

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims (“Agreement”) is made and entered into by and among Steve Hernandez (“Plaintiff”) on the one hand, and Walter’s Auto Sales and Service, Inc. (“Defendant”), on the other. Plaintiff and Defendant are referred to collectively as the “Parties” and individually each as a “Party.” This Agreement is intended to resolve all disputes and extinguish those obligations described below.

RECITALS

WHEREAS, a dispute arose between Plaintiff on the one hand, and Defendant on the other hand, arising out of and related to Plaintiff’s employment with Defendant and the cessation thereof.

WHEREAS, on January 13, 2022, Plaintiff filed a civil lawsuit against Defendant in the San Bernardino County Superior Court as Case No. CIVSB2201275 (the “Action”), entitled *Steve Hernandez v. Walter’s Auto Sales and Service, Inc.*, alleging the following causes of action arising out of his employment with Defendant: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or compensation in lieu of; (4) failure to permit rest periods or provide compensation in lieu of; (5) knowing and intentional failure to provide accurate itemized wage statements; (6) waiting time penalties; (7) failure to reimburse business expenses; and (8) violation of the unfair competition law.

WHEREAS, on or around June 3, 2022, Plaintiff filed a request to dismiss individual and class claims without prejudice.

WHEREAS, on or around October 5, 2022, Plaintiff filed a First Amended Complaint alleging a single cause of action under the Labor Code Private Attorney’s General Act, codified at California Labor Code section 2698, et seq. (“PAGA”).

WHEREAS, on or around January 3, 2023, the Parties entered into a stipulation to submit Plaintiff’s individual PAGA claims to binding arbitration.

WHEREAS, the Parties wish to avoid the expense of further proceedings and desire to resolve any and all claims alleged by Plaintiff or those claims that could be alleged as a result of Plaintiff’s employment with Defendant, any relationship between Plaintiff and Defendant, and/or

generally arising out of or in connection with Plaintiff's employment and the cessation thereof;

WHEREAS, the Parties conferred and agreed to request approval of the present Agreement which addresses the agreed upon PAGA Payment and releases provided after dividing the PAGA claim into an individual and representative component.

WHEREAS, the Agreement provides for a dismissal of the representative component of the PAGA claim and of the representative class claims without prejudice and approval of the settlement of Plaintiff's individual wage and hour claims for damages and his individual PAGA claim for civil penalties under Labor Code 2699(1)(2).

WHEREAS, Defendant denies Plaintiff's allegations and contends that Defendant and all relevant entities acted lawfully in all respects regarding Plaintiff and Plaintiff's employment with Defendant.

AGREEMENT

NOW THEREFORE, in consideration of and in exchange for the promises, covenants, and releases contained in this Agreement and the other valuable consideration described herein, the sufficiency of which is hereby acknowledged by the Parties, the Parties mutually agree as follows:

1. Settlement Payment. For and in consideration of the mutual commitments made herein by Plaintiff, Defendant agrees to provide Plaintiff the total sum of Thirty-Two Thousand, Five Hundred Dollars and Zero Cents (\$32,500.00) (the "Settlement Payment") in full compromise and settlement of all claims released herein by Plaintiff. This Settlement Payment includes a Five Hundred Dollars and Zero Cents (\$500.00) allocation to the settlement of Plaintiff's individual non-representative PAGA claim component, to be divided in accordance with Labor Code 2699(i) (i.e. the "PAGA Payment"). The Settlement Payments shall be made as follows:

- a. By one check payable to "Steve Hernandez" in the amount of Six Thousand Five Hundred Forty-Eight Dollars and Twenty-Five Cents (\$6,548.25), less standard withholdings and deductions, which sum represents disputed wages, for which an IRS form W2 will be issued.

