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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

ELIZABETH VILLAVICENCIO, SHAINA SEPULVEDA, individually, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiffs,

vs.

PERFORMANCE AUTOMOTIVE GROUP, INC., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 34-2021-00311505-CU-OE-GDS

Honorable Richard K. Sueyoshi
Department 53

DECLARATION OF HELENE MAYER IN SUPPORT OF PLAINTIFFS' MOTION FOR APPROVAL OF PRIVATE ATTORNEYS GENERAL ACT (CAL. LABOR CODE § 2698, *ET SEQ.*) SETTLEMENT AGREEMENT AND RELEASE, AWARD OF ATTORNEYS' FEES AND COSTS, ENHANCEMENT AWARDS, AND SETTLEMENT ADMINISTRATION COSTS

[Notice of Motion and Motion for Approval of Private Attorneys General Act (Cal. Labor Code § 2698, *Et Seq.*) Settlement Agreement and Release, Attorneys' Fees and Costs, Enhancement Awards, and Settlement Administration Costs; Declarations of Plaintiffs (Elizabeth Villavicencio and Shaina Sepulveda); and [Proposed] Order and Judgment filed concurrently herewith]

Reservation ID:	A311505-002
Hearing Date:	June 12, 2025
Hearing Time:	1:30 p.m.
Department:	53
Complaint Filed:	November 22, 2021
FAC:	December 16, 2024
Trial Date:	None Set

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DECLARATION OF HELENE MAYER

I, Helene Mayer, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda (together, the "Plaintiffs"). The facts set forth in this declaration are within my personal knowledge or based on information and belief and, if called as a witness, I could and would competently testify thereto.

LITIGATION AND REPRESENTATIVE AND CLASS ACTION EXPERIENCE

2. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is the attorney of record in well over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act ("PAGA") representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers for Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard

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University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained a license to practice law from the California State Bar. Since in or around October of 2008, through his work at Lawyers for Justice, PC, he has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. While employed by Lawyers for Justice PC, he has argued over 100 motions, taken or defended over 150 depositions, prepared dozens of expert witnesses for deposition or trial, and attended over one 175 mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. Under his supervision, Lawyers for Justice, PC has successfully obtained class certification by contested motion practice in approximately 16 cases in the last decade, and litigated over 1,000 class action or representative action cases.

4. Arby Aiwazian is a Member and Shareholder of Lawyers for Justice, PC. He received his Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. From approximately August 2008 to approximately December 2008, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before all courts of the State of California and all United States District Courts in the State of California. He has worked on many wage-and-hour class action and representative action cases, taking the lead in taking and defending depositions, arguing motions, and attending mediations.

He has played an integral role in preparing matters for class certification, including and not limited to, successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No. RG13680477). Under his supervision, dozens of class action or representative action cases have resulted in settlements that have been granted court approval. He has handled over 150 mediations and has worked on over 250 class action or representative action cases which have resulted in settlement.

5. Joanna Ghosh is a Senior Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, intervention. She has successfully handled briefing and oral argument on appeal, and obtained notable decisions regarding the Private Attorneys General Act and employer efforts to compel arbitration of PAGA claims, e.g., *Betancourt v. Prudential Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also has extensive experience with class action and/or representative action settlements. Under her, Edwin Aiwazian, and Arby Aiwazian's supervision, the firm has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association.

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6. I, Helene Mayer, am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Arts degree from University of San Diego in 2017, and I earned my Juris Doctor degree from University of San Diego School of Law in 2020. I was admitted to practice law in California in 2021. I am admitted to practice before all courts of the State of California and all U.S. Federal District Courts in the State of California. I have worked on wage-and-hour class action and PAGA representative cases, and my work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, and making court appearances. Prior to working at Lawyers *for* Justice, PC, I worked at law firms focused primarily on family law matters, including, *inter alia,* representing clients in divorce, parentage, child custody, and domestic violence restraining order proceedings, researching and drafting pleadings, negotiating and finalizing marital settlement agreements, engaging in motion practice, and making court appearances.

THE LAWSUIT

7. Founded in 1983, Defendant Performance Automotive Group, Inc. ("Defendant") is a car dealership for Ford vehicles operating in the Elk Grove region and surrounding areas. Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda are former employees of Defendant.

8. Plaintiffs have satisfied the prerequisites under California Labor Code section 2699.3(a), including, and not limited to, providing the California Labor and Workforce Development Agency ("LWDA") and the employer with written notice of the specific provisions of the California Labor Code that are alleged to have been violated, including the facts and theories to support the alleged violations, by way of written correspondence on behalf of Plaintiff Elizabeth Villavicencio that was dated September 16, 2021 ("Villavicencio PAGA Notice") and written correspondence on behalf of Plaintiff Shaina Sepulveda that was dated September 16, 2021 ("Sepulveda PAGA Notice"). On June 26, 2024, Plaintiff Elizabeth Villavicencio submitted an additional letter to the LWDA and Defendant ("Amended Villavicencio PAGA Notice") (together with the Villavicencio PAGA Notice and the Sepulveda PAGA Notice, the

"PAGA Notices"). The PAGA Notices were sent by U.S. Certified Mail to the employers and submitted to the LWDA by way of online submission on the LWDA's website. Aside from confirmation of receipt of the PAGA Notices, the LWDA did not respond to the PAGA Notices. A true and correct copy of the Villavicencio PAGA Notice is attached hereto as "**EXHIBIT 1**." A true and correct copy of the Sepulveda PAGA Notice is attached hereto as "**EXHIBIT 2**." A true and correct copy of the Amended Villavicencio PAGA Notice is attached hereto as "**EXHIBIT 3**."

9. On November 22, 2021, Plaintiffs filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq*. ("Complaint") against Defendant in the Sacramento County Superior Court ("Court"), Case No. 34-2021-00311505-CU-OE-GDS (the "Action"). On December 16, 2024, Plaintiffs filed a First Amended Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq*. ("Operative Complaint") Plaintiffs' core allegation is that Defendant has violated the California Labor Code by engaging in a uniform practice and procedure, with respect to Plaintiffs and other PAGA Employees, of, *inter alia*, failure to pay minimum, regular, and overtime wages (including, and not limited to, the failure to pay overtime at the correct regular rate of pay), failure to provide compliant meal periods and associated premiums, failure to provide correct regular rate of pay for associated meal premiums, failure to provide compliant rest periods and associated premiums, failure to provide correct regular rate of pay for associated rest premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to accurately record and pay sick leave, and failure to reimburse necessary business-related expenses and costs and thereby engaged in unfair business practices.

10. On January 20, 2022, Defendant filed an Answer to the Complaint. Defendant maintained, and continues to maintain, that it had, and continues to have, legally-compliant employment policies and practices throughout the time period at issue. Defendant denies that it

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ever violated any provision of the California Labor Code, including, but not limited to, those sections for which Plaintiffs seek penalties under the PAGA.

11. On December 1, 2022, the Parties mediated the Action with Mark Rudy, Esq. and, with the aid of the mediator's evaluation, the Parties ultimately reached the Settlement described herein to resolve the Action in its entirety.

THE SETTLEMENT REACHED IN THE ACTION

12. Marked and attached hereto as "**EXHIBIT 4**" is the Private Attorneys General Act Settlement Agreement and Release ("Settlement," "Agreement," or "Settlement Agreement"), entered into between Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda, for themselves and on behalf of the State of California with respect to PAGA Employees pursuant to the Private Attorneys General Act, and Defendant. The parties have also drafted and agreed to the form and content of the proposed informational cover letter ("Cover Letter") for mailing to PAGA Employees when Individual Settlement Shares are distributed to them, in substantially the form attached as "EXHIBIT A" to the [Proposed] Order and Judgment Granting Approval of Private Attorneys General Act Settlement Agreement and Release, Award of Attorneys' Fees and Costs, Enhancement Awards, and Settlement Administration Costs. The Court is respectfully requested to approve the proposed Cover Letter.

13. The Settlement pertains to the following allegedly aggrieved employees: all non-exempt employees who worked for Defendant during the PAGA Release Period ("PAGA Employees"). The "PAGA Release Period" means the period between March 22, 2020, through March 20, 2023. Based on information provided by Defendant, it is estimated that during the PAGA Release Period there are approximately 213 PAGA Employees who are credited with 5,258 Compensable Pay Periods.

