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Attorneys for Plaintiff
FELICIA SAUL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

FELICIA SAUL, individually, and on behalf
of other members of the general public
similarly situated;

Plaintiff,

vs.

RELIABLE PARTES, INC., an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 34-2021-00304950

*Assigned for all purposes to the Honorable
Lauri A. Damrell, Dept. 28*

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

Complaint Filed: July 26, 2021
Trial: None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Felicia Saul, individually and on behalf of the Settlement Class and Defendant Reliable Parts, Inc.

DEFINITIONS

1. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

2. “Action” means the court action, entitled “*Felicia Saul v. Reliable Partes, Inc et. al.*,” Case No. 34-2021-00304950, pending before the Sacramento County Superior Court.

3. “Class Counsel” means Protection Law Group, LLP.

4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed Thirty-Five Percent (35%) of the Gross Settlement Amount, i.e. Six Hundred Thousand Dollars and Zero Cents (\$600,000.00) and the reimbursement costs and expenses associated with the litigation and settlement of the Action, not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs and expenses in the amount set forth above.

5. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member’s: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; (6) total Workweeks during the Class Period; (7) total Workweeks during the PAGA Period; and (8) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement.

6. “Class” or “Class Members” means all current and former hourly-paid, non-exempt employees of Defendant who were employed by Defendant in the State of California, at any time during the Class Period.

7. “Class Period” means the period from July 26, 2017, and ending on the date of mediation, June 14, 2022.

8. “Class Representatives” means Plaintiff Felicia Saul in her capacity as representative of the Participating Class Members.

9. “Class Representative Enhancement Payment” means the amount that the Court authorizes to be paid to Plaintiff Felicia Saul, in addition to her Individual Settlement Payment, in recognition of the efforts and risks she has taken in assisting with the prosecution of the Action and in exchange for the General Release of their claims as provided herein.

10. “Court” means the Superior Court of the State of California for the County of Sacramento.

11. “Defendant” means Reliable Parts Inc.

12. “Effective Date” means: the later of: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement

13. “Final Approval” means the Court entering an order granting final approval of the Settlement Agreement.

14. “Gross Settlement Amount” means the sum of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendant.

15. “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each Participating Class Member and any payment a PAGA Member is eligible to receive from the employee portion of the PAGA Payment. Individual Settlement

1 Payments shall be paid by a Settlement Check made payable to Participating Class Members
2 and/or PAGA Members.

3 16. "Net Settlement Amount" means the funds available for payments to the Class,
4 which shall be amount remaining after the following amounts are deducted from the Gross
5 Settlement Amount: (1) Class Counsel's fees, (2) Class Counsel's costs, (3) Settlement
6 Administration Costs, (4) Class Representative Enhancement Payments to Plaintiff Saul; and (5)
7 the PAGA Payment to the LWDA and PAGA Members.

8 17. "Notice" means the Notice of Class Action Settlement in a form substantially
9 similar to the form attached hereto as Exhibit A, that will be mailed to Class Members' last
10 known addresses and which will provide Class Members with information regarding the Action
11 and information regarding the settlement of the Action.

12 18. "PAGA" means the California Labor Code Private Attorneys General Act of 2004
13 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA").

14 19. "PAGA Payment" means the amount that the Parties have agreed to allocate in
15 order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§
16 2698, *et seq.*)("PAGA"). The Parties have agreed that Fifty Thousand Dollars and Zero Cents
17 (\$50,000.00) of the Gross Settlement Amount will be allocated to the resolution of Plaintiff's
18 PAGA Claims. Seventy Five Percent (75%) of this amount (\$37,500.00) will be paid to the
19 California Labor and Workforce Development Agency in accordance with Labor Code §§ 2698
20 *et seq.* Twenty Five Percent (25%) of this amount (\$12,500.00), will be distributed to PAGA
21 Members. PAGA Members will receive payment from the employee portion of the PAGA
22 Payment regardless of their decision to participate in the class action if the PAGA Payment is
23 approved by the Court.

24 20. "PAGA Period" means the period from July 15, 2021, and ending on the date of
25 mediation June 14, 2022.

26 21. "PAGA Members" means all current and former non-exempt employees of
27 Defendant who were employed by Defendant in the state of California at any time during the
28 PAGA Period.

22. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either Plaintiff or Defendant, individually.

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

24. “Plaintiff” means Felicia Saul.

25. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

26. “Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the objector’s full name, address, telephone number, last four digits of the employee’s social security number or employee ID number and (b) the name of the case and case number; and (c) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection.

