

Kane Moon (SBN 249834)
kane.moon@moonyanglaw.com
Allen Feghali (SBN 301080)
allen.feghali@moonyanglaw.com
Enzo Nabiev (SBN 332118)
enzo.nabiev@moonyanglaw.com
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

Attorneys for Plaintiff MUNZER ALKADDOMUI

KARL R. LINDEGREN, SBN 125914
klindegren@fisherphillips.com
LIZBETH OCHOA, SBN 219985
lochoa@fisherphillips.com
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, California 92614
Telephone (949) 851-2424
Facsimile (949) 851-0152

Attorneys for Defendant FREMONT AUTOMOTIVE ACQUISITION, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

MUNZER ALKADDOMUI, on behalf of the
State of California and other aggrieved persons,

Plaintiff,

vs.

FREMONT AUTOMOTIVE ACQUISITION, a
California corporation dba FLETCHER JONES
MOTORCARS; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: RG21106760

*Assigned to Hon. Judge Evelio Grillo
Dept. 21*

**SETTLEMENT AGREEMENT AND
RELEASE OF PAGA CLAIMS**

Action Filed: July 23, 2021
Trial Date: Not set

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1 **SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS**

2 Plaintiff MUNZER ALKADDOMUI, individually and in his capacity as representative of the State
3 of California on behalf of himself and other aggrieved employees, and Defendant FREMONT
4 AUTOMOTIVE ACQUISITION, INC. hereby enter into this Settlement Agreement and Release of
5 Private Attorneys General Act of 2004 Claims (“Settlement”) as follows:

6 **I. DEFINITIONS**

7 As used in this Settlement, the following terms shall have the following meanings:

8 1. “Action” shall mean the civil action entitled *Alkaddomui v. Fremont Automotive Acquisition,*
9 *Inc.*, filed on July 23, 2021, in the Superior Court for the County of Alameda, and assigned Case No.
10 RG21106760.

11 2. “Defendant” shall mean Defendant FREMONT AUTOMOTIVE ACQUISITION, INC.

12 3. “Defense Counsel” shall mean FISHER & PHILLIPS LLP.

13 4. “Effective Date” refers to the date upon which both of the following have occurred:
14 (i) approval of the Settlement is granted by the Superior Court of California for the County of Alameda, or
15 other court assuming jurisdiction of this matter, and (ii) the Court’s Judgment approving the Settlement
16 becomes Final. If there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal,
17 the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to
18 the California Supreme Court shall be the date the Settlement is deemed Final. If there is an intervenor,
19 but no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment shall
20 be the date the Settlement is Final. If there is no intervenor in the action, the date the Court enters Judgment
21 on an order approving this Settlement (or enters a combined Order approving the Settlement and Judgment
22 thereon) shall be the date the Settlement is Final.

23 5. “LWDA” refers to the California Labor & Workforce Development Agency.

24 6. “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, California Labor
25 Code Sections 2698 *et seq.*

26 7. “PAGA Period” shall mean July 23, 2020, through October 1, 2022, or the date upon which
27 the Court grants Approval of this proposed Settlement, whichever is later.

28 8. “PAGA Settlement Members” shall mean all non-exempt employees of Defendant who

1 worked for Defendant in California during the PAGA Period. Excluded from the definition of “PAGA
2 Settlement Members” are all current and/or former employees of Defendant within the PAGA Period who
3 have, prior to the Effective Date, released all the Labor Code provisions covered within the Released
4 Claims.

5 9. “PAGA Fund” shall mean the Total Settlement Payment, less Plaintiff’s Counsel Payment,
6 Plaintiff’s Payment and the Settlement Administrative Costs.

7 10. “Plaintiff” refers to MUNZER ALKADDOMUI, individually and in his capacity as
8 representative of the State of California on behalf of other aggrieved employees.

9 11. “Plaintiff’s Counsel” collectively refers to Moon & Yang, APC.

10 12. “Parties” collectively refers to Plaintiff and Defendant.

