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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ALEJANDRO VALDEZ, individually and on
behalf of others similarly situated;

Plaintiff,

vs.

C.H.I. AUTOMART, INC., a California limited
liability corporation; and DOES 1 through 25,
inclusive,

Defendants.

Case No. 21STCV40168

Assigned to the Hon. Lawrence P. Riff, Dept. 7

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 15, 2023

Time: 10:00 a.m.

Dept.: 7

Complaint Filed: November 1, 2021

1 **[PROPOSED] ORDER**

2 On August 15, 2023, at 10:00 a.m. in Department 7 of the above-captioned Court located at
3 312 North Spring Street, Los Angeles, California 90012, Plaintiff, Alejandro Valdez's ("Plaintiff")
4 Motion for Preliminary Approval of Class Action and PAGA Settlement came on for hearing before
5 the Honorable Lawrence P. Riff. Blackstone Law, APC appeared on behalf of Plaintiff and Fisher &
6 Phillips LLP and Elkins Employment Law appeared on behalf of Defendant C.H.I. Automart, Inc.
7 ("Defendant").

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby **GRANTS** Plaintiff's Motion for Preliminary
10 Approval of Class Action and PAGA Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
13 Settlement ("Settlement," "Agreement," or "Settlement Agreement"), attached as Exhibit B to the
14 Declaration of Jonathan M. Genish in Support of Motion for Preliminary Approval of Class Action
15 Settlement. This is based on the Court's determination that the Settlement falls within the range of
16 possible approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement, and
18 all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate, and
21 reasonable. It appears to the Court that extensive investigation and research have been conducted such
22 that counsel for the parties at this time are able to reasonably evaluate their respective positions. It
23 further appears to the Court that the Settlement, at this time, will avoid substantial additional costs by
24 all parties, as well as avoid the delay and risks that would be presented by the further prosecution of
25 the case. It further appears that the Settlement has been reached as the result of intensive, serious and
26 non-collusive, arms-length negotiations, and was entered into in good faith.

27 4. The Court preliminarily finds that the Settlement, including the allocations for
28 attorneys' fees in an amount not to exceed 33% of the Gross Settlement Payment, reimbursement of
litigation costs and expenses in an amount not to exceed \$20,000.00, a class representative service

1 payment in the amount of \$5,000.00, LWDA Payment of \$10,000.00, and payments to the
2 Participating Class Members provided thereby, appear to be within the range of reasonableness of a
3 settlement that could ultimately be given final approval by this Court. Indeed, the Court has reviewed
4 the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the
5 monetary settlement awards made available to the Settlement Class Members are fair, adequate, and
6 reasonable when balanced against the probable outcome of further litigation relating to certification,
7 liability, and damages issues and are consistent with the requirements of California Labor Code §
8 2699(1).

9 5. The Court concludes that, for settlement purposes only, the proposed Settlement Class
10 meets the requirements for certification under section 382 of the California Code of Civil Procedure
11 in that: (a) the Settlement Class is ascertainable and so numerous that joinder of all members of the
12 Settlement Class is impracticable; (b) common questions of law and fact predominate, and there is a
13 well-defined community of interest amongst the members of the Settlement Class with respect to the
14 subject matter of the litigation; (c) Plaintiff's claims are typical of the claims of the members of the
15 Settlement Class; (d) Plaintiff will fairly and adequately protect the interests of the members of the
16 Settlement Class; (e) a class action is superior to other available methods for the efficient adjudication
17 of the controversy; and (f) Class Counsel are qualified to act as counsel for Plaintiff in their individual
18 capacities and as the representatives of the Settlement Class.

19 6. The Court conditionally certifies, for settlement purposes only, the Settlement Class,
20 defined as follows:

21 "all current and former non-exempt or hourly paid employees of Defendant
22 that have worked for Defendant in the State of California during the Class
23 Period."

24 7. The Court provisionally appoints Jonathan M. Genish of Blackstone Law, APC as
25 counsel for the Settlement Class ("Class Counsel").

26 8. The Court provisionally appoints Plaintiff Alejandro Valdez as the representative of
27 the Settlement Class ("Class Representative").

28 9. The Court provisionally appoints ILYM Group, Inc. ("ILYM") to handle the
administration of the Settlement ("Settlement Administrator").

1 10. Within seven (7) calendar days after entry of this Order, Defendant will deliver the
2 Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class
3 Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class
4 Data only for purposes of this Settlement and for no other purpose, and restricts access to the Class
5 Data to Administrator employees who need access to the Class Data to effect and perform under the
6 Settlement Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it
7 discovers that the Class Data omitted class member identifying information and to provide corrected
8 or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which
9 Defendant must send the Class Data to the Administrator, the Parties and their counsel will
10 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to
11 missing or omitted Class Data. The Court approves, both as to form and content, the Notice of Class
12 Action Settlement ("Class Notice") attached hereto as Exhibit 1. The Class Notice shall be provided
13 to Settlement Class Members in the manner set forth in the Settlement Agreement. The Court finds
14 that the Class Notice appears to fully and accurately inform the Settlement Class Members of all
15 material elements of the Settlement, of Settlement Class Members' right to be excluded from the
16 Settlement by submitting a written request for exclusion, of Settlement Class Members' right to
17 dispute the Workweeks credited to each of them by submitting a Dispute, and of each Participating
18 Class Member's right and opportunity to object to the Settlement by mailing a written statement of
19 objection to the Settlement Administrator. The Court further finds that distribution of the Class Notice
20 substantially in the manner and form set forth in the Settlement Agreement and this Order, and that all
21 other dates set forth in the Settlement Agreement and this Order, meet the requirements of due process
22 and shall constitute due and sufficient notice to all persons entitled thereto. No later than three (3)
23 business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list
24 has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA
25 Pay Periods in the Class Data. The Court further orders the Settlement Administrator to mail the Class
26 Notice by first-class U.S. mail to all Settlement Class Members within fourteen (14) calendar days of
27 receipt of the Class Data, pursuant to the terms set forth in the Settlement Agreement.

28 11. The Court hereby preliminarily approves the proposed procedure, set forth in the

1 Settlement Agreement, for seeking exclusion from and objecting to the Settlement. Settlement Class
2 Members will have sixty (60) calendar days from the initial mailing of the Class Notice to (“Response
3 Deadline”) to object to the approval of this Settlement by fax, email, or mail, plus an additional
4 fourteen (14) calendar days for Class Members whose Class Notice was re-mailed. In the alternative,
5 Class Members may also appear, or hire an attorney to appear in Court, and object at the Final
6 Approval Hearing. Class Members who wish to opt out of the Class Settlement must send the
7 Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60)
8 calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar
9 days for Class Members whose Class Notice is re-mailed). Any such person who timely and validly
10 chooses to opt out of, and be excluded from, the Settlement will not be entitled to any recovery under
11 the Settlement and will not be bound by the Settlement or have any right to object, appeal, or comment
12 thereon. Settlement Class Members who have not submitted a timely and valid request to be excluded
13 from the Settlement (i.e., Participating Class Member) shall be bound by the Settlement Agreement
14 and any final judgment based thereon.

15 12. A Final Approval Hearing shall be held before this Court on December 14, 2023 at
16 10:00 a.m. in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring
17 Street, Los Angeles, California 90012, to determine all necessary matters concerning the Settlement,
18 including: whether the proposed settlement of the action on the terms and conditions provided for in
19 the Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether
20 a judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation
21 contained in the Settlement should be approved as fair, adequate, and reasonable to the Settlement
22 Class Members; and determine whether to approve the requests for the Attorneys’ Fees and Costs and
23 Service Payments.

24 13. Class Counsel shall file a motion for final approval of the Settlement and for Attorneys’
25 Fees and Costs and Service Payments, along with the appropriate declarations and supporting
26 evidence, including the Settlement Administrator’s declaration, by November 21, 2023, to be heard at
27 the Final Approval Hearing.

28 14. In the event the Settlement does not become effective in accordance with the terms of

1 the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled, or
2 fails to become effective for any reason, this Order shall be rendered null and void, shall be vacated,
3 and the parties shall revert back to their respective positions as of before entering into the Settlement
4 Agreement. The fact that the Court certified the Class for settlement purposes shall not be admissible
5 or have any bearing on the issue of whether any class should be certified in a non-settlement context.

6 15. The Court reserves the right to adjourn or continue the date of the Final Approval
7 Hearing and any dates provided for in the Settlement Agreement without further notice to the
8 Settlement Class Members and retains jurisdiction to consider all further applications arising out of or
9 connected with the Settlement.

10 **IT IS SO ORDERED.**

11
12 Dated: 08/21/2023



A handwritten signature in black ink, appearing to read "Lawrence P. Riff".

Lawrence P. Riff / Judge

The Honorable Lawrence P. Riff
Judge of the Superior Court

EXHIBIT 1

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Alejandro Valdez v. C.H.I. Automart, Inc.

Superior Court of the State of California for the County of Los Angeles, Case No. 21STCV40168

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit ("Action") against C.H.I. Automart, Inc. ("C.H.I." is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by former employee Alejandro Valdez ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of hourly non-exempt employees ("Class Members") who worked for C.H.I. during the Class Period (November 1, 2017 to December 8, 2022); and (2) penalties under the California Private Attorney General Act ("PAGA") for all hourly employees who worked for C.H.I. during the PAGA Period (September 29, 2020 to December 8, 2022) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring C.H.I. to fund Individual Class Payments, and (2) a PAGA Settlement requiring C.H.I. to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on C.H.I.'s records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholdings) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to C.H.I.'s records you are not eligible for an Individual PAGA Payment under the Settlement because you did not perform work during the PAGA Period.)

The above estimates are based on C.H.I.'s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires C.H.I. to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against C.H.I.

If you worked for C.H.I. during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

1. **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Settlement Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against C.H.I.
2. **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against C.H.I., and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

C.H.I. will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against C.H.I. that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Settlement Class Member and no longer eligible for an Individual Class Payment. Non-Settlement Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. C.H.I. must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Settlement Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out ("Settlement Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Settlement Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to C.H.I.'s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former C.H.I. employee. The Action accuses C.H.I. of violating California labor laws and alleges that C.H.I. failed to pay all wages due, including regular wages, premium wages, overtime wages, minimum wages, meal period premiums, and rest period premiums; failed to timely pay wages upon termination; failed to timely pay wages during employment; failed to issue compliant wage statements; failed to maintain accurate payroll records; and engaged in unfair business practices. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Jonathan Genish, Miriam Schimmel, and Joana Fang of Blackstone Law, APC ("Class Counsel.")

C.H.I. strongly denies it violated any laws or failed to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether C.H.I. or Plaintiff is correct on the merits. In an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation, Plaintiff and C.H.I. hired Marc Feder, Esq., an experienced, neutral mediator. On January 12, 2023, the Parties participated in a mediation and reached this Settlement. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and C.H.I. have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, C.H.I. does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) C.H.I. has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved

the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. C.H.I. Will Pay \$400,000 as the Gross Settlement Amount. C.H.I. has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, C.H.I. will fund the Gross Settlement Amount no later than 30 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Settlement Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$133,333.33 (one-third of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000 for a Class Representative Award to the Plaintiff. The Class Representative Award is for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$8,000 to the Administrator for services administering the Settlement.
 - D. Up to \$10,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Settlement Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement Amount") by making Individual Class Payments to Settlement Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiffs and C.H.I. are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. C.H.I. will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and C.H.I. have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED] (“Response Deadline”), that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, the case name and number of the Action (*Alejandro Valdez v. C.H.I. Automart, Inc.*, Case No. 20STCV40168), the last four digits of your Social Security number, and a simple statement requesting to be excluded from the Settlement. Excluded Class Members (i.e., Non-Settlement Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against C.H.I.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Settlement Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against C.H.I. based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and C.H.I. have agreed that, in either case, the

Settlement will be void: C.H.I. will not pay any money and Class Members will not release any claims against C.H.I.

8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over work weeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Settlement Class Members’ Release. After the Judgment is final and C.H.I. has fully funded the Gross Settlement and separately paid all employer payroll taxes, Settlement Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against C.H.I. or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement. The Settlement Class Members will be bound by the following release:

Upon final approval by the Court of this Settlement and upon remittance of the Gross Settlement Amount by C.H.I. to the Settlement Administrator, all Participating Class Members shall, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, but not limited to (1) Failure to Pay Overtime (Cal. Lab. Code §§ 510 and 1198); (2) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7 and 512(a)); (3) Failure to Provide Rest Periods (Cal. Lab. Code § 226.7); (4) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197 and 1197.1); (5) Failure to Pay Wages Timely Upon Termination (Cal. Lab. Code §§ 201, 202 and 203); (6) Failure to Pay Timely Wages During Employment (Cal. Lab. Code §§ 204 and 210); (7) Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226(a) and IWC Wage Order); (8) Failure to Reimburse Business Expenses (Cal. Lab. Code §§ 2800 and 2802); (9) Unfair Competition in Violation of Business & Professions Code Section 17200; and (10) all claims under California’s Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2699 et seq.).

10. Aggrieved Employees’ PAGA Release. The Aggrieved Employees’ Releases for Settlement and Non-Settlement Class Members are as follows:

Upon final approval by the Court of this Settlement and upon remittance of the Gross Settlement Amount by C.H.I. to the Settlement Administrator, All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that

were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, but not limited to (1) Failure to Pay Overtime (Cal. Lab. Code §§ 510 and 1198); (2) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7 and 512(a)); (3) Failure to Provide Rest Periods (Cal. Lab. Code § 226.7); (4) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197 and 1197.1); (5) Failure to Pay Wages Timely Upon Termination (Cal. Lab. Code §§ 201, 202 and 203); (6) Failure to Pay Timely Wages During Employment (Cal. Lab. Code §§ 204 and 210); (7) Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226(a) and IWC Wage Order); (8) Failure to Reimburse Business Expenses (Cal. Lab. Code §§ 2800 and 2802); (9) Unfair Competition in Violation of Business & Professions Code Section 17200; and (10) all claims under California's Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2699 et seq.).

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Settlement Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$10,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in C.H.I.'s records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept C.H.I.'s calculation of Workweeks and/or Pay Periods based on C.H.I.'s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Settlement Class Members) and C.H.I.'s Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Settlement Class Members. The Administrator will send, by U.S. mail, a single check to every Settlement Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Settlement Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Settlement Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Alejandro Valdez v. C.H.I. Automart, Inc.*, Case No. 20STCV40168, and include your identifying information (full name, address, telephone number, approximate dates of employment, and last four digits of your social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Settlement Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and C.H.I. are asking the Court to approve. At least 10 days before the Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____(url) or the Court's website _____(url)_____.

A Settlement Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Alejandro Valdez v. C.H.I. Automart, Inc.*, Case No. 20STCV40168 and include your name, current address, telephone number, and approximate dates of employment for C.H.I. and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Settlement Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ (time) in Department 7 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything C.H.I. and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to ILYM Group, Inc.'s website at _____ (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 20STCV40168. You can also make an appointment to personally review court documents in the Clerk's Office at the Spring Street Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Jonathan Genish (jgenish@blackstonepc.com)

Miriam Schimmel (mschimmel@blackstonepc.com)

Joana Fang (jfang@blackstonepc.com)

Blackstone Law, APC

8383 Wilshire Boulevard, Suite 745, Beverly Hills, CA 90211

Telephone: (310) 622-4278

Settlement Administrator:

ILYM Group, Inc.

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

10. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

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PROOF OF SERVICE

I, Stephany Sinaguinan, certify and declare as follows:

I am over eighteen years of age and not a party to the within action; my business address is 8383 Wilshire Blvd, Suite 745, Beverly Hills, California 90211. On August 21, 2023, I served a copy of the following document: **NOTICE OF ENTRY OF JUDGMENT OR ORDER** on the interested parties as follows:

Nicole Kamm
Joel Moon
FISHER & PHILLIPS LLP
21600 Oxnard Street, Suite 650
Woodland Hills, California 91367
E-mails: nkamm@fisherphillips.com
jmoon@fisherphillips.com
nmartinez@fisherphilips.com

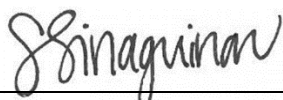
Cynthia Elkins
ELKINS EMPLOYMENT LAW
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Woodland Hills, California 91367
E-mail: celkins@employer-law.com

Attorneys for Defendant C.H.I Automart, Inc.

☒ **BY ELECTRONIC SERVICE (CASE ANYWHERE):** I caused said document to be sent to the addresses listed above via Case Anywhere. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **STATE** – I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on August 21, 2023 at Beverly Hills, California.



Stephany Sinaguinan