- b. By a second check payable to “Steve Hernandez” in the amount of Twelve Thousand Two Hundred Eighty-Six Dollars and Five Cents (\$12,286.05). The amount of the second check includes the payment of One Hundred Twenty-Five Dollars and Zero Cents (\$125.00), which represents the amount payable to Plaintiff as the aggrieved employee for the individual portion of the PAGA Payment under Labor Code 2699(i). Defendant will furnish an IRS Form 1099 to Plaintiff with this second check.
- c. By a third check for 75% of the PAGA Payment for Three Hundred Seventy-Five Dollars and Zero Cents (\$375.00) made out to the “Labor and Workforce Development Agency (LWDA)”.
- d. By a fourth check payable to Plaintiff’s counsel, “DAILY ALJIAN LLP” in the amount of Thirteen Thousand Two Hundred Ninety Dollars and Seventy Cents (\$13,290.70), which sum represents Plaintiff’s claimed attorneys’ fees and costs, for which an IRS Form 1099 will be issued.

The Settlement Payment will be made within fourteen (14) days after the conditions set forth in Paragraph 5 below are satisfied. The Settlement Payment shall be delivered to Plaintiff’s counsel c/o Justin E. D. Daily and Simon Kwak of DAILY ALJIAN LLP, located at 100 Bayview Circle, Suite 5500, Newport Beach, California 92660. The Settlement Payment is deemed timely delivered if deposited by U.S. Mail by the due date and/or with an overnight delivery service on or before the due date and mailed to Plaintiff’s counsel’s office.

The Parties shall confer if the Settlement Payment fails to be delivered to Plaintiff’s counsel within seven (7) business days of the delivery, and Defendant shall promptly cancel the original checks and re-issue the Settlement Payment should it be determined that the Settlement Payment was never received by Plaintiff’s counsel and there is confirmation that the Settlement Payment has not been cashed and/or deposited. Upon clearance of the Settlement Payment and satisfaction of all acts required to be completed herein, Defendant will have fully met its obligations under this Agreement and will not be liable in any manner for the distribution, division, or payment of any portion of the Settlement Payment to or between any counsel

Plaintiff may have retained and/or consulted, specifically including, but not limited to, DAILY ALJIAN LLP. Notwithstanding the preceding sentence, Defendant agrees to cooperate with Plaintiff in good faith to effectuate the terms of the Agreement, including, but not limited to, seeking approval of the settlement of Plaintiff's individual non-representative PAGA claim and dismissal of the Action as set forth herein. By execution of this Agreement, Plaintiff authorizes payment to be made as set forth in this Paragraph.

2. Dismissal and Termination of the Action. Plaintiff hereby agrees that within five (5) days of written confirmation to Defendant's counsel that the Settlement Payment set forth in Paragraph 1 have been successfully deposited, cashed, or otherwise negotiated by Plaintiff and Plaintiff's counsel, the Parties, through their counsel, shall file a stipulation and proposed order requesting dismissal of the nonindividual representative component of the PAGA claim without prejudice and dismissal of Plaintiff's individual claims and individual component of the PAGA Claim against Defendant with prejudice. The Parties will provide the Court with any other documents necessary to effectuate the dismissal. Plaintiff further agrees to dismiss any other claims, charges, or complaints he may have filed with any governmental or administrative agency or in any judicial forum including, but not limited to, State or Federal Court. Plaintiff acknowledges and represents that except for the Action, he does not presently have on file any claims, charges, or complaints against Defendant. Plaintiff acknowledges and covenants that except for the Action, no other claims, charges, or complaints will be filed based on any act which occurred prior to the effective date the release and waivers set forth in Paragraphs 3 and 4 of this Agreement, including, any claim related to, or in any way arising from his employment with Defendant or the cessation of that employment.