27. “Released Class Claims” means claims, rights, demands, liabilities and causes of actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action including the following claims: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; and (vii) unfair business practices. This release shall apply to claims arising during the Class Period.

28. “Released PAGA Claims” means claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged both in the PAGA Notice provided to the LWDA and in the operative complaint including penalties that could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699 during the PAGA Period.

29. “Released Parties” means Defendant Reliable Parts, Inc., and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent

1 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint
2 venturers.

3 30. "Request for Exclusion" means a valid and timely written statement submitted by
4 a Class Member requesting to be excluded from the Action. To be effective, the Request for
5 Exclusion must contain (a) the Class Member's name, address, telephone number, and the last
6 four digits of the Class Member's Social Security number and/or the Employee ID number and
7 (b) a clear statement requesting to be excluded from the settlement of the class claims similar to
8 the following: "I wish to exclude myself from the class settlement reached in the matter of *Saul*
9 *v. Reliable Parts*. I understand that by excluding myself, I will not receive money from the
10 settlement of my individual claims." To be effective, the Request for Exclusion must be post-
11 marked by the Response Deadline and received by the Settlement Administrator. The Request
12 for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys
13 General Act.

14 31. "Response Deadline" means the date sixty (60) days after the Settlement
15 Administrator mails Notice to Class Members and the last date on which Class Members may
16 submit Requests for Exclusion, written objections to the Settlement, or Workweek Disputes. In
17 the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be
18 extended to the next day on which the U.S. Postal Service is open. The Response Deadline for
19 Requests for Exclusion or objections will be extended fifteen (15) calendar days for any Class
20 Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on
21 a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next
22 day on which the U.S. Postal Service is open. The Response Deadline may also be extended by
23 express agreement between Class Counsel and Defendant. Under no circumstances, however,
24 will the Settlement Administrator have the authority to unilaterally extend the deadline for Class
25 Members to submit a Request for Exclusion or objection to the settlement.

26 32. "Settlement" means the disposition of the Action pursuant to this Agreement.
27
28

33. “Settlement Administrator” means ILYM Group, Inc. 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.

34. “Settlement Administration Costs” mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the class member Workweeks from the information contained in the Class List, calculating each Participating Class Member’s Individual Settlement Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs shall not exceed Eight Thousand Five Hundred Dollars and Zero Cents (\$8,500.00).

35. “Workweek” shall mean any calendar week (i.e. a week beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member worked at least 1 day in California.

TERMS OF AGREEMENT

36. Consolidation of Class Action Matter and PAGA Representative Matter: For the purposes of settlement approval, the parties shall file, prior to or simultaneously with the Motion for Preliminary Approval, a stipulation and order to consolidate for all purposes the class action matter (Sacramento Superior Court Case No. 34-2021-00304950) and the PAGA representative action (Sacramento Superior Court Case No. 34-2021-00308255), and that the class action matter will be designated the lease case.

37. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Enhancement Payments, Class Counsel’s Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on

the Individual Settlement Payments, or as a result of an increase in the number of workweeks as set forth below, Defendant shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendant.

38. Potential Increase to the Gross Settlement Amount: Defendant has represented there are approximately 11,451 Workweeks within the period of July 27, 2017 and May 20, 2022, and approximately 142 class members within that same time. Should the actual number of Workweeks increase by more than ten percent (10%) (i.e. by more than 1,145 Workweeks) within the Class Period, Defendant shall increase the Gross Settlement Amount on a *pro-rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 12,597 Workweeks, the Gross Settlement Amount will increase by 1%.

39. Funding of the Gross Settlement Amount: Within fourteen (14) calendar days of the Effective Date of the Settlement, Defendant will deposit the Gross Settlement Amount and all applicable employer-side payroll taxes into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8 digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than seven (7) calendar days of the Effective Date.

40. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days of the funding of the Settlement, the Settlement Administrator will issue payments for: (a) Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development Agency; (c) the Class Representative Enhancement Payments; (d) Class Counsel's Fees and Costs and (e) Settlement Administration Costs.

41. Attorneys' Fees and Costs: Defendant agrees not to oppose any application or motion by Class Counsel for attorneys' fees of not more than Two Hundred Ten Thousand Dollars and Zero Cents (\$210,000.00) plus the reimbursement of costs and expenses associated with the litigation and settlement of the Action, in an amount not to exceed Forty Thousand

Dollars and Zero Cents (\$40,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

42. Class Representative Enhancement Payment: Defendant agrees not to oppose or object to any application or motion by Plaintiff for Class Representative Enhancement Payment of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff Felicia Saul. The Class Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's individual claims and for their time, effort and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative Enhancement Payments that is not awarded to the Class Representative shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

43. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Eight Thousand Five Hundred Dollars and Zero Cents (\$8,500.00).