11 13. “Released Claims” shall mean all claims, demands, rights, liabilities and causes of action that
12 were asserted in the operative complaint in the Action and/or in the LWDA letter that Plaintiff submitted
13 or that could have been asserted based on the factual allegations in the operative complaint in the Action,
14 including any and all claims to recover PAGA penalties under Labor Code sections 201, 202, 203, 204,
15 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2698, 2699,
16 2699.3, 2699.5 and the related applicable IWC Wage Order within the PAGA Period for allegedly failing
17 to pay all wages, including minimum wage and/or overtime; failing to timely pay all wages, including final
18 wages at the end of employment; maintaining inaccurate and incomplete records; non-compliant meal
19 and/or rest periods; non-compliant earning statements/paystubs and failing to reimburse for all necessary
20 business expenses.

21 14. “Released Parties” shall mean Defendant, its past or present officers, directors, shareholders,
22 employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and
23 reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parent
24 companies, any individual and/or entity which could be jointly liable with Defendant including Fremont
25 M, LLC dba Fletcher Jones Motorcars of Fremont and Fremont P, LLC dba Porsche of Fremont and all
26 respective attorneys.

27 15. “Settlement Administrator” refers to ILYM Group, Inc.
28

1 **II. RECITALS**

2 16. On July 23, 2021, Plaintiff's Counsel sent a letter to the LWDA on behalf of Plaintiff, in
3 compliance with California Labor Code section 2699.3. Plaintiff seeks to represent himself and all PAGA
4 Settlement Members.

5 17. On July 23, 2021, Plaintiff filed the Action in Alameda County Superior Court, Case No.
6 RG21106760. It was originally pled as a class action. On September 28, 2021, Plaintiff amended the
7 Complaint in the Action adding a PAGA cause of action. Thereafter, after Defendant met and conferred
8 about Plaintiff's execution of an arbitration agreement waiving his right to bring a class or collective action,
9 Plaintiff dismissed without prejudice all the causes of action in the Action except for the PAGA cause of
10 action.

11 18. Counsel for Plaintiff have thoroughly investigated the facts relating to the claims alleged in the
12 operative complaint and have made a thorough study of the legal principles applicable to the claims
13 asserted against Defendant. Based on their investigation and evaluation of this case, Plaintiff's Counsel
14 has concluded that the settlement is fair, reasonable, and adequate in light of all known facts and
15 circumstances, including the defenses asserted by Defendant, changes in the law, potential adverse findings
16 regarding liability, and numerous potential appellate issues.

17 19. Defendant admits that it was Plaintiff's employer but denies, and continues to deny, each and
18 every claim and contention alleged in the Action and has always maintained that it never engaged in any
19 unlawful acts regarding any of the matters alleged in the Action.

20 **NOW, THEREFORE**, in consideration of the mutual covenants, promises, and conditions set
21 forth, the Parties agree as follows:

22 **III. NON-ADMISSION OF LIABILITY**

23 20. Based on the factual and legal issues involved, the expense and time necessary to prosecute the
24 Action through trial, the risks, uncertainty and costs of further prosecution, the difficulty of proof necessary
25 to establish a class for purposes of liability, and the relative benefits to the PAGA Settlement Members of
26 an expeditious resolution to the Action, the Parties have concluded that the terms set forth in this Settlement
27 are fair, reasonable, adequate and in the best interests of the PAGA Settlement Members.

28 21. By entering this Settlement, Defendant denies any liability for any of the claims in the Action,

as well as any other potential or unknown claims based on wage and hour violations under state or federal law. Neither this Settlement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement, is, may be construed as, or may be used as, an admission, concession, or indication by or against any defendant in this Action of any unlawful conduct, fault, wrongdoing, or liability whatsoever. Defendant specifically denies that it has engaged in any unlawful or wrongful conduct against Plaintiff or the PAGA Settlement Members.

IV. TERMS OF THE PAGA SETTLEMENT

A. The Total Settlement Payment

22. Defendant shall pay a settlement payment in a total amount not to exceed \$137,500.00 (the “Total Settlement Payment”). The Total Settlement Payment includes Plaintiff’s counsel’s attorney’s fees and costs in connection with the Action, Plaintiff’s Payment, the settlement administrative fees and the PAGA Fund.