14. Defendant has agreed to pay the Total Settlement Amount of $350,000.00 ("Total Settlement Amount"), subject to possible increase under Section 3(b) of the Settlement Agreement, to settle this matter. The Settlement Agreement provides that the "Net Settlement Amount" will be the Total Settlement Amount less the following amounts: (1) Attorneys' Fees

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and Costs in the amount of $122,500.00 for attorneys' fees and up to $30,000.00 for reimbursement of litigation costs and expenses to Lawyers *for* Justice, PC ("Plaintiffs' Counsel"); (2) Enhancement Awards in the amounts up to $7,500.00 each to Plaintiffs (totaling $15,000.00); and (3) Settlement Administration Costs of up to $6,000.00 to the Settlement Administrator. Plaintiffs' Counsel only seeks an award of reimbursement of litigation costs and expenses in the amount of $14,694.49, and assuming that the requested Attorneys' Fees and Costs, Enhancement Awards, and Settlement Administration Costs, are approved by the Court, the Net Settlement Amount is estimated to be approximately $191,805.51. The Net Settlement Amount will be distributed to the LWDA and the PAGA Employees pursuant to California Labor Code section 2699(i). Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA, which is estimated to be $143,854.13 ("LWDA Payment"), and 25% of the Net Settlement Amount, which is estimated to be $47,951.38 ("Employees' Portion"), will be distributed to the PAGA Employees on a *pro rata* basis, based on the number of pay periods they each worked during the PAGA Release Period ("Compensable Pay Periods"). The parties have agreed to retain Simpluris, Inc. ("Simpluris" or "Settlement Administrator") to handle the administration of the Settlement, and the Court is respectfully requested to appoint Simpluris to serve as the Settlement Administrator. The Settlement Administration Costs are estimated not to exceed $6,000.00 and will be paid out of the Total Settlement Amount, subject to approval by the Court.

THE LITIGATION AND WORK PERFORMED BY PLAINTIFFS' COUNSEL

15. The effectiveness of Plaintiffs' Counsel, Lawyers *for* Justice, PC in prosecuting this case has translated into tangible monetary benefits for Plaintiffs, PAGA Employees, and the State of California in the following respects: (1) their recoveries over a reasonably short period of time as opposed to waiting additional years for the same, or possibly, a worse, result; (2) a guaranteed result that compares favorably with other similar representative action settlements; and (3) significant savings in fees and costs which would have only increased significantly had the case progressed through trial and/or appeals.

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16. After engaging in extensive investigations, formal and informal discovery, and exchange of information, data, and documents, the parties participated in extensive settlement discussions and negotiations to try to resolve the above-captioned lawsuit. These efforts included participating in a formal full-day mediation on December 1, 2022, conducted by Mark Rudy, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. With the aid of the mediator's evaluation, the Parties reached the Settlement described herein. In the course of mediation and settlement discussions, the parties discussed all aspects of the case, including the risks and delays of further litigation and proceeding with trial, as well as the law relating to unpaid overtime, unpaid meal and rest period premiums, unpaid minimum and final wages, non-compliant wage statements, failure to maintain requisite payroll records, unreimbursed business expenses, among other things. During all settlement discussions, the parties conducted their negotiations at arm's length in an adversarial position.

17. Prior to reaching the Settlement, the parties investigated the veracity, strength, and scope of the PAGA claim and allegations, and were preparing for trial. Plaintiffs conducted significant investigation and formal and informal discovery and exchange of information, documents, and data regarding the facts of the case, including and not limited to, the review, consideration, and analysis of thousands of pages of information, documents, and data obtained from Plaintiffs, Defendant, and other sources. Plaintiffs' Counsel propounded multiple sets of formal written discovery requests onto Defendant (specifically, Requests for Production of Documents (Sets One), Special Interrogatories (Sets One and Two), and Form Interrogatories – General (Set One)), and served notices of depositions of Defendant's Person Most Knowledgeable designees regarding organizational structure, job duties, along with requests for production of documents. The information, documents, and data that were reviewed and analyzed by Plaintiffs' Counsel included, and were not limited to, Plaintiffs' employment records; a detailed sampling of PAGA Employees' time and pay data; Defendant's Employee Handbook and Appendixes; various forms, agreements, and acknowledgments (such as, Defendants' Receipt of Employee Handbook, Arbitration Agreement, At—Will Employment

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Agreement, Non-Disclosure and Confidentiality Agreement, Meal Break Waiver Agreement Automotive Technician Compensation Program, Vehicle Salesperson Compensation Program and Addendum, Service Salesperson Compensation Plan and Addendum, Personnel Action and Pay Plan, and F&I Manager Pay Plan); and Defendants' operations and employment practices, policies, and procedures (such as, Compensation Reports, Personnel Policies, Employment and Record Keeping, Employee Benefits, Leave Policies, Work Hours and Compensation, Safety, Security, Harassment, and Workplace Violence, and Drugs, Controlled Substances, and Alcohol Policy), among other documents. Counsel for the parties undertook significant investigation and evaluation of the PAGA claim and related allegations, including, and not limited to, calculating the potential monetary recovery under PAGA. Other work performed by Plaintiffs' Counsel included, but was not limited to: meeting and conferring with Defendants' counsel regarding the pleadings, case management, discovery, arbitration, mediation, and settlement negotiations, among other issues; case strategy and analysis; researching, drafting, reviewing, and revising pleadings, court filings, motion-related papers (e.g., with respect to settlement approval motion papers), briefs for settlement negotiations and mediation, and the settlement agreement; propounding written discovery requests and notices of depositions of Defendant's persons most knowledgeable designees; and preparing for and participating in settlement negotiations and the mediation. Counsel for the parties have further invested time to research the applicable law, which is evolving as it relates to unpaid overtime, unpaid meal and rest period premiums, unpaid minimum and final wages, non-compliant wage statements, failure to maintain requisite payroll records, unreimbursed business expenses, among other things.

18. Based on investigation and information discovered, Plaintiffs' Counsel believes that there is sufficient evidence to support the allegations that Defendant violated the California Labor Code. While Plaintiffs' Counsel believes that the PAGA claim has merit and that Plaintiffs will ultimately succeed in this litigation and prevail at trial, Plaintiffs and Plaintiffs' Counsel also recognize Defendant's defenses, the costs of further litigation, and multiple risks to recovery. For example, although wage-and-hour actions are amenable to resolution as to a group

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of employees, some courts have also found that, for various reasons, the issues raised by Plaintiffs, including, and not limited to, the law relating to unpaid overtime, unpaid meal and rest period premiums, unpaid minimum and final wages, non-compliant wage statements, failure to maintain requisite payroll records, and unreimbursed business expenses, as well as the evidence produced and analyzed, and the possibility of appeals, among other things.

19. Plaintiffs and their counsel have also considered the uncertainty and risk of the outcome of further litigation, including the difficulties and delays inherent in such litigation. In order to prevail on the PAGA claim, Plaintiffs would have to prove that Defendant engaged in the alleged California Labor Code violations and demonstrate that Defendants' conduct warrants the imposition of penalties.

THE STRENGTHS AND WEAKNESSES OF THE PAGA CLAIM, AND THE RANGE OF POSSIBLE OUTCOMES

20. In order for Plaintiffs to prevail on the PAGA claim, they would have to prove that Defendant engaged in the alleged California Labor Code violations and demonstrate that Defendant's conduct warrants the imposition of penalties. Furthermore, although wage-and-hour actions are amenable to resolution as to a group of employees, some courts have also found that, for various reasons, the issues raised by Plaintiffs raise individualized issues and/or are not suitable for adjudication as to a group of employees.

21. From the inception of this litigation, Defendant indicated that it would aggressively litigate this case and contended that it would ultimately succeed in the action. Defendant maintained several defenses to Plaintiffs' allegations, which, if successfully argued and proven, had the potential to eliminate or substantially reduce recovery. Throughout this litigation, Defendant maintained, and continues to maintain, that it did not engage in a uniform policy and systematic scheme of wage abuse against any of its employees, and that it had, and continues to have, legally-compliant employment policies and practices throughout the time period at issue. Defendant denies that it ever violated any provision of the California Labor

Code. Defendant further denied, and continues to deny, that the lawsuit is appropriate for representative adjudication for any purpose other than the Settlement.

22. Defendant also challenged Plaintiffs' standing as aggrieved employees and denied that any of its other employees whom Plaintiffs seek to represent are aggrieved. Also, multiple courts have taken an approach requiring a plaintiff to establish standing and face the possibility of bifurcation of discovery and/or trial of the PAGA claim. See *Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court.* (2009) 46th Cal.4th 993, 1001 (noting that PAGA "require[s] a plaintiff to have suffered an injury resulting from an unlawful action"); *Stafford v. Dollar Tree Stores, Inc.* (E.D. Cal. Nov. 21, 2014) 2014 WL 6633396, at *4 (finding that judicial economy supported bifurcation because of the difficulties and inherent uncertainties of being able to establish liability with respect to a large number of potentially aggrieved employees and noted that "PAGA's public purpose would be ill-served if the court finds [the plaintiff] has not been aggrieved by a Labor Code violation"); *Grappo v. Coventry Fin. Corp.* (1991) 235 Cal.App.3d 496, 504 (Trial courts have "broad discretion to determine the order of proof in the interest of judicial economy"); see also Cal. Code Civ. Proc. § 598 (The court may "when the convenience of witnesses, the ends of justice, or the economy and efficiency of handling the litigation would be promoted thereby, on motion of a party, after notice and hearing, make an order. . . that the trial of any issue or any part thereof shall precede the trial of any other issue or any part thereof in the case[.]"); Cal. Code Civ. Proc. § 1048(b) (Court can separate trial of any cause of action or of any separate issue in the interest of convenience or to avoid prejudice); Cal. Code Civ. Proc. § 2019.020(b) (Courts have the power to "establish the sequence and timing of discovery for the convenience of parties and witnesses and in the interests of justice"); *Horton v. Jones* (1972) 26 Cal.App.3d 952, 955 (stating that bifurcation and sequencing of litigation is allowed to avoid wasting time and money on trial when litigation of issues could be rendered moot).