44. PAGA Payment: Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, or Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$37,500.00), to the California Labor and Workforce Development Agency ("LWDA"). Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00), will be distributed to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Payment regardless of their decision to opt-out of the class settlement.

45. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members Individual

Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$	600,000.00
Enhancement Payments:	\$	(7,500.00)
Class Counsel's Fees:	\$	(210,000.00)
Class Counsel's Costs:	\$	(40,000.00)
PAGA Payment	\$	(50,000.00)
Settlement Administration Costs:	\$	(8,500.00)
Estimated Net Settlement Amount	\$	\$284,000.00

46. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount and the 25% portion of the PAGA Payment allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Participating Class Member. Each Participating Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated share of the Net Settlement Amount.

b) Calculation of PAGA Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The respective Workweeks for each PAGA Member will be divided by the total Workweeks for all PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's Payment Ratio will then be multiplied by the employee portion of the PAGA Payment

1 to calculate each PAGA Member's estimated share of the PAGA Payment. PAGA Members
2 shall receive this portion of their Individual Settlement Payment regardless of whether they opt
3 out of the participation regarding the class claims.

4 b) Allocation of Individual Settlement Payments: All Individual Settlement
5 Payments will be allocated as follows: twenty percent (20%) of each Individual Settlement
6 Payment will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty
7 percent (40%) shall be allocated as penalties. The portion of the Individual Settlement Payment
8 allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The
9 remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement
10 Administrator.

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

19 48. Settlement Administration Process: The Parties agree to cooperate in the
20 administration of the Settlement and to make all reasonable efforts to control and minimize the
21 costs and expenses incurred in administration of the Settlement. The Settlement Administrator
22 will provide the following services:

- 23 a) Establish and maintain a Qualified Settlement Fund.
- 24 b) Calculate the Individual Settlement Payment each Participating Class
25 Member is eligible to receive and the portion of the PAGA Payment each
26 PAGA Member shall receive.
- 27 c) Print and mail the Notice.
- 28

- d) Conduct additional address searches for mailed Notices that are returned as undeliverable.
- e) Process Requests for Exclusion, field inquiries from Class Members,
- f) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.
- g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process.
- h) Provide weekly status reports to counsel for the Parties.
- i) Posting a notice of final judgment online at Settlement Administrator's website.
- j) Translate the Notice from English to Spanish

49. Delivery of the Class List: Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. This is a material term of the Agreement, and if Defendant fails to comply, Plaintiff shall have the right to void the Agreement.

50. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

51. Confirmation of Contact Information in the Class List: 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 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. If no forwarding address is provided, the Settlement Administrator will promptly

1 attempt to determine the correct address using a skip-trace, or other search using the name,
2 address and/or Social Security number of the Class Member involved, and will then perform a
3 single re-mailing. If any notice sent to a Class Member by the Settlement Administrator is
4 returned as undeliverable to a current employee, then Defendant shall make all reasonable efforts
5 to obtain the current address from the Class Member and provide the same within seven (7)
6 calendar days of notice from the Settlement Administrator. Those Class Members who receive a
7 re-mailed Notice, whether by skip-trace or by request, will have between the later of (a) an
8 additional fifteen (15) calendar days or (b) the Response Deadline to postmark a Request for
9 Exclusion, or an objection to the Settlement.

10 52. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
11 information regarding the nature of the Action; (b) a summary of the Settlement's principal
12 terms; (c) the Class definition; (d) the total number of Workweeks each respective Class Member
13 worked for Defendant during the Settlement Class Period; (e) each Class Member's estimated
14 Individual Settlement Payment and the formula for calculating Individual Settlement Payments;
15 (f) the dates which comprise the Class Period; (g) the deadlines by which the Class Member must
16 postmark Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (h) the
17 claims to be released, as set forth herein; and (j) the date for the final approval hearing.