23. The Settlement Payment shall be made 20 court days after the Effective Date. Defendant represents that as of August 8, 2022, there are approximately 240 PAGA Settlement Members who worked collectively approximately 6,810 pay periods within the PAGA Period through August 8, 2022. If the actual number of the alleged aggrieved employees increases by more than 10% of the estimated number of 240 (i.e., 265 or more) by the Approval Hearing, the Total Settlement Amount shall be increased by the percentage by which the actual number of aggrieved employees exceeds 264, or at the election of Defendant, Defendant can exclude from the Settlement and release the additional aggrieved employees that were hired after reaching 264. The Gross Settlement Amount will not be reduced due to Defendant’s estimate.

B. Plaintiff’s Counsel Payment of Attorneys’ Fees and Costs

24. Plaintiff’s Counsel will apply to the Court for an award of attorneys’ fees not to exceed thirty-three and one-third percent (33 1/3%) of the Total Settlement Payment, and Plaintiff’s Counsel will also seek reimbursement of reasonable litigation costs not to exceed \$15,000 (attorneys’ fees and reasonable litigation costs are referred to as “Plaintiff’s Counsel Payment”). Plaintiff’s Counsel will be responsible for submitting all documents and/or briefs to support their request for attorneys’ fees.

25. Defendant will not oppose or object to Plaintiff’s Counsel’s application for attorneys’ fees, not

1 to exceed thirty-three and one-third percent (33 1/3%) of the Total Settlement Payment plus all documented
2 and reasonable litigation costs and expenses not to exceed \$15,000.

3 26. In the event that the Court does not approve an award of attorneys' fees equal to the requested
4 amount, or the Court alters the payment methodology described herein, Plaintiff's Counsel agrees not to
5 seek additional review of the Court's decision regarding attorneys' fees, and this Settlement will be
6 enforceable, except that, if the Court awards less than 25% of the Total Settlement Payment, Plaintiff's
7 Counsel reserves the right to seek appellate review of such an award.

8 27. The Plaintiff's Counsel Payment shall be paid from the Total Settlement Payment. Any
9 reductions by the Court of Plaintiff's Counsel's request for attorneys' fees or costs shall revert to the PAGA
10 Fund, subject to the reservation of right regarding an award that is less than 25% of the Total Settlement
11 Payment.

12 **C. Plaintiff's Payment**

13 28. Defendant agrees not to oppose a request by Plaintiff for a payment of Seven Thousand Five
14 Hundred Dollars and Zero Cents (\$7,500.00), in exchange for a Civil Code section 1542 waiver and release
15 of all known and unknown claims he may have against Defendant and/or the Released Parties ("Plaintiff's
16 Payment"). If Plaintiff's Payment is not approved and reduced by the Court, any amount not approved
17 and/or reduced by the Court will revert back to the PAGA Fund without impacting Plaintiff's release of
18 known and unknown claims.

19 **D. Settlement Administration Fees and Costs**

20 29. Settlement administration shall be done by a qualified, third-party settlement administrator
21 agreed to by the Parties and approved by the Court ("Settlement Administrator"). The Parties agree that
22 the Settlement Administrative Costs shall be paid from the Total Settlement Payment. This includes all
23 fees and costs for postage, envelopes, and computer searches to locate addresses; and expenses of the
24 Settlement Administrator to implement and complete the settlement process according to the terms of this
25 Settlement, to calculate payments to individual PAGA Settlement Members, any cost associated with the
26 escheatment process for any uncashed or undeliverable settlement checks, to prepare any necessary tax
27 documents for PAGA Settlement Members, any other related fees and costs and any and all other
28 Administrative tasks as summarized in paragraph 46 below (the "Settlement Administrative Costs").

1 30. The Settlement Administrative Costs are not anticipated to exceed \$10,000. The settlement
2 administration fees and costs shall be paid from the Total Settlement Payment. Any reductions by the
3 Court or any unused amount shall revert to the PAGA Fund.

4 **E. PAGA Fund**

5 31. After deducting Plaintiff's Counsel Payment, Plaintiff's Payment, and Settlement
6 Administration Costs, the remainder of the Total Settlement Payment (the "PAGA Fund") shall be
7 allocated toward payment to the Labor & Workforce Development Agency and PAGA Settlement
8 Members.

9 32. Seventy-five percent (75%) of the PAGA Fund will be sent to the LWDA and twenty-five
10 percent (25%) of the PAGA Fund will be allocated among the PAGA Settlement Members, based on each
11 member's proportionate share of the work weeks worked during the PAGA Period.

12 **V. COMPUTATION AND DISTRIBUTION OF TOTAL SETTLEMENT FUND**

13 **A. Deposit of Total Settlement Payment**

14 33. The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to Section
15 468B(g) of the Internal Revenue Code for purposes of administering the Settlement. The Settlement
16 Administrator shall furnish the Qualified Settlement Fund with its own Employer ID Number and calculate
17 all settlement checks and withholdings required under law based on information that will be confidentially
18 furnished by Defendant. There are no payroll deductions to be calculated under this Settlement since no
19 part of the Settlement will be classified as wages.

20 34. Within twenty (20) court days after the Effective Date, Defendant shall deposit the Total
21 Settlement Payment with the Settlement Administrator.

22 **B. Formula for Calculating Share of PAGA Fund**

23 35. The portion of the PAGA Fund that is paid to each PAGA Settlement Member shall be
24 determined based on the following formula:

25 (a) The payment to PAGA Settlement Members will be based on the number of weeks
26 worked by each PAGA Settlement Member during the PAGA Period. Partial
27 weeks will be counted as full work weeks.

28 (b) The amount to be paid per week worked by a PAGA Settlement Member will be

1 calculated by dividing the value of the portion of the PAGA Fund that will be paid
2 to PAGA Settlement Members by the total number of weeks worked by all PAGA
3 Settlement Members during the PAGA Period.

4 (c) Defendant's records shall be determinative for purposes of calculating the number
5 of weeks worked and any payments to PAGA Settlement Members.

6 **C. Distribution of PAGA Fund**

7 36. Defendant shall provide the Settlement Administrator with a list of the names and addresses of
8 the PAGA Settlement Members, to be furnished within fifteen (15) court days after the Court issues an
9 Order approving the Settlement. The contact information is being provided confidentially to the Settlement
10 Administrator only, and the Settlement Administrator shall treat the information as private and confidential
11 and take all necessary precautions to maintain the confidentiality of contact information of the PAGA
12 Settlement Members. This information is to be used only to carry out the Settlement Administrator's duties
13 as specified in this Settlement. The Settlement Administrator (or anyone acting on its behalf) is strictly
14 prohibited from selling, profiting, transferring, or using any of the information provided by Defendant or
15 on Defendant's behalf other than for fulfilment of its obligations under this Agreement.

16 37. Within ten (10) court days after the Total Settlement Payment is funded, the Settlement
17 Administrator shall pay to the LWDA an amount equivalent to seventy-five percent (75%) of the PAGA
18 Fund, or as otherwise directed by the Court.

19 38. Within ten (10) court days after the Total Settlement Payment is funded, the Settlement
20 Administrator shall distribute to Plaintiff, Plaintiff's Payment and to the PAGA Settlement Members their
21 individual portion of the PAGA Fund (the "Individual Payment"), or as otherwise directed by the Court.

22 39. Within ten (10) court days after the Total Settlement Payment is funded, the Settlement
23 Administrator shall distribute to Plaintiff's Counsel their court-approved Plaintiff's Counsel Payment and
24 approved litigation costs, either via wire transfer payment or check, as specified by Plaintiff's Counsel.

25 40. The Settlement Administrator will send the Individual Payment to the PAGA Settlement
26 Members by postmarked First Class U.S. Mail.