23. Defendant pointed to case law that held that, given the derivative nature of the PAGA claim, it would stand or fall based on whether Plaintiffs could successfully demonstrate

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the requisite elements to establish the various alleged violations of the California Labor Code that the PAGA claim is predicated on and derives from, and the success of showing, *inter alia*, failure to properly pay wages, failure to provide compliant meal and rest periods, failure to reimburse for expenses, etc.

24. Further, Defendant also maintained that, in addition to its strong arguments against the underlying claims, taking the current unsettled state of law, it would be unjust to award the maximum potential PAGA penalties. There was also a dearth of law and guidance regarding trials and/or assessment of penalties under the PAGA statute, there is no clearly established methodology for the valuation and/or assessment of PAGA penalties, and case outcomes (such as those discussed below) have shown that the actual amount of civil penalties actually assessed by trial courts is far less than the amount sought.

25. Defendant also argued that an important feature of PAGA is that the Court retains discretion to lower the penalties if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is "unjust, arbitrary and oppressive, or confiscatory." See Cal. Lab. Code § 2699(e)(2); see also *Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, 1136 (holding that a court may reduce the amount of PAGA penalties awarded to an employee based upon discretionary factors). Defendant maintained, and continues to maintain, that it had and continues to have, legally-compliant employment policies and practices throughout the time period at issue. Even if, arguendo, such violations occurred, which Defendant denies, Defendant contended that said violations would only be considered "initial violations" and thus heightened "subsequent violation" penalties were not warranted. See Cal. Lab. Code § 2699(f)(2); see also *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1208-09 ("Until the employer has been notified that it is violating a Labor Code provision […], the employer cannot be presumed to be aware that its continuing underpayment of employees is a 'violation' subject to penalties."). Defendant argued that it would be able to show a lack of willfulness in the violations, such that the alleged California Labor Code violations would not be considered "willful." Defendant contended that, at best, even if a violation giving

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rise to a penalty was shown for each pay period, only the lower civil penalty associated with initial violations would apply. As discussed above, Defendant denied and continues to deny that it ever violated any provision of the California Labor Code. However, assuming, *arguendo*, that any violations occurred, Defendant argued the violations would not be viewed as subsequent violations giving rise to heightened penalties. Defendant also argued that the Court was unlikely to assess cumulative penalties for the maximum number of possible, separate California Labor Code violations, because it would be unjust, arbitrary, oppressive, and/or confiscatory—especially where certain conduct may be regulated by multiple provisions of the California Labor Code that are interrelated and work in tandem. As such, Defendant contended that cumulative penalties and heightened penalties would be unjust, arbitrary, oppressive, and confiscatory.

26. Plaintiffs' Counsel was also aware of case law indicating that courts have attributed little separate value to PAGA claims, for example, allowing them to be resolved for $0 where the other underlying California Labor Code claims are being (or have been) resolved, or, assessing much lower amounts of civil penalties against employers than are sought. See e.g., *Magadia v. Wal-Mart Assocs*. (N.D. Cal. 2019) 384 F. Supp. 3d 1058, 1100-1101, 1103-1104, 1111 (finding that, under Labor Code § 2699(e)(2), "the Court has broad discretion to award PAGA penalties the Court sees fit" and reducing the PAGA penalty award significantly from the maximum penalties possible); *Morales v Bridgestone Retail Operations LLC*, Orange County Superior Court No. 30-2017-00900244 (Aug. 2, 2018) (of $7 million PAGA penalties requested, the court awarded $425,000); *Carrington v Starbucks Corp*. (2018) 30 Cal.App.5th 504, 517, 529 (of $75 million in penalties sought, the court affirmed the trial court's $150,000 PAGA penalty award based on 30,000 violations, which reduced the penalty rate to $5 per violation); *Arnold v San Diego Second Chance Program*, San Diego County Superior Court No. 37-2016-00018375 (Dec. 18, 2017) (no PAGA penalties awarded); *Felczer v Apple Inc.*, San Diego County Superior Court No. 37-2011-00102593 (Sept. 13, 2017) (no PAGA penalties awarded); *In re Taco Bell Wage and Hour Actions* (E.D. Cal. Apr. 8, 2016) No. 1:07-cv-01314-SAB, 2016 U.S. Dist. LEXIS 48557 at *41 (the court declined to award PAGA penalties after trial); *Allen v*

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American Multi-Cinema, Alameda County Superior Court No. RG11585502 (July 24, 2016) (no PAGA penalties awarded); *Atempa v Pama*, San Diego County Superior Court (July 31, 2015) (of PAGA penalties of $456,133 sought, the court awarded $197,434.00); *Driscoll v Granite Rock*, Santa Clara County Superior Court No. 1-08-cv-103426 (Sept. 20, 2011) (the court declined to award PAGA penalties); *Fleming v Covidien, Inc.*, No. ED CV10-01487 RGK (OPx) (C.D. Cal. Aug. 12, 2011) 2011 U.S. Dist. LEXIS 154590 at **8-9 (of $2,800,000 PAGA penalties requested, the court awarded $500,000); *Aguirre v Genesis Logistics*, No. SACV 12-00687-JVS (ANx) (C.D. Cal. Dec. 30, 2013) 2013 U.S. Dist. LEXIS 189820 at **6-7 (of $1,800,000 PAGA penalties requested, the court awarded $500,000); *Halevi v Aroma Bakery Café, Inc.*, Los Angeles County Superior Court No. 468146 (Aug. 30, 2013) (the court declined to award PAGA penalties after trial awarding wages to class on the basis that, inter alia, the lawsuit was not prompted by availability of PAGA penalties, penalties were not necessary to remedy ongoing or future violations, corporate defendants corrected violations and were no longer in business, and plaintiffs did not offer evidence establishing imposition of penalties on individual defendants would not be confiscatory.

27. Importantly, Defendant also contended that the claims of Plaintiffs and other PAGA Employees are subject to enforceable agreements that included, *inter alia*, binding individual arbitration and class and collective action waiver provisions. Defendant contended that, taken together, these agreements would have claim preclusive impact, or otherwise, could effectively be used to require PAGA Employees to engage in individual arbitration of their individual claims on which the PAGA claim is predicated. There is also uncertainty regarding PAGA claims due to decisions of the high courts and recent amendment of the PAGA statute. For example, as a result of a recent United States Supreme Court decision, it is more likely that employer agreements containing arbitration terms will impact the viability of adjudication of PAGA claims in the judicial forum. *Viking River Cruises, Inc. v. Moriana*, (2022) 142 S. Ct. 1906, 2022 U.S. LEXIS 2940. Although the substantive statutory right to pursue a PAGA claim has not been eviscerated and has been preserved, arbitration agreements may be used to select

the forum and procedure to be used to resolve PAGA claims to some extent. Recently, the California Supreme Court confirmed that an aggrieved employee who has been compelled to arbitrate claims under PAGA that are premised on California Labor Code violations that were sustained by the aggrieved employee still maintains statutory standing to pursue a PAGA claim arising out of events involving other employees through a PAGA representative claim. *Adolph v. Uber Technologies* (2023) 14 Cal.5th 1104. Nevertheless, while the arbitrable and non-arbitrable components of an action are not severed from one another, it is still possible that trial courts will stay the representative/non-individual PAGA claims pending arbitration of a plaintiffs' individual PAGA claims and if a plaintiff is determined to not be an "aggrieved employee" for PAGA purposes, issue preclusion may apply and, once reduced to a final judgment, trial courts are bound by the arbitrator's determination and the plaintiff may lose standing to pursue non-individual PAGA claims. *Id*. at 693.

28. Furthermore, the recent amendment of the PAGA statute enacted on July 1, 2024, adopting, *inter alia*, modified standing requirements, codifying a manageability requirement, capping civil penalties that can be assessed against an employer if an employer meets certain conditions, and allowing an employer to cure violations to avoid the assessment of civil penalties if an employer meets certain conditions, has created uncertainty regarding the future of claims for civil penalties under PAGA. As such, at the time that the Parties reached the settlement, and also now, there is uncertainty regarding the PAGA claim.