18 53. Disputed Information on Notice: Class Members will have an opportunity to
19 dispute the information provided in their Notice. To the extent Class Members dispute the
20 number of Workweeks with which they have been credited or the amount of their Individual
21 Settlement Payment, Class Members may produce evidence to the Settlement Administrator
22 showing that such information is inaccurate. Absent evidence rebutting Defendant's records,
23 Defendant's records will be presumed determinative. However, if a Class Member produces
24 evidence to the contrary by the Response Deadline, the Parties will evaluate the evidence
25 submitted by the Class Member and the Parties will make the final decision as to the number of
26 eligible Workweeks that should be applied and/or the Individual Settlement Payment to which
27 the Class Member may be entitled. If the Parties do not agree, the dispute will be submitted to
28 the Court.

1 54. Defective Submissions: If a Class Member's Request for Exclusion is defective as
2 to the requirements listed herein, that Class Member will be given an opportunity to cure the
3 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
4 business days of receiving the defective submission to advise the Class Member that his or her
5 submission is defective and that the defect must be cured to render the Request for Exclusion
6 valid. The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15)
7 calendar days from the date of the cure letter, whichever date is later, to postmark a revised
8 Request for Exclusion. If a Class Member responds to a cure letter by filing a defective claim,
9 then the Settlement Administrator will have no further obligation to give notice of a need to cure.
10 If the revised Request for Exclusion is not postmarked within that period, it will be deemed
11 untimely.

12 55. Request for Exclusion Procedures: Any Class Member wishing to opt-out from
13 the Action must sign and postmark a written Request for Exclusion to the Settlement
14 Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class
15 Member's name, address, telephone number, and the last four digits of the Class Member's
16 Social Security number and/or the Employee ID number and (b) a clear statement requesting to
17 be excluded from the settlement of the class claims similar to the following: "I wish to exclude
18 myself from the class settlement reached in the matter of *Saul v. Reliable Parts*. I understand that
19 by excluding myself, I will not receive money from the settlement of my individual claims. The
20 date of the postmark on the return mailing envelope receipt confirmation will be the exclusive
21 means to determine whether a Request for Exclusion has been timely submitted. All Requests for
22 Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class
23 Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. All
24 Class Members who do not request exclusion from the Action will be bound by all terms of the
25 Settlement Agreement if the Settlement is granted final approval by the Court. The Request for
26 Exclusion shall not be effective as to the release of claims arising under the Private Attorneys
27 General Act.

28 56. Defendant's Right to Rescind: If ten percent (10%) or more of the Class Members

(rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this right and must make clear their intent to rescind the Agreement within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of these opt-outs. If Defendant exercises its right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration Costs incurred to the date of rescission.

57. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively opt-out of the Settlement 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. Class Members who opt-out of the Settlement shall not be bound by such Judgment or release. The names of Class Members who have opted-out of the settlement shall be disclosed to the Counsel for both Plaintiff and Defendant and noted in the proposed Judgment submitted to the Court.

58. Objection Procedures: To object to the Settlement, a Participating Class Member must postmark a valid Objection to the Settlement Administrator on or before the Response Deadline. The Objection must be signed by the Participating Class Member and contain all information required by this Settlement Agreement including the employees full name, address, telephone number, the last four digits of their social security number and/or Employee ID number, the name of the case and case number, and the specific reason including any legal grounds for the Participating Class Members objection. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. Participating Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit written objections to the

1 Settlement or appeal from the Order and Judgment. Class Counsel will not represent any Class
2 Members with respect to any objections to this Settlement.

3 59. Certification Reports Regarding Individual Settlement Payment Calculations: The
4 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report
5 which certifies: (a) the number of Class Members who have submitted valid Requests for
6 Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member
7 has submitted a challenge to any information contained in the Notice. Additionally, the
8 Settlement Administrator will provide to counsel for both Parties any updated reports regarding
9 the administration of the Settlement Agreement as needed or requested.

10 60. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
11 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
12 eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his
13 or her Settlement Check or PAGA payment check within 180 days, the uncashed funds shall be
14 distributed to the Controller of the State of California to be held pursuant to the Unclaimed
15 Property Law, California Civil Code §1500, *et. seq.* for the benefit of those Participating Class
16 Members and PAGA Members who did not cash their checks until such time that they claim
17 their property. The Parties agree that this disposition results in no "unpaid residue" under
18 California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to
19 Participating Class Members and PAGA Members, whether or not they all cash their Settlement
20 Checks or PAGA payment checks. Therefore, Defendant will not be required to pay any interest
21 on such amounts. The Individual Settlement Payments provided to Participating Class Members
22 and to PAGA Members shall prominently state the expiration date or a statement that the
23 Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a statement
24 may be made in a letter accompanying the Individual Settlement Payment. Expired Individual
25 Settlement Payments will not be reissued, except for good cause and as mutually agreed by the
26 Parties in writing. The parties agree no unclaimed funds will result from the settlement.

27 61. Administration of Taxes by the Settlement Administrator: The Settlement
28 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class

1 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid
2 pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding
3 all payroll taxes and penalties to the appropriate government authorities.

4 62. Tax Liability: Defendant makes no representation as to the tax treatment or legal
5 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are
6 not relying on any statement, representation, or calculation by Defendant or by the Settlement
7 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
8 they will be solely responsible for the payment of any taxes and penalties assessed on the
9 payments described herein. Defendant's share of any employer payroll taxes and other required
10 employer withholdings due on the Individual Settlement Payments, including, but not limited to,
11 Defendant's FICA and FUTA contributions, shall be paid separate and apart from the Gross
12 Settlement Amount.

13 63. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this
14 section, the "acknowledging party" and each Party to this Agreement other than the
15 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this
16 Agreement, and no written communication or disclosure between or among the Parties or their
17 attorneys and other advisers, is or was intended to be, nor shall any such communication or
18 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of
19 United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the
20 acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and
21 tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not
22 entered into this Agreement based upon the recommendation of any other Party or any attorney
23 or advisor to any other Party, and (c) is not entitled to rely upon any communication or
24 disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be
25 imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has
26 imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
27 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
28 acknowledging party of the tax treatment or tax structure of any transaction, including any

transaction contemplated by this Agreement.

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

65. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant, Participating Class Members shall fully release and discharge the Released Parties from the Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members.

66. Release by the State of California and LWDA: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes Plaintiff, as the PAGA Representative, and the State of California and Labor and Workforce Development Agency shall fully release and discharge the Released Parties from all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged both in the PAGA Letter to the LWDA and in the operative complaint including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699.

67. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross Settlement Amount, Plaintiff Saul agrees—on behalf of herself only—to the additional following General Release: In consideration of Defendant's promises and agreements as set forth herein, Plaintiff hereby fully releases the Released Parties from any and all Released Class Claims and Released PAGA Claims and also generally releases and discharges the Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against the Released Parties arising out of or relating to their employment by Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims,

1 demands, obligations and/or causes of action for damages, restitution, penalties, interest, and
2 attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any
3 way connected with the matters referred to herein, whether or not known or suspected to exist,
4 and whether or not specifically or particularly described herein. Specifically, Plaintiff Saul,
5 waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

6 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
7 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
8 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
9 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
10 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
11 DEBTOR OR RELEASED PARTY.

12 This release specifically excludes claims for unemployment insurance, disability, social
13 security, and workers compensation (with the exception of claims arising pursuant to California
14 Labor Code Sections 132(a) and 4553)

15 68. Neutral Employment Reference: Defendant agrees that it will effectuate a neutral
16 reporting policy regarding any future employment references related to Plaintiff. In the event that
17 any potential or future employers of Plaintiff requests a reference regarding Defendant's
18 employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of
19 employment, job titles during employment, and final rate of pay. Defendant shall not refer to the
20 Action or this Settlement

21 69. Nullification of Settlement Agreement: In the event that: (a) the Court does not
22 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any
23 material term of this Settlement Agreement; or (c) the Settlement does not become final as
24 written and agreed to by the Parties for any other reason, then this Settlement Agreement, and
25 any documents generated to bring it into effect, will be null and void, all amounts deposited into
26 the QSF will be returned to Defendant, and the Parties shall be returned to their original
27 respective positions. Any order or judgment entered by the Court in furtherance of this
28 Settlement Agreement will likewise be treated as void from the beginning. Should the Court fail

1 to approve this settlement for any reason, the Parties agree that they will return to and attend
2 mediation with a mutually agreed Mediator in an effort to reach a settlement that may be
3 approved by the Court.

4 70. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
5 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
6 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes
7 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for
8 a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for
9 the Notice to be sent to all Class Members as specified herein. In conjunction with the
10 Preliminary Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of
11 the Settlement, and will include the proposed Notice attached as Exhibit A. Defendant agrees
12 that it will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to
13 fully and completely approve the Agreement as to the Action will result in this Settlement
14 Agreement and the Memorandum of Understanding entered into by the Parties, and all
15 obligations under this Settlement Agreement and the Memorandum of Understanding being
16 nullified and voided.

17 71. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of
18 the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and
19 with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
20 determine the Final Approval of the Settlement Agreement along with the amounts properly
21 payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class
22 Representative Enhancement Payments; and (d) the Settlement Administration Costs. Class
23 Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Any
24 failure by the Court to fully and completely approve the Settlement Agreement as to all of the
25 Action, or the entry of any Order by another Court with regard to any of the Action which has
26 the effect of modifying material terms of this Agreement or preventing the full and complete
27 approval of the Settlement Agreement as written and agreed to by the Parties, will result in this
28 Agreement and all obligations under this Agreement being null and void. Defendant agrees it

shall not oppose the granting of the Motion for Final Approval, provided Defendant has not exercised its right to rescind pursuant to the terms of this Agreement.

72. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

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

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

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

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

77. Binding on Successors and Assigns: This Settlement Agreement will be binding

upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

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

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

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

82. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.

83. Class Action Certification for Settlement Purposes Only: The Parties agree to stipulate to class action certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Agreement

will not be admissible in this or any other proceeding as evidence that either: (a) a class action should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

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

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

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

87. Enforcement Action: In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'

1 fees and costs, including expert witness fees incurred in connection with any enforcement
2 actions.

3 88. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms
4 and conditions of this Agreement. Accordingly, this Agreement will not be construed more
5 strictly against one Party than another merely by virtue of the fact that it may have been prepared
6 by counsel for one of the Parties, it being recognized that, because of the arms-length
7 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
8 Agreement.

9 89. Representation By Counsel: The Parties acknowledge that they have been
10 represented by counsel throughout all negotiations that preceded the execution of this
11 Agreement, and that this Agreement has been executed with the consent and advice of counsel
12 and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no
13 liens on the Agreement.

14 90. All Terms Subject to Final Court Approval: All amounts and procedures
15 described in this Settlement Agreement herein will be subject to final Court approval.

16 91. Cooperation and Execution of Necessary Documents: The Parties agree to
17 cooperate to promote participation in the Settlement, and in seeking court approval of the
18 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
19 Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any
20 settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class
21 Member prior to the funding of the Gross Settlement Amount concerning claims released via
22 this Agreement, or enter into any arbitration agreement with any Class Member that covers the
23 claims released via this Agreement during the Settlement approval process prior to the funding of
24 the Gross Settlement Amount and that the Parties will work in good faith to reach an agreement
25 approved by the Court.

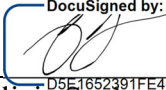
26 92. Confidentiality: The Parties and their counsel agree to keep the terms of the
27 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
28 Class Counsel, Defendant and their counsel agree that they will not issue any press releases,

initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement Agreement shall limit Defendant's ability to fulfill disclosure obligations reasonably required by law or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement or limit Class Counsel's communications with the Class Members in furtherance of approval of this Settlement.

93. Binding Agreement: The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties under CCP section 664.6, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

Dated: 10/7/2022

PLAINTIFF

By: 
DocuSigned by:
D5E1652391FE467...
 Felicia Saul

Dated: September 27, 2022

PROTECTION LAW GROUP, LLP

By: 
 Heather Davis, Esq.
 Amir Nayebdadash, Esq.
 Carlos Jimenez, Esq.
 Attorneys for Plaintiff

Dated: _____

DEFENDANT

RELIABLE PARTS, INC.

By: _____

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Name: _____

Title: _____

Dated: _____

GORDON REES SCULLY MANSUKHANI LLP

By: _____

Geoffrey Lee
Attorneys for Defendant

1 initiate any contact with the press, respond to any press inquiry or have any communication with
2 the press about the fact, amount or terms of the Settlement Agreement. Nothing in this
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4 required by law or in furtherance of business purposes, including the fulfillment of obligations
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6 Members in furtherance of approval of this Settlement.

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8 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
9 fully enforceable and binding on all Parties under CCP section 664.6, and agree that it will be
10 admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any
11 settlement confidentiality provisions that otherwise might apply under federal or state law.

12
13 Dated: _____

PLAINTIFF

14 By: _____

15 Felicia Saul

16
17 Dated: September 27, 2022

PROTECTION LAW GROUP, LLP

18
19 By: _____

20 Heather Davis, Esq.

21 Amir Nayebdadash, Esq.

22 Carlos Jimenez, Esq.

23 Attorneys for Plaintiff

24 Dated: October 4, 2022

DEFENDANT

25 **RELIABLE PARTS, INC**

26 By: _____

27 Thomas Brooker

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Name: Thomas Brooker
Title: CEO

Dated: October 4, 2022

GORDON REES SCULLY MANSUKHANI LLP

By: *Geoffrey Lee*
Geoffrey Lee
Attorneys for Defendant