27 41. To provide the best notice and delivery of Individual Payments practicable, any Individual
28 Payment returned to the Settlement Administrator as non-delivered shall be sent by post-marked First-

1 Class U.S. Mail to the forwarding address affixed thereto, if any. If no forwarding address is provided for
2 an Individual Payment that is returned as non-deliverable, the Settlement Administrator shall use the best
3 available technology accessible (e.g. skip tracing, address verification, etc.) to the Settlement
4 Administrator or other mutually agreeable method to locate PAGA Settlement Members and will then mail
5 the Individual Payment to the address identified by the best available technology accessible to the
6 Settlement Administrator or other mutually agreeable method. If no current address is located, the
7 Individual Payment for that individual will be deemed undeliverable. If any PAGA Settlement Members
8 cannot be located within two attempts at mailings by the Settlement Administrator, the Individual Payment
9 for that individual will be deemed undeliverable.

10 42. The Settlement Administrator shall maintain a list of the postmark date for the original mailing
11 of the Individual Payment to the PAGA Settlement Members, the postmark date of any subsequent mailing
12 to any PAGA Settlement Members, and a list of PAGA Settlement Members who did not receive the
13 Individual Payment due to the inability to locate a valid address using the procedures described herein or
14 who otherwise could not be located within two attempts at mailing.

15 43. All settlement checks will remain valid and negotiable for 180 days from the date of their
16 mailing by the Settlement Administrator. After 180 days from the date of their mailing by the Settlement
17 Administrator, any uncashed checks will be void and escheat to the California State Controller's
18 Unclaimed Property Fund in the name of the PAGA Settlement Member who did not cash his or her check,
19 pursuant to California's unclaimed property laws.

20 44. No later than January 31 of the year following payment of their individual portion of the PAGA
21 Fund, the Settlement Administrator will prepare and issue an IRS Form 1099 to PAGA Settlement
22 Members who received a payment to the extent the payments require issuance of such a form.

23 **D. Settlement Administration Payment and Duties**

24 45. Within ten (10) court days after the Total Settlement Payment is funded, the Settlement
25 Administrator shall deduct an amount equivalent to the Settlement Administrative Costs approved by the
26 Court.

27 46. Solely for the purposes of this Settlement, the Parties, subject to Court approval, stipulate and
28 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 California State Controller: Unclaimed Wage 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.

VI. CLAIMS RELEASED BY PAGA SETTLEMENT MEMBERS

A. Claims Released by the LWDA and All PAGA Settlement Members

47. 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 PAGA Settlement Members 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.

B. Tax Treatment and Tax Indemnification

48. PAGA Settlement Members will assume any tax obligations or consequences which may arise

1 from this Settlement. Nothing in this Settlement is intended to constitute legal advice regarding federal,
2 state and/or local tax obligations. Plaintiff and his counsel acknowledge that they have obtained no tax
3 advice from Defendant and that neither Defendant nor Defense Counsel has made any representation
4 concerning the tax consequences, if any, on the Total Settlement Payment or the PAGA Fund in general.
5 PAGA Settlement Members release any and all claims that they have or may have against Defendant for
6 any claims, demands, deficiencies, levies, assessments, executions, judgments, penalties, taxes,
7 indemnification, and any other recoveries related to any payments made under this Settlement or any
8 compensation provided at any time by Defendant or any of the Released Parties. If any state or federal
9 taxing authority contacts, investigates, or pursues any action against any PAGA Settlement Members for
10 their individual share of taxes related to any payments made under this Settlement or any compensation
11 provided at any time by Defendant or any of the Released Parties, each PAGA Settlement Member shall
12 be responsible for their own defense of and payment for any claim of unpaid taxes, interest, or penalties
13 brought by any state or federal taxing authority for the PAGA Settlement Member's share of any state or
14 federal tax obligation. If a PAGA Settlement Member has questions about any liability to any state or
15 federal taxing authority, they shall contact the Settlement Administrator. The PAGA Settlement Members
16 shall not contact Defendant, any of the Released Parties, or Defense Counsel.

17 49. The PAGA Fund and any individual settlement check paid to Plaintiff and/or the PAGA
18 Settlement Members pursuant to this Settlement is not intended to count as earnings by Plaintiff or the
19 PAGA Settlement Members.

20 **VII. CLAIMS RELEASED BY PLAINTIFF**

21 **A. Claims Released by Plaintiff**

22 50. Upon Defendant's fulfillment of its Settlement Payment obligations under paragraph 34 of
23 this Agreement which includes Plaintiff's Payment, and in recognition of his work and efforts in obtaining
24 the benefits for the PAGA Settlement Members and undertaking the risk of paying litigation costs in the
25 event this matter had not successfully resolved, Plaintiff hereby provides a general release of claims for
26 himself and his spouse, heirs, executors, successors, assigns, administrators, and representatives and
27 forever releases, remises and discharges the Released Parties from any and all charges, complaints, claims,
28 liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits,

rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity, which he may now have or may have after the signing of this Agreement, arising out of or in any way connected with his employment with Defendant including, the PAGA Released Claims, claims that were asserted or could have been asserted and any and all transactions, occurrences, or matters between the Parties occurring prior to the date this Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but not be limited to, any and all claims under the (a) Americans With Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Labor Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, premiums, penalties, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs (“General Release”).

51. With respect to the General Release, Plaintiff stipulates and agrees that, upon Defendant’s fulfillment of its payment obligations under paragraph 34 of this Agreement, Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE

CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

52. Plaintiff understands the significance and consequences of a California Civil Code Section 1542 waiver, and understands that he hereby waives all claims, known or unknown, suspected or unsuspected against Released Parties. Plaintiff alone shall assume full responsibility for any damages or losses caused by this waiver.

53. Nothing contained in this Settlement shall be deemed a release or waiver by Plaintiff, that as a matter of law cannot be waived and/or released.

VIII. DISMISSALS AS CONDITIONS OF SETTLEMENT

54. Upon the Effective Date, the Action will be dismissed with prejudice.

IX. MISCELLANEOUS PROVISIONS

A. Voiding the Settlement

55. A failure of the Court to approve any material condition of this Settlement shall render the entire Settlement voidable and unenforceable as to Plaintiff and Defendant, at the option of Plaintiff or Defendant. Each party may exercise its option to void this Settlement as provided above by giving notice, in writing, to the other, and to the Court within fifteen (15) court days after the Order granting approval of the Settlement has been received by the party seeking to void the Settlement.

B. Mutual Full Cooperation

56. Plaintiff, Defendant, Plaintiff's Counsel, and Defendant's Counsel agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms herein. The Parties agree to use their best efforts and any other efforts that may become necessary by Order of the Court, or otherwise, to effectuate this Settlement.

C. Parties' Authority

57. The signatories hereto represent that they are fully authorized to enter into this Settlement.

1 **D. Binding Nature of the Settlement**

2 58. This Agreement and Release shall be binding on Plaintiff and the PAGA Settlement Members.
3 This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns of the Released
4 Parties. Plaintiff represents, covenants, and warrants that he has not directly or indirectly, assigned,
5 transferred, encumbered, any claim, demand, action, cause of action or rights released in the Released
6 Claims in this Settlement. This Settlement also shall be binding upon Plaintiff and the PAGA Settlement
7 Members.

8 59. This Settlement may be amended or modified only by a written instrument signed by Plaintiff's
9 Counsel and Plaintiff, as well as Defendant's Counsel and Defendant in this Action. No rights under this
10 Settlement may be waived except in writing.

11 60. This Settlement and any attached exhibits constitute the entire agreement between Plaintiff and
12 Defendant in this Action relating to the terms contained herein. All prior or contemporaneous agreements,
13 understandings and statements, whether oral or written, whether express or implied, and whether by a party
14 or its counsel, concerning this Settlement are merged herein. No oral or written representations, warranties
15 or inducements have been made to any party concerning this Settlement or its exhibits other than the
16 representations, warranties and covenants contained and memorialized in such documents.

17 61. Paragraph titles or captions contained herein are inserted as a matter of convenience and for
18 reference, and in no way define, limit, extend, or describe the scope of this Settlement or any of its
19 provisions. Each term of this Settlement is intended to be contractual and not merely a recital.

20 **E. Joint Drafting of Settlement Documents**

21 62. Plaintiff's Counsel and Defendant's Counsel have arrived at this Settlement as a result of a
22 series of arm's-length negotiations, taking into account all relevant factors, present and potential.

23 63. This Settlement has been drafted jointly by Plaintiff's Counsel and Defendant's Counsel and,
24 therefore, in any construction or interpretation of this Settlement, the same shall not be construed against
25 any of the Parties.

26 64. Plaintiff and Plaintiff's Counsel agree that none of the documents provided to them by the
27 Defendant in this Action shall be used for any purpose other than the settlement of this Action as they were
28 confidentially provided by Defendant under the mediation privilege (Evidence Code section 1119, *et seq.*).

Transmittal by Plaintiff and/or Plaintiff's Counsel or anyone acting on their behalf to any third party (including, but not limited to, a retained consultant or expert) of any of the confidentially provided documents by Defendant in this Action does not waive the protections of Evidence Code section 1119, *et seq.* Specifically, none of the documents provided by Defendant shall be used to pursue any subsequent claims or litigation against Defendant or the Released Parties.

F. Execution of the Settlement

65. This Settlement may be executed in one or more counterparts and by facsimile. All executed copies of this Settlement and photocopies thereof shall have the same force and effect and shall be as legally binding and enforceable as the original.

G. No Press Release or Publicity Regarding the Settlement

66. Plaintiff, Plaintiff's Counsel and/or the PAGA Settlement Members, shall not issue any media or press release, initiate any contact with the media or the press, respond to any media or press inquiry or have any communications with the media or the press about the fact, amount or terms of this Settlement. Plaintiff, Plaintiff's Counsel and/or the PAGA Settlement Members shall not publicize or refer to the fact or amount of the Settlement, on their websites, social media, any other marketing materials, or legal publication. Plaintiff, Plaintiff's Counsel and/or the PAGA Settlement Members will not state on their websites, social media, any other marketing materials, or legal publications, that Defendant engaged in any act contrary to California law, will not disparage any of the Released Parties, or otherwise identify Defendant. Plaintiff and Plaintiff's Counsel agree to keep the terms of the Settlement Agreement confidential, except as reasonably necessary to obtain judicial approval of the Settlement Agreement. To the extent limited public disclosures are required to effectuate the Settlement Agreement or to notify courts or parties, such limited and necessary details may be revealed with the consent of all Parties. However, any such disclosures shall not constitute a waiver of confidentiality with respect to any information not publicly disclosed. Defendant shall be allowed to report the Settlement or results of this lawsuit if required to do so by public disclosure regulatory requirements or with respect to any financial or other disclosures which in their judgment are necessary.

H. Continuing Jurisdiction of the Court

67. Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that the Court

1 shall retain jurisdiction over the Parties, and over this Settlement, in order to: (i) monitor and enforce
2 compliance of Settlement, and/or (ii) resolve any disputes over this Settlement or the administration of the
3 benefits of this Settlement.

4 **I. Representations by Plaintiff**

5 68. Plaintiff acknowledges the following:

- 6 (a) Plaintiff has carefully read and fully understands all of the provisions of this
7 Settlement;
- 8 (b) Plaintiff knowingly and voluntarily agrees to all of the terms set forth in this
9 Settlement and has not been coerced, threatened, or intimidated into executing this
10 Settlement;
- 11 (c) Plaintiff was advised, and hereby is advised in writing, to consider the terms of this
12 Settlement and consult with his attorney before signing this Settlement.
- 13 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
14 Plaintiff acknowledges that all parties shall bear their own fees and costs through
15 the conclusion of this Action.

16 **J. Representations by Defendant**

17 69. Defendant acknowledges the following:

- 18 (a) Defendant has carefully read and fully understands all of the provisions of this
19 Settlement;
- 20 (b) Defendant knowingly and voluntarily agrees to all of the terms set forth in this
21 Settlement and has not been coerced, threatened, or intimidated into executing this
22 Settlement;
- 23 (c) Defendant was advised, and hereby is advised in writing, to consider the terms of
24 this Settlement and consult with its attorney before signing this Settlement.

25 **[CONTINUED ON NEXT PAGE]**

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28

(d) Other than the fees and costs awarded pursuant to the terms of this Settlement, Defendant acknowledges that all parties shall bear their own fees and costs through the conclusion of this action.

AGREED TO BY PLAINTIFF:

DATED: October ^{10/7/2022}__, 2022

MUNZER ALKADDOMUI, individually and on behalf of the State of California and the other aggrieved employees

DocuSigned by:

Munzer (Mike) Alkaddomui

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AGREED TO BY DEFENDANT:

DATED: October ¹⁴__, 2022

FREMONT AUTOMOTIVE ACQUISITION, INC.

By: Mike Bates

General Manager for Fremont Automotive Acquisition, Inc.

AGREED TO BY PLAINTIFF'S COUNSEL:

MOON & YANG, APC

DATED: October __, 2022

[Signature]
Kane Moon
Allen Feghali

AGREED TO BY DEFENDANT'S COUNSEL:

FISHER & PHILLIPS LLP

DATED: October ¹³__, 2022

[Signature]
Karl R. Lindegren
Lizbeth Ochoa

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EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

MUNZER ALKADDOMUI, on behalf of the
State of California and other aggrieved persons,

Plaintiff,

vs.

FREMONT AUTOMOTIVE ACQUISITION, a
California corporation dba FLETCHER JONES
MOTORCARS; and DOES 1 through 10,
inclusive,

Defendants.

CASE NO. RG21106760

**NOTICE OF PAGA SETTLEMENT AND
RELEASE**

Action Filed: July 23, 2021

**[INSERT AGGRIEVED EMPLOYEE NAME
AND ADDRESS]**

Dear [insert aggrieved employee name]:

The enclosed check is your proportionate share of a court-approved representative action settlement between Plaintiff Munzer Alkaddomui ("Plaintiff") and Defendant Fremont Automotive Acquisition ("Defendant"). Plaintiff filed a lawsuit against Defendant as the representative of the State of California and Defendant's other current and former non-exempt employees who performed work in California. The lawsuit was filed in Alameda County Superior Court Case No. RG21106760. Plaintiff asserted claims against Defendant under California Labor Code section 2698, et seq., also known as the California Private Attorneys General Act ("PAGA"), based on the alleged failure by Defendant to pay all wages, including minimum wage and/or overtime; failing to timely pay all wages, including final wages at the end of employment; maintaining inaccurate and incomplete records; non-compliant meal and/or rest periods; non-compliant earning statements/paystubs and failing to reimburse for all necessary business expenses. Defendant denies that it violated the law in any way but agreed to enter into a settlement to avoid the cost and disruption of litigation.

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

1 and predecessors in interest, subsidiaries, affiliates, parent companies, any individual and/or entity which
2 could be jointly liable with Defendant including Fremont M, LLC dba Fletcher Jones Motorcars of Fremont
3 and Fremont P, LLC dba Porsche of Fremont and all respective attorneys (**"Released Parties"**) for civil
4 penalties under PAGA arising from the alleged violations of Labor Code §§201, 202, 203, 204, 210, 226,
5 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2698, 2699, 2699.3,
6 2699.5 and the related applicable IWC Wage Order (**"Released Claims"**). This means you are not able to
7 that you are not able to pursue a PAGA lawsuit against Defendant or the Released Parties based on such
8 Released Claims. The only individual claims that have been released are those of Plaintiff, no other
9 individual claims are released.

10 The enclosed check is your share of the settlement. The payment amount was calculated based on the number
11 of work weeks you worked for Defendant during the PAGA Period. Because this calculation was approved
12 by the Court, the amount of your payment is final and cannot change. Enclosed with your check is an IRS
13 Form 1099. Please note that no taxes were withheld from your payment, so it will be your responsibility to
14 pay any taxes that may be due. You should consult with your own tax accountant with regard to any
15 questions that you may have concerning any taxes that may be due. Further, you are bound by the settlement
16 and release of claims based on the Court's final judgment whether or not you cash or deposit the enclosed
17 check. Please cash or deposit the check on or before its printed void date. Checks will not be reissued after
18 the void date.

19 If you have any questions or would like more information about the settlement or this lawsuit, you may
20 contact the Settlement Administrator at _____. Please note that the
21 Settlement Administrator cannot provide tax advice.