29. While Plaintiffs disagree with Defendant's contentions and maintain that their PAGA claim has merit, in reaching the settlement, Plaintiffs and their counsel took into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded as litigation continued, at trial, and/or upon appeal.

30. The parties had the opportunity to review extensive information, documents, and data regarding Plaintiffs' and PAGA Employees' employment with Defendant in an effort to determine the potential value and strength of the PAGA claim. Counsel for the parties invested time reviewing and analyzing the relevant information, documents, and data, and this

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information made it possible to calculate the potential value of the PAGA claim. Accordingly, the parties have conducted sufficient investigation and review of data, documents, and information to be sufficiently apprised of the nature and extent of the PAGA claim asserted in this lawsuit, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The parties have also considered the settlement negotiations and the recommendations of the mediator Mark Rudy, Esq., who is highly experienced in mediation complex labor and employment matters. The parties have agreed that this case is well-suited for settlement given the legal issues relating to the PAGA claim, as well as the costs, risks, and delays to both sides that would attend further litigation. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded as litigation continued, at trial, and/or upon appeal.

ATTORNEYS' FEES REQUESTED BY PLAINTIFFS' COUNSEL

31. As set forth more fully in the accompanying Motion, Plaintiffs' Counsel seeks attorneys' fees in the amount of $122,500.00, which represents approximately 35% of the Total Settlement Amount. Pursuant to the contingency-fee agreements entered into by and between Plaintiffs and Plaintiffs' Counsel, Plaintiffs have agreed to contingency-fees of at least 35% of the recovery. The attorneys' fees sought are commensurate with: (1) the risk that Plaintiffs' Counsel took in commencing the case; (2) the time, effort, and expense that Plaintiffs' Counsel dedicated to the case; (3) the skill and determination that Plaintiffs' Counsel has shown; (4) the results that Plaintiffs' Counsel has achieved throughout the litigation; (5) value of the settlement that Plaintiffs' Counsel has achieved in the case; and (6) the other cases that Plaintiffs' Counsel has turned down in order to devote its time and efforts to this case.

32. While not necessarily required to be demonstrated because a percentage fee is proper for this settlement, it should be noted that Plaintiffs' Counsel has performed many hours of work in connection with prosecuting this matter such that the requested attorneys' fees award is also justified under a lodestar analysis. Attorneys at Lawyers *for* Justice, PC has spent a total of **195.40 hours** performing tasks to obtain a recovery on behalf of Plaintiffs, the State of

California, and the PAGA Employees. Attached hereto as "**EXHIBIT 5**" is an Attorney Task and Time Chart that sets forth in detail the nature of the legal services provided by attorneys at Lawyers *for* Justice, PC and the time incurred in performing those services. These hours include work done by several attorneys at the firm. Also, separate from the hours referenced herein and, in the chart, Lawyers *for* Justice, PC had litigation support personnel actively engaged in assisting with the prosecution of the case.

33. The work performed in this particular case, the background of Lawyers *for* Justice PC, as well as the individual backgrounds, training, and experience of the attorneys who worked on this matter, in litigating complex wage-and-hour class and PAGA representative actions, support a reasonable blended hourly rate of compensation of at least $800 for work performed by Plaintiffs' Counsel. Lawyers *for* Justice, PC has been awarded attorneys' fees, compensating the firm at the rate of at least $800 per hour for legal services performed, by courts granting approval of wage and hour class action and/or representative action settlements in other cases: *David Dugan v. TEC Equipment, Inc., et al.* (Los Angeles Superior Court Case No. 19STCV01591) was granted on July 8, 2021, and the award of attorneys' fees involved an hourly rate of $936.47; final approval of the class and representative action settlement in *Larry Greenwood, et al. v. Scan Health Plan* (Los Angeles Superior Court Case No. BC715157) was granted on April 20, 2021, and the award of attorneys' fees involved an hourly rate of $919.57; final approval of the class and representative action settlement in *Seth Swan v. Pace Supply Corp.* (Sonoma County Superior Court Case No. SCV258764) was granted on February 6, 2019, and the award of attorneys' fees involved an hourly rate of $855.96; final approval of the class and representative action settlement in *Stanley Bland, et al. v. Telecare Corporation* (Alameda County Superior Court Case No. RG16811450) was granted on November 21, 2018, and the award of attorneys' fees involved an hourly rate of $831.38; and final approval of the class and representative action settlement in *Demetrius Camarillo v. Blue Diamond Growers* (Sacramento County Superior Court Case No. 34-2015-00175871) was granted on June 30, 2017, and the award of attorneys' fees involved an hourly rate of $845.64.

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LITIGATION COSTS AND EXPENSES INCURRED BY PLAINTIFFS' COUNSEL

34. The Settlement provides for reimbursement of litigation costs and expenses of up to $30,000.00. Plaintiffs' Counsel seeks reimbursement of $14,694.49 for litigation costs and expenses incurred in this case, as reflected in the Case Cost Detail attached hereto as "**EXHIBIT 6**." It should be noted that Plaintiffs' Counsel has borne all of the risks and costs of litigation to date and will not receive any compensation until a recovery is obtained in this matter. These costs and expenses were reasonable and necessary in the prosecution of this matter and to obtain the Settlement. The amount sought for reimbursement is less than the maximum amount ($30,000.00) allocated under the Settlement Agreement for reimbursement of litigation costs and expenses. The cost savings of $15,305.51 will be part of the Net Settlement Amount

ENHANCEMENT AWARDS TO PLAINTIFFS

35. For their broader individual waiver and release of claims with a California Civil Code Section 1542 waiver (set forth in Section 8(b) of the Settlement Agreement), the Settlement provides for Enhancement Awards to Plaintiffs in the amount of $7,500 each (for a total of $15,000.00) to be paid out of the Total Settlement Amount, subject to approval by the Court. The requested Enhancement Awards are fair and appropriate. It is also worth noting that Plaintiffs have undertaken significant efforts and work to spearhead the pursuit of this matter. By initiating and pursuing this matter, Plaintiffs stepped into the shoes of the State of California and undertook the responsibilities of serving in a representative capacity. Plaintiffs have spent a substantial amount of time and effort discussing their employment with their counsel, gathering and producing relevant documents and information, and providing the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever their counsel needed them and actively tried to obtain and provide information that would facilitate the pursuit of the PAGA claim. Accordingly, it is appropriate and just for Plaintiffs to receive the requested Enhancement Awards.

36. Plaintiffs' Counsel submits that the Settlement fulfills the purpose of the PAGA statute, is within the accepted range of recoveries for this type of litigation, and is fair,

reasonable, and adequate given the substantial monetary benefits provided for by the Settlement, the strengths and weaknesses of this case, and the inherent delay, costs, risks, and uncertainty associated with continued litigation.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 10th day of April 2025, at Mooresville, North Carolina.

Helene Mayer

Helene Mayer

LAWYERS *for* JUSTICE, PC
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Glendale, California 91203

EXHIBIT 1

LAWYERS FOR JUSTICE PC

September 16, 2021

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: ***PERFORMANCE AUTOMOTIVE GROUP, INC.***

Dear Representative:

We have been retained to represent Elizabeth Villavicencio against Performance Automotive Group, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Performance Automotive Group") for violations of California wage-and-hour laws. Ms. Villavicencio seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Villavicencio seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Performance Automotive Group employed Ms. Villavicencio as an hourly-paid, non-exempt employee from approximately October 2014 to approximately June 2020, in the State of California. Pursuant to the Emergency Rules Related to COVID-19, Rule 9(a), "the statutes of limitation and repose for civil causes of action that exceed 180 days are tolled from April 6, 2020, until October 1, 2020."

The "aggrieved employees" that Ms. Villavicencio may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Performance Automotive Group has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001.

Performance Automotive Group required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work related inquiries, helping customers, reviewing contracts, and preparing documents. Performance Automotive Group rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Performance Automotive Group over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Villavicencio and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Villavicencio and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Performance Automotive Group required Ms. Villavicencio and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Performance Automotive Group also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Performance Automotive Group did not provide Ms. Villavicencio and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Performance Automotive Group were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Villavicencio and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Villavicencio and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Performance Automotive Group failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Villavicencio and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Performance Automotive Group did not provide Ms. Villavicencio and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee … under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Villavicencio and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Villavicencio and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Villavicencio and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Performance Automotive Group.