3. Release of Claims.

A. Release by Plaintiff. Upon Plaintiff's receipt of the Settlement Amount due under Paragraph 1, above, Plaintiff, for himself and for his heirs, executors, administrators, successors, and assigns, hereby releases, acquits, and forever discharges Defendant, and each of its parents, subsidiaries, and related entities, and each of their respective officers, directors, shareholders, persons, employees, agents, servants, representatives, members, attorneys, insurers, re-insurers,

assigns, and affiliates, as well as its parents, subsidiaries, and related entities and any and all other entities with whom they have been, are now, or may hereafter be affiliated, all subsidiary, affiliate, and parent companies, and any of their affiliated companies, predecessors, successors, and assigns, as well as their past or present officers, directors, agents, representatives, attorneys, insurers, re-insurers, assigns, or employees (collectively "Releasees"), from any and all claims, demands, obligations, actions, causes of action, liabilities, debts, promises, agreements, demands, attorneys' fees, losses, and expenses, known or unknown, suspected or unsuspected, filed or unfiled, that he may have or had arising out of any known or unknown fact, condition, or incident occurring prior to the date of this Agreement including, but not limited to, those arising out of or in connection with any claims, demand, charges, or complaints, specifically including, but not limited to, the Action, arising out of or in connection with his employment and its cessation, and any and all other interactions or relations with Releasees. This release includes, without limiting the generality of the foregoing: any and all claims, demands, causes of actions, obligations, charges, liabilities, attorneys' fees, costs, actual, compensatory, and punitive damages, and all claims for any other type of relief relating to, arising out of, or based upon all claims of harassment, discrimination, and/or retaliation in violation of State or Federal law; all claims for failure to prevent harassment, discrimination, and/or retaliation; all claims of violation of public policy, including a claim for wrongful termination of employment; all claims based on tort and/or breach of contract, whether written or oral, express or implied, and any covenant of good faith and fair dealing, all claims for unpaid commissions, wages, or other benefits, including minimum wage, overtime, double time, vacation, associated penalties and/or premiums, and expense reimbursement; all claims for rest or meal periods and associated penalties and/or premiums, and any and all claims for alleged violations of the California Labor Code generally; any claim for unlawful or unfair business practices; all claims for emotional distress; any and all claims which were or could have been asserted by Plaintiff; and all claims generally relating to Plaintiff's employment relationship, any type of relationship, and/or interactions with Releasees and the cessation thereof, including any alleged violation of any federal, state, or other governmental statute, regulation, ordinance, or executive order, including

without limitation:

- (1) The Civil Rights Acts of 1866, 1964, and 1991, as amended;
- (2) 42 U.S.C. § 1981;
- (3) The California Fair Employment and Housing Act;
- (4) Section 503 of the Rehabilitation Act of 1973;
- (5) The Fair Labor Standards Act (including the Equal Pay Act);
- (6) The California and United States Constitutions;
- (7) The California Labor Code, specifically including, but not limited to the Private Attorneys General Act (“PAGA”) pursuant to Labor Code section 2699 et seq.;
- (8) The California Business & Professions Code, specifically including, but not limited to, Business and Professions Code section 17200;
- (9) The Employee Retirement Income Security Act, as amended;
- (10) The Americans with Disabilities Act;
- (11) The Family Medical Leave Act;
- (12) The California Family Rights Act;
- (13) The California Pregnancy Discrimination Act;
- (14) The California Wage Orders;
- (15) The National Labor Relations Act;
- (16) The Immigration Reform and Control Act;
- (17) The California Occupational Safety and Health Act, and the Federal equivalent;
- (18) The Worker Adjustment and Retraining Notification Act; and
- (19) The Families First Coronavirus Response Act

Additionally, Plaintiff represents, warrants, and affirms that he has no claims or rights to assert a claim for workers’ compensation benefits at this time, and Plaintiff represents, warrants and affirms that no factual basis exists for a claim for increased compensation under California

Labor Code section 132a based upon all facts and circumstances surrounding his actual or alleged employment and cessation of employment with Defendant.

B. Application of Civil Code Section 1541. This release in all respects has been voluntarily and knowingly executed by the Parties with the express intention of effecting the legal consequences provided in California Civil Code section 1541, that is, the extinguishment of obligations herein designated.

4. Waiver of Section 1542. Plaintiff states and affirms that it is his intention in executing this Agreement that the same shall be effective as a bar to each and every claim, demand, cause of action, obligation, damage, liability, charge, attorneys' fees, and costs herein above released. Upon Plaintiff's receipt of the Settlement Amount due under Paragraph 1, above, Plaintiff expressly waives and relinquