED BY THE LWDA AND ALL PAGA SETTLEMENT MEMBERS

Paragraph 47 of the Settlement Agreement is hereby amended to read as follows: Upon the date of entry of an order by the Court in this Action approving this Settlement, the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever discharge the Released Parties from any and all Released Claims. As a result of this release, the LWDA, whether directly or through the PAGA Settlement Members acting as agent or proxy for the LWDA will be unable to bring a claim under, or recover in any other claim brought under, the California Private Attorneys General Act, California Labor Code § 2698 *et seq.*, for any violations of the Released Claims that took place during the PAGA Period. If any PAGA Settlement Member does bring a claim for penalties brought on behalf of the LWDA, Defendant can assert this Settlement as a defense. The Settlement has claim preclusion, issue preclusion, or other effects if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA concerning the same primary rights that were at issue in this case. Any such defense would exist because of the claim and issue preclusion effect against the LWDA. (See *Lacour v. Marshalls of CA, LLC* (2021) 2021 WL 22111953 [addressing "claim preclusion effect of settlements of claims brought as an agent or proxy of the LWDA under PAGA"]).

C. NOTICE OF PAGA SETTLEMENT AND RELEASE ("NOTICE")

Paragraph 2 of the Notice of PAGA Settlement And Release, attached to the Settlement Agreement as Exhibit A, is hereby amended to read as follows: As a current or former non-exempt employee of Defendant who worked in California for Defendant at any time between July 23, 2020 and [insert the greater of two dates between October 1, 2022 and the date of Approval of Settlement by the Court] ("PAGA Period"), you are covered by this settlement. Per the Court's final judgment in this case, all people covered by the settlement have released any and all claims against Defendant, its

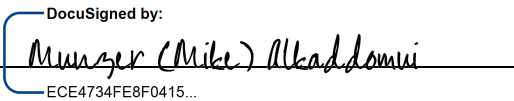
past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parent companies, any individual and/or entity which could be jointly liable with Defendant including Fremont M, LLC dba Fletcher Jones Motorcars of Fremont and Fremont P, LLC dba Porsche of Fremont and all respective attorneys (**“Released Parties”**) for civil penalties under PAGA arising from the alleged violations of Labor Code §§201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2698, 2699, 2699.3, 2699.5 and the related applicable IWC Wage Order (**“Released Claims”**). This means the LWDA, whether directly or through you acting as agent or proxy for the LWDA, is not able to pursue a PAGA lawsuit against Defendant or the Released Parties based on such Released Claims. The only individual claims that have been released are those of Plaintiff, no other individual claims are released.

A true and correct copy of the Settlement Agreement and the Notice, with the changes hereby made noted in redlines, is attached hereto as Exhibit 1.

It is hereby agreed.

Dated: May 12, 2023

PLAINTIFF MUNZER ALKADDOMUI

By  ECE4734FE8F0415...

Dated: May 12, 2023

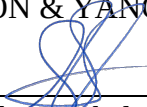
DEFENDANT FREMONT AUTOMOTIVE ACQUISITION, INC.

By _____
Name:
Title:

APPROVED AS TO FORM:

Dated: May 12, 2023

MOON & YANG, APC

By  _____
Allen Feghali
Attorney for Plaintiff

APPROVED AS TO FORM:

Dated: May 12, 2023

FISHER & PHILLIPS LLP

By _____
Karl R. Lindegren
Lizbeth Ochoa
Attorney for Defendants

past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parent companies, any individual and/or entity which could be jointly liable with Defendant including Fremont M, LLC dba Fletcher Jones Motorcars of Fremont and Fremont P, LLC dba Porsche of Fremont and all respective attorneys ("**Released Parties**") for civil penalties under PAGA arising from the alleged violations of Labor Code §§201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2698, 2699, 2699.3, 2699.5 and the related applicable IWC Wage Order ("**Released Claims**"). This means the LWDA, whether directly or through you acting as agent or proxy for the LWDA, is not able to pursue a PAGA lawsuit against Defendant or the Released Parties based on such Released Claims. The only individual claims that have been released are those of Plaintiff, no other individual claims are released.

A true and correct copy of the Settlement Agreement and the Notice, with the changes hereby made noted in redlines, is attached hereto as Exhibit 1.

It is hereby agreed.

Dated: May 12, 2023

PLAINTIFF MUNZER ALKADDOMUI

By _____

Dated: May 12, 2023

DEFENDANT FREMONT AUTOMOTIVE
ACQUISITION, INC.

By _____

Name: Mike Bates

Title: General Manager

APPROVED AS TO FORM:

Dated: May 12, 2023

MOON & YANG, APC

By _____

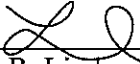
Allen Feghali

Attorney for Plaintiff

APPROVED AS TO FORM:

Dated: May 12, 2023

FISHER & PHILLIPS LLP

By  _____
Karl R. Lindegren
Lizbeth Ochoa
Attorney for Defendants