Therefore, on behalf of all aggrieved employees, Ms. Villavicencio seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,

Edwin Aiwazian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Performance Automotive Group, Inc.
c/o Matthew Wood
Agent for Service of Process
9645 Auto Center Dr.
Elk Grove, CA 95757

Performance Automotive Group, Inc.
c/o Lisa L. Bradner
CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC
Attorney
2999 Douglas Blvd., Suite 180
Roseville, CA 95661

EXHIBIT 2

September 16, 2021

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: ***PERFORMANCE AUTOMOTIVE GROUP, INC.***

Dear Representative:

We have been retained to represent Shaina Sepulveda against Performance Automotive Group, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Performance Automotive Group") for violations of California wage-and-hour laws. Ms. Sepulveda seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Sepulveda seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Performance Automotive Group employed Ms. Sepulveda as an hourly-paid, non-exempt employee from approximately April 2013 to approximately August 2020, in the State of California. Pursuant to the Emergency Rules Related to COVID-19, Rule 9(a), "the statutes of limitation and repose for civil causes of action that exceed 180 days are tolled from April 6, 2020, until October 1, 2020."

The "aggrieved employees" that Ms. Sepulveda may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Performance Automotive Group has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001.

Performance Automotive Group required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work related inquiries, helping customers, reviewing contracts, and preparing documents. Performance Automotive Group rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Performance Automotive Group over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Sepulveda and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Sepulveda and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

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California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Performance Automotive Group failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Sepulveda and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

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California Labor Code section 1198 provides that "The employment of any employee … under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Performance Automotive Group failed to pay Ms. Sepulveda and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Sepulveda and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Performance Automotive Group failed to pay Ms. Sepulveda and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Sepulveda and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Sepulveda and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Performance Automotive Group.

Therefore, on behalf of all aggrieved employees, Ms. Sepulveda seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,

Edwin Aiwazian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Performance Automotive Group, Inc.
c/o Matthew Wood
Agent for Service of Process
9645 Auto Center Dr.
Elk Grove, CA 95757

Performance Automotive Group, Inc.
c/o Lisa L. Bradner
CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC
Attorney
2999 Douglas Blvd., Suite 180
Roseville, CA 95661

EXHIBIT 3

June 26, 2024

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: ***PERFORMANCE AUTOMOTIVE GROUP, INC.***

Dear Representative:

We have been retained to represent Elizabeth Villavicencio against Performance Automotive Group, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Performance Automotive Group") for violations of California wage-and-hour laws. Ms. Villavicencio seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Villavicencio seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Performance Automotive Group employed Ms. Villavicencio as an hourly-paid, non-exempt employee from approximately October 2014 to approximately June 2020, in the State of California. Pursuant to the Emergency Rules Related to COVID-19, Rule 9(a), "the statutes of limitation and repose for civil causes of action that exceed 180 days are tolled from April 6, 2020, until October 1, 2020."

The "aggrieved employees" that Ms. Villavicencio may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Performance Automotive Group has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 245-249, 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and 2810.5 and IWC Wage Orders including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001.

Performance Automotive Group required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work related inquiries, helping customers, reviewing contracts, and preparing documents. Performance Automotive Group rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Performance Automotive Group over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Villavicencio and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Villavicencio and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Performance Automotive Group required Ms. Villavicencio and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Performance Automotive Group also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 245-249 require employers to provide paid sick leave. During the relevant time period, Performance Automotive Group did not provide Mr. Villavicencio and other aggrieved employees with all paid sick leave that was owed to them.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Performance Automotive Group did not provide Ms. Villavicencio and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Performance Automotive Group were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Villavicencio and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Villavicencio and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Villavicencio and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Performance Automotive Group failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Villavicencio and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 2810.5 requires an employer to provide written notice to an employee, at the time of hiring, containing the following information:

> The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable. Allowances, if any, claimed

> as part of the minimum wage, including meal or lodging allowances. The regular payday designated by the employer in accordance with the requirements of this code. The name of the employer, including any "doing business as" names used by the employer. The physical address of the employer's main office or principal place of business, and a mailing address, if different. The telephone number of the employer. The name, address, and telephone number of the employer's workers' compensation insurance carrier. That an employee: may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates. Any other information the Labor Commissioner deems material and necessary.

Performance Automotive Group, Inc. failed to accurately provide aggrieved employees with the requisite notice in violation of California Labor Code section 2810.5.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Performance Automotive Group did not provide Ms. Villavicencio and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee … under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Villavicencio and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Performance Automotive Group failed to pay Ms. Villavicencio and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Villavicencio and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Villavicencio and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Performance Automotive Group.

Therefore, on behalf of all aggrieved employees, Ms. Villavicencio seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,

Helene Mayer

Helene Mayer, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Performance Automotive Group, Inc.
c/o Matthew Wood
Agent for Service of Process
9645 Auto Center Dr.
Elk Grove, CA 95757

Performance Automotive Group, Inc.
c/o Tim Del Castillo
CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC
Attorney
2999 Douglas Blvd., Suite 180
Roseville, CA 95661

EXHIBIT 4

<u>PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE</u>

This Private Attorneys General Act Settlement Agreement and Release ("Settlement Agreement" or "Settlement") is entered into by and between Elizabeth Villavicencio and Shaina Sepulveda ("Plaintiffs"), for themselves and as representatives of the State of California and the Aggrieved Employees (as defined in Section 3(a)(5) below) and Performance Automotive Group, Inc. ("Defendant"), subject to approval by the Court. The term "Party" or "Parties" as used herein shall refer to Plaintiffs, Defendant, or both, as may be appropriate.

1. **<u>Recitals</u>**. This Settlement Agreement is made with reference to the following facts:

(a) Plaintiffs are former employees of Defendant. Plaintiff Villavicencio was employed by Defendant from approximately October 2014 to approximately June 2020. Plaintiff Sepulveda was employed by Defendant from approximately April 2013 to approximately August 2020;

(b) On September 16, 2021, Lawyers *for* Justice, PC ("Plaintiffs' Counsel"), submitted letters on behalf of Plaintiffs, to the California Labor and Workforce Development Agency ("LWDA") and Defendant, to notify the LWDA and Defendant, pursuant to the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA"), of Plaintiffs' intent to seek civil penalties under PAGA for Defendant's alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001, 7-2001, and 9-2001 thereby initiating LWDA Case Number LWDA-CM-844902-21 (the "Villavicencio PAGA Notice") and LWDA-CM-844897-21 (the "Sepulveda PAGA Notice") (together, the "PAGA Notices");

(c) On November 22, 2021, Plaintiffs filed their Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *et seq.*, commencing a representative action under PAGA against Defendant, entitled *Elizabeth Villavicencio, et al. v. Performance Automotive Group, Inc.*, Sacramento Superior Court Case No. 34-2021-00311505-CU-OE-GDS (the "Action"). The Operative Complaint asserts a single cause of action for civil penalties under PAGA, for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders;

(e) On December 1, 2022, the Parties mediated the Action with Mark Rudy, Esq. and, with the aid of the mediator's evaluation, the Parties ultimately reached the Settlement described herein to resolve the Action in its entirety;

(f) On June 26, 2024, Plaintiff Villavicencio submitted an amended PAGA notice to the LWDA. Plaintiffs will file an amended complaint ("Operative Complaint"), to add a claim under PAGA for failure to accurately record and pay sick leave for settlement purposes only;

(g) There has been no determination on the merits of the Action or the PAGA Notices but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action and Released Claims (as defined in Section 8(a) below).

2. **Nonadmission of Wrongdoing**. The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind.

3. **Consideration**.

(a) In consideration for Plaintiffs signing this Settlement Agreement and complying with its terms, Defendant shall pay the maximum gross sum of Three Hundred Fifty Thousand Dollars and No Cents ($350,000.00) (the "Total Settlement Amount") to resolve the Action and Released Claims, which will be paid as follows:

(1) Attorneys' fees in the amount of forty percent (35%) of the Total Settlement Amount, which is One Hundred Twenty-Two Thousand and Five Hundred Dollars and No Cents ($122,500.00), and reimbursement of litigation costs and expenses in the amount of up to Thirty Thousand Dollars and No Cents ($30,000.00) (collectively, "Attorneys' Fees and Costs") to Plaintiffs' Counsel, which Defendant will not contest.

(2) A general release fee of up to the amount of Seven Thousand Five Hundred Dollars and No Cents ($7,500.00) ("Enhancement Awards") to each of the Plaintiffs, which Defendant will not contest.

(3) Costs and expenses of administration of the Settlement up to the amount of six thousand dollars ($6,000.00) ("Settlement Administration Costs") to Simpluris, Inc. (the "Settlement Administrator").

(4) The amounts stated in Sections 3(a)(1)–(3) above, once approved by the Court, shall be paid from the Total Settlement Amount. The balance remaining after these deductions is referred to as the "Net Settlement Amount."

(5) Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA ("PAGA Penalty Amount"); and the remaining twenty-five percent (25%) will be distributed to the PAGA Employees, defined solely for purposes of this Settlement as all non-exempt employees who worked for Defendant during the PAGA Release Period (the "PAGA Employees"). The period March 22, 2020, through March 20, 2023 is the "PAGA Release Period," subject to Section 3(b). The 25% portion of the Net Settlement Amount payable to PAGA Employees is referred to as the "Employees' Portion."

(b) The PAGA Employees are estimated to have worked approximately 5,258 Compensable Pay Periods during the period from September 16, 2020, to July 30, 2022. If the actual number of Compensable Pay Periods during the PAGA Release Period is more than five percent (5%) (i.e., more than 263 Compensable Pay Periods) above 5,258, Defendant shall have the option of: (1) selecting a new end date for the PAGA Release Period that limits the number of Compensable Pay Periods to no more than 110% of 5,258; or (2) increasing the Net Settlement Amount proportionally for any amount of Compensable Pay Periods over 10% of 5,258. Should Defendant not select either of these options, Plaintiffs shall have the option to cancel the settlement agreement.

(c) Because this is a settlement of PAGA claims for civil penalties only, no portion of the Settlement is allocated to unpaid wages. One Hundred Percent (100%) of the payments for Attorneys' Fees and Costs, Enhancement Awards, and the Net Settlement Amount to be paid to the LWDA and PAGA Employees as described in Section 3(a) above will be treated and reported for tax purposes as non-wage payments and the Settlement Administrator will be responsible for issuing IRS Forms 1099 as required.

4. **<u>Court Approval is Required</u>**. Plaintiffs understand and agree that the State of California and PAGA Employees, including Plaintiffs, would not receive the consideration specified in Section 3(a) above, except for Plaintiffs' execution of this Settlement Agreement, and the fulfillment of the promises contained herein, as well as Court approval of the Settlement. If this Settlement Agreement is not approved by the Court, it shall be null and void.

5. **<u>Disbursal of Settlement Funds</u>**.

(a) Subject to Section 4 above, Defendant shall remit to the Settlement Administrator the sums described more fully in Section 3(a) above, after all of the following has occurred: (i) the Settlement Agreement is fully executed by all Parties and their counsel; and (ii) the Court has entered an order approving the Settlement Agreement.

(b) Upon complete distribution of the Total Settlement Amount by the Settlement Administrator in accordance with this Settlement Agreement, the Settlement Administrator will notify the Parties of distribution of the entire Total Settlement Amount.

6. **<u>Approval and Implementation of the PAGA Settlement</u>**.

(a) The Parties are aware that some courts have approved a PAGA settlement and entered an order approving the settlement and judgment and thereafter closed the case, while others have approved a PAGA settlement and entered only an order approving the settlement with later instructions to file a request for dismissal of the action. The Parties agree to cooperate and take any and all steps required by the Court in the Action to implement the settlement and terminate the Action pursuant to settlement (i.e., to terminate the Action by way of judgment or dismissal).

(b) The Parties further agree to cooperate in the drafting and/or filing of any further documents and/or filings reasonably necessary to be prepared and/or filed, and to take all steps that may be requested by the Court in order to obtain approval and implementation of this Settlement Agreement, and the payments described in Section 3(a) above.

(c) The Parties shall seek to obtain Court approval of this Settlement Agreement by way of an unopposed motion to be filed by Plaintiffs' Counsel. Plaintiffs' Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Timothy Del Castillo of Castle Law: California Employment Counsel, PC ("Defendant's Counsel") for review; Defendant's Counsel will be given an opportunity to comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable.

(d) The Parties expressly acknowledge that the Court's approval of the Settlement Agreement is a condition precedent to any payments described in this Settlement Agreement. Therefore, the Parties further acknowledge that, should the Court not grant approval of this Settlement Agreement and/or should the Court refuse to grant judgment or dismissal of the

Action and close the Action based on the Settlement, the entirety of this Settlement Agreement shall be null and void.

7. **<u>Payment of Total Settlement Amount / Notice to Recipients</u>**.

(a) Subject to Court approval of this Settlement Agreement, payment of the sums described in Section 3(a) above shall be made by Defendant by transmitting the required sums to a qualified settlement account established by Settlement Administrator for administration of this Settlement, within thirty (30) calendar days of the Court's order granting approval of this Settlement Agreement. If the date by which payment by Defendant is due falls on a Saturday, Sunday or legal holiday in the State of California, then the due date shall be extended the next following day which is not a Saturday, Sunday or legal holiday in the State of California.

(b) Each PAGA Employee will be entitled to a *pro rata* share of 25% of the Net Settlement Amount (i.e., the Employees' Portion) based upon the number of Compensable Pay Periods they each worked during the PAGA Release Period ("Compensable Pay Periods"), based on Defendant's payroll records. Specifically, to calculate each PAGA Employee's share of the Employees' Portion ("Individual Settlement Share"), the Settlement Administrator shall: (i) for each PAGA Employee, divide the number of Compensable Pay Periods he or she individually worked by the total aggregate number of Compensable Pay Periods worked by all PAGA Employees, and then (ii) multiply this amount by the Employees' Portion to arrive at each PAGA Employee's Individual Settlement Share.

(1) One Hundred Percent (100%) of all Individual Settlement Shares are to be considered penalties and will not be subject to local, state, or federal payroll tax withholdings. All PAGA Employees who cash, deposit, or otherwise negotiate their Individual Settlement Share checks shall receive an IRS Form 1099 for their Individual Settlement Share as required by the IRS.

(c) The Settlement Administrator shall distribute each Individual Settlement Share by way of check, along with a cover letter ("Cover Letter") agreed to by the Parties and approved by the Court, in substantially the form attached hereto as "<u>Exhibit A</u>", in the following manner:

(1) No later than thirty (30) calendar days after the Court's order granting approval of the Settlement, Defendant shall provide the Settlement Administrator with a list of all PAGA Employees (the "PAGA Employees List"), containing the following information for each PAGA Employee: (i) first and last name; (ii) last known address; (iii) last known telephone number; (iv) social security number; and (v) Compensable Pay Periods.

(2) The Settlement Administrator shall conduct one (1) National Change of Address ("NCOA") search for all individuals identified on the PAGA Employees List prior to the mailing of the agreed-upon Cover Letter and Individual Settlement Share checks (together, the "PAGA Settlement Packages"), and update addresses for PAGA Employees to the extent updated addresses are located through the NCOA search.

(3) No later than seven (7) calendar days after the Settlement Administrator receives the PAGA Employees List and Total Settlement Amount, the Settlement Administrator shall mail the PAGA Settlement Package to all PAGA Employees by first-class United States mail. For each PAGA Settlement Package that is returned undeliverable within thirty (30)

calendar days of the initial mailing, the Settlement Administrator shall promptly attempt to locate an alternate, updated address for the PAGA Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.

(4) The Individual Settlement Share checks issued to PAGA Employees shall remain valid for one hundred eighty (180) calendar days, and thereafter, shall be canceled. Funds associated with canceled checks shall be transmitted to Saint John's Program for Real Change in conformity with California Code of Civil Procedure Section 384, as amended. The Parties and their counsel each represent that they do not have any affiliation or involvement with the proposed *cy pres* recipient.

(d) No later than seven (7) calendar days after the Settlement Administrator receives the PAGA Employees List and Total Settlement Amount, the Settlement Administrator shall transmit the Enhancement Awards to Plaintiffs.

(e) No later than seven (7) calendar days after Settlement Administrator received the PAGA Employees List and Total Settlement Amount, the Settlement Administrator shall transmit the PAGA Penalty Amount to the LWDA.

(f) No later than seven (7) calendar days after the Settlement Administrator received the PAGA Employee List and Total Settlement Amount, the Settlement Administrator shall transmit the Attorneys' Fees and Costs to Plaintiff's Counsel, unless instructed otherwise by Plaintiff's Counsel. At the request of Plaintiffs' Counsel, the Settlement Administrator may purchase annuities, utilize United States Treasuries and bonds, or utilize any other attorney fee deferral vehicles, and any additional expenses associated with doing so will be paid separately by Plaintiffs' Counsel.

(g) No later than seven (7) calendar days after the Settlement Administrator received the Employee List and Total Settlement Amount, the Settlement Administrator shall transmit the Settlement Administration Costs to itself, only after the PAGA Settlement Packages have been mailed to all Aggrieved Employees, the Settlement Administrator shall transmit the Settlement Administration Costs to itself.

8. **<u>Release of Claims by Plaintiff, Aggrieved Employees, and the State of California</u>**.

(a) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiffs and the State of California with respect to PAGA Employees, will be deemed to have knowingly and voluntarily released and forever discharged Defendant, including Defendant's parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs (collectively, the "Released Parties"), to the full extent permitted by law, of and from the Action and from any and all claims, arising during the PAGA Release Period, for civil penalties under California Labor Code section 2698, *et seq*. ("PAGA") as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint, including but not limited to, for failure to pay minimum, regular, and overtime wages (including, and not limited to, the failure to pay overtime at the correct regular rate of pay), failure to provide compliant meal periods and associated premiums, failure to provide correct regular rate of pay for associated meal premiums, failure to provide compliant rest periods and associated premiums, failure to provide correct regular rate of pay for associated rest premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to accurately record and pay sick leave, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia* Wage Orders 2-2001, 4-2001, and 5-2001 (collectively, "Released Claims").

(b) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiffs, individually and on behalf of their heirs, executors, administrators, representatives, attorneys, successors and assigns, will be deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full extent permitted by law, from any and all claims of every nature whatsoever, known or unknown, suspected or unsuspected, which Plaintiffs may have now or in the future arising from any act or omission or condition occurring on or prior to the execution of this document (including, without limitation, the future effects of such acts, omissions, or conditions). Plaintiffs and Plaintiffs' representatives, heirs, successors, and assigns do hereby acknowledge and agree to waive any right, under local, state, federal or any other law, in bringing or participating in any class action, representative proceeding, or for class relief against the Released Parties described concerning all claims, rights, demands, actions, obligations, liabilities, and causes of action of every kind and character, known or unknown, mature or unmatured, which Plaintiffs may have now or in the future arising from any act or omission or condition occurring on or prior to the execution of this document (including, without limitation, the future effects of such acts, omissions, or conditions), whether based on tort, contract (express or implied), or any federal, state, or local law, statute, or regulation, including but not limited to, any and all claims that arise out of Plaintiffs' employment with Defendant. This broader release includes, but is not limited to, all claims arising directly or indirectly from Plaintiffs' employment with Defendant and the termination of that employment, including without limitation claims arising under federal, state, or local laws and claims for unpaid wages, penalties, liquidated damages, breach of contract, breach of the implied covenant of good faith and fair dealing, infliction of emotional distress, wrongful or retaliatory discharge, harassment, discrimination, defamation, impairment of economic opportunity, and violations of public policy, the Fair Labor Standards Act, the California Labor Code, the California Fair Employment and Housing Act, the California Business and Professions Code, the California Constitution, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, which provides:

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

Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims which Plaintiffs may have now or in the future arising from any act or omission or condition occurring on or prior to the execution of this document (including, without limitation, the future effects of such acts, omissions, or conditions) against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

9. **Governing Law and Interpretation**.

(a) This Settlement Agreement shall be governed and conformed in accordance with the laws of the State of California. Should any non-material provision of this Settlement Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable such provision immediately shall become null and void, leaving the remainder of this Settlement Agreement in full force and effect.

(b) In the event of a breach of any provision of this Settlement Agreement, any Party reserves the right to institute an action specifically to enforce any term or terms of this Settlement Agreement or seek damages for breach. In an action to enforce any term or terms of this Settlement Agreement or to seek damages for breach of this Settlement Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorney's fees and costs from the non-prevailing Party.

10. **Amendment**. This Settlement Agreement may not be modified, altered or changed except in writing and signed by both Parties' counsel, wherein specific reference is made to this Settlement Agreement, subject to approval by the Court.

11. **Miscellaneous**.

(a) The Parties agree to stay all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

(b) This Settlement Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically transmitted copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

(c) The section headings used in this Settlement Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

(d) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel under the auspices of mediator Mark Rudy, Esq. In the event of vagueness, ambiguity or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly, and the Parties may present their disputes to the mediator to resolve any vagueness, ambiguity, or uncertainty.

(e) If Plaintiff or Defendant fail to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Electronically Signed 2025-01-14 00:21:01 UTC - 12.235.177.136
Nintex AssureSign® 9608ea52-58a9-492e-af78-b264014341e1

Date: January 14, 2025

Elizabeth Villavicencio
Individually and On Behalf of
the State of California and Aggrieved Employees

Date: ____________________, 2025

Shaina Sepulveda
Individually and On Behalf of
the State of California and Aggrieved Employees

PERFORMANCE AUTOMOTIVE GROUP, INC.

Date: ____________________, 2025

Name:
Title:

Approved as to form and content.

LAWYERS *FOR* JUSTICE, PC

Date: January 14, 2025

Helene Mayer

Arby Aiwazian
Joanna Ghosh
Helene Mayer
Attorneys for Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda

CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC

(e) If Plaintiff or Defendant fail to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Date: ______________________, 2025 ______________________

Elizabeth Villavicencio
Individually and On Behalf of
the State of California and Aggrieved Employees

Electronically Signed 2025-01-14 00:14:44 UTC - 12.235.177.136

Date: January 14, 2025

Nintex AssureSign® 7e3c75a4-d2e2-4c10-a232-b265000353fa

Shaina Sepulveda
Individually and On Behalf of
the State of California and Aggrieved Employees

PERFORMANCE AUTOMOTIVE GROUP, INC.

Date: ______________________, 2025 ______________________

Name:
Title:

Approved as to form and content.

LAWYERS *FOR* JUSTICE, PC

Date: ______________________, 2025 ______________________

Arby Aiwazian
Joanna Ghosh
Helene Mayer
Attorneys for Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda

CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC

(e) If Plaintiff or Defendant fail to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Date: ______________________,2024

____
Elizabeth Villavicencio
Individually and On Behalf of
the State of California and Aggrieved Employees

Date: ______________________,2024

____
Shaina Sepulveda
Individually and On Behalf of
the State of California and Aggrieved Employees

PERFORMANCE AUTOMOTIVE GROUP, INC.

Date: 10/21/24, 2024

____
Name: MATT WOOD
Title: President

Approved as to form and content.

LAWYERS *FOR* JUSTICE, PC

Date: ______________________, 2024

____
Arby Aiwazian
Joanna Ghosh
Helene Mayer
Attorneys for Plaintiffs Elizabeth Villavicencio and Shaina Sepulveda

CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC

Date: October 21, 2024

Timothy Del Castillo
Attorneys for Defendant Performance Automotive Group, Inc.

Exhibit A

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>> <<State>> <<Zip>>

Re: Settlement Payment from *Elizabeth Villavicencio, et al. v. Performance Automotive Group, Inc*., Sacramento Superior Court Case No. 34-2021-003115505-CU-OE-GDS

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of **<<amount of payment>>** ("Individual Settlement Share"). This check is your payment from the settlement in the lawsuit entitled *Elizabeth Villavicencio, et al. v. Performance Automotive Group, Inc.*, Sacramento Superior Court Case No. 34-2021-003115505-CU-OE-GDS ("Action").

The lawsuit was filed on November 22, 2021 by Elizabeth Villavicencio and Shaina Sepulveda ("Plaintiffs") against their former employer, on behalf of the State of California, with respect to themselves and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA"), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses. Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiffs and Defendant Performance Automotive Group, Inc. ("Defendant").

On << Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California Labor and Workforce Development Agency and a portion to be paid to all non-exempt employees who worked for Defendant during the PAGA Release Period ("PAGA Employees"). The period March 22 2020, to [the date of the Court's Approval of settlement or March 20, 2023] is the "PAGA Release Period".

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as a PAGA Employee. Your Individual Settlement Share is based on the total number of Compensable Pay Periods that you worked for Defendant in California during the PAGA Release Period. The Individual Settlement Share is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<date of entry of order by the Court approving the Settlement and full funding of the First Installment>>, the Released Parties were fully released and forever discharged from any and all Released Claims.

> "Released Parties" means Defendant, including Defendant's parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.
>
> "Released Claims" means any and all claims, arising during the PAGA Release Period, for civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint, including but not limited to, for failure to pay minimum, regular, and overtime wages (including, and not limited to, the failure to pay overtime at the correct regular rate of pay), failure to provide compliant meal periods and associated premiums, failure to provide associated meal premiums at the correct regular rate of pay, failure to provide compliant rest periods and associated premiums, failure to provide associated rest premiums at the correct regular rate of pay failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to accurately record and pay sick leave, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 2-2001, 4-2001, and 5-2001.

The enclosed check is valid for 180 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to Saint John's Program for Real Change.

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [Settlement Administrator] at [toll-free phone number].

EXHIBIT 5

ELIZABETH VILLAVICENCIO, ET AL. VS. PERFORMANCE AUTOMOTIVE GROUP, INC.
Sacramento County Superior Court, Case No. 34-2021-00311505-CU-OE-GDS

ATTORNEY TASK AND TIME CHART

TASK	**LAWYERS *for* JUSTICE, PC**
Investigation and Research / Due Diligence	
Meet and Communicate with Plaintiff Elizabeth Villavicencio ("Plaintiff Villavicencio") during the Case	18.50
Meet and Communicate with Plaintiff Shaina Sepulveda ("Plaintiff Sepulveda") (together with Plaintiff Villavicencio, "Plaintiffs") during the Case	15.50
Investigate, Communicate with, and/or Interview Aggrieved Employees and/or Percipient Witnesses	6.50
Pleadings and Court Filings	
Investigate the Merits of Plaintiffs' Private Attorneys General Act ("PAGA") Claims, Conduct Legal Research and Analysis Regarding the Claims Involved, and Draft Plaintiffs' Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (filed on November 22, 2021)	8.50
Review Court's Order Re: Delay in Scheduling Initial Case Management Conference (filed on November 22, 2021)	0.10
Review and Analyze Defendant Performance Automotive Group Inc.'s ("Defendant") Answer to Plaintiffs' PAGA Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq (served on January 20, 2022), and Research Affirmative Defenses in Defendant's Answer	1.30

Review Court's Order Scheduling of Case Management Conference (filed on April 5, 2022)	0.10
Meet and Confer with Defendant's Counsel, and Draft, Review, and/or Revise Joint Stipulation to Continue Case Management Conference, and [Proposed] Order Thereon (filed on May 18, 2022)	0.70
Review Defendant's Case Management Statement (served on May 19, 2022)	0.10
Review Court's Tentative Ruling Re: Trial and Mandatory Settlement Conference (filed May 24, 2022)	0.10
Review Court's Order Granting Joint Stipulation to Continue Case Management Conference (filed May 31, 2022)	0.10
Draft Plaintiffs' Notice of Entry of Judgment or Order (filed on June 2, 2022)	0.10
Meet and Confer with Defendant's Counsel, and Draft, Review, and/or Revise Joint Stipulation to Continue Case Management Conference and Notice of Settlement and [Proposed] Order (filed on December 21, 2022)	0.80
Review Court's Order Granting Joint Stipulation to Continue Case Management Conference and Notice of Settlement (filed December 27, 2022)	0.10
Meet and Confer with Defendant's Counsel, and Draft, Review, and/or Revise Joint Case Management Conference Statement (filed on May 24, 2023)	0.70
Review Court's Tentative Ruling Re: Case Management Conference (filed May 31, 2023)	0.10
Draft Plaintiffs' Notice of Settlement of Entire Case (filed on June 20, 2023)	0.10
Meet and Confer with Defendant's Counsel, and Draft, Review, and/or Revise Joint Case Management Conference Statement (filed on July 14, 2023)	0.50

Draft Plaintiffs' First Amended Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (filed on December 16, 2024), Meet and Confer with Defendant's Counsel, and Draft, Review, and/or Revise Joint Stipulation Re: Leave to File First Amended Complaint and [Proposed] Order (filed on September 25, 2024)	3.90
Review Court's Order Granting Joint Stipulation Re: Leave to File First Amended Complaint (filed October 10, 2024)	0.10
Draft Plaintiffs' Notice of Entry of Judgment or Order (filed on October 15, 2024)	0.10
Discovery and Deposition	
Draft Letter to Defendant Re: Request for Personnel File, Pay Stubs, and Time Records for Plaintiff Sepulveda (served on August 18, 2021)	1.80
Draft Letter to Defendant Re: Request for Personnel File, Pay Stubs, and Time Records for Plaintiff Villavicencio (served on August 20, 2021)	1.80
Review and Analyze Documents Produced by Defendant in Response to the Request for Personnel File, Pay Stubs, and Time Records for Plaintiff Sepulveda (served on September 9, 2021)	4.30
Review and Analyze Documents Produced by Defendant in Response to the Request for Personnel File, Pay Stubs, and Time Records for Plaintiff Villavicencio (served on September 9, 2021)	3.10
Draft Plaintiff Villavicencio's Form Interrogatories – General (Set One), Special Interrogatories (Set One), Special Interrogatories (Set Two), and Requests for Production of Documents (Set One) to Defendant (served on January 28, 2022)	3.60
Draft Plaintiff Villavicencio's Notice of Deposition of Person Most Knowledgeable at Defendant Performance Automotive Group, Inc. and Requests for Production of Documents (Organizational Structure; noticed for February 28, 2022) (served on January 28, 2022)	1.20

Draft Plaintiff Villavicencio's Notice of Deposition of Person Most Knowledgeable at Defendant Performance Automotive Group, Inc. and Requests for Production of Documents (Wage and Hour Practices; noticed for March 1, 2022) (served on January 28, 2022)	1.50
Letters and Correspondence	
Conduct Research and Draft Notice to California Labor and Workforce Development Agency Re: Claims of Plaintiff Villavicencio for Penalties Under California Labor Code Section 2698, *et seq.* (served on September 16, 2021)	4.50
Conduct Research and Draft Notice to California Labor and Workforce Development Agency Re: Claims of Plaintiff Sepulveda for Penalties Under California Labor Code Section 2698, *et seq.* (served on September 16, 2021)	3.50
Draft Additional Notice to California Labor and Workforce Development Agency Re: Claims of Plaintiff Villavicencio for Penalties Under California Labor Code Section 2698, *et seq.* (served on June 26, 2024)	2.30
Draft Correspondence to, Meet and Confer with, and Respond to Correspondence from, Defendant's Counsel	17.50
Mediation/Settlement	
Review and Analyze Information, Data, and Documents Obtained from Plaintiffs, Defendant, and Other Sources Prior to Mediation (approximately 1,396 pages)	28.50
Prepare for Mediation, Including Researching Settlement-Related and Merits-Related Issues, Drafting the Mediation Brief, Compiling the Mediation Exhibits in Support of Plaintiffs' Mediation Brief, and Performing Penalties Analysis and Calculations (submitted on November 23, 2022)	21.50
Attend Mediation Session (December 1, 2022; via Video Conference)	8.50
Review and Analyze Mediator's Proposal (issued December 1, 2022)	1.60

Draft, Review, Revise, Negotiate, and Finalize Memorandum of Understanding (executed December 15, 2022)	3.50
Draft, Review, Revise, Negotiate, and Finalize Private Attorneys General Act Settlement Agreement and Release (executed on January 14, 2025) and Draft Related Cover Letter to Aggrieved Employees	11.50
Law and Motion	
Research and Draft Plaintiffs' Motion for Approval of Private Attorneys General Act (Labor Code § 2698, Et Seq.) Settlement Agreement and Award of Attorneys' Fees and Costs, Enhancement Awards, and Settlement Administration Costs, Declaration of Helene Mayer in Support Thereof, Declaration of Plaintiff Villavicencio in Support Thereof, Declaration of Plaintiff Sepulveda in Support Thereof, and [Proposed] Order and Judgment	17.20
Total Hours:	195.40

EXHIBIT 6

LAWYERS for JUSTICE PC CASE COST DETAIL
Villavicencio, et al. vs. Performance Automotive Group, Inc. (PAGA)

Date	Payee	Expense Description	Amount
8/18/2021	U.S. Postmaster	Postage	7.00
8/20/2021	U.S. Postmaster	Postage	7.00
9/16/2021	Labor & Workforce Development Agency	PAGA Filing Fee	$150.00
9/16/2021	U.S. Postmaster	Postage	$14.00
11/22/2021	Legal Document Server, Inc.	Attorney Service	$148.49
11/22/2021	Sacramento Superior Court	Complaint Filing Fee	$435.00
1/26/2022	Legal Document Server, Inc.	Attorney Service	$110.00
1/28/2022	General Logistics Systems US, Inc.	Courier Service	$29.59
4/12/2022	Legal Document Server, Inc.	Attorney Service	$120.00
5/17/2022	Mark S. Rudy	Mediation Fee	$12,500.00
5/19/2022	Legal Document Server, Inc.	Attorney Service	$121.35
5/19/2022	Sacramento Superior Court	Stipulation & Order Fee	$20.00
6/1/2022	Sacramento Superior Court	Document Download Fee	$4.00
6/2/2022	Legal Document Server, Inc.	Attorney Service	$120.00
12/21/2022	Legal Document Server, Inc.	Attorney Service	$171.35
12/21/2022	Sacramento Superior Court	Stipulation & Order Fee	$20.00
5/24/2023	Legal Document Server, Inc.	Attorney Service	$125.00
6/2/2023	Legal Document Server, Inc.	Attorney Service	$125.00
6/20/2023	Legal Document Server, Inc.	Attorney Service	$125.00
7/17/2023	Legal Document Server, Inc.	Attorney Service	$85.00
5/11/2024	FedEx Express	Courier Service	$188.97
9/25/2024	Legal Document Server, Inc.	Attorney Service	$16.84
9/25/2024	Sacramento Superior Court	Stipulation & Order Fee	$20.00
10/16/2024	Legal Document Server, Inc.	Attorney Service	$15.45
12/17/2024	Legal Document Server, Inc.	Attorney Service	$15.45
		Total:	**$14,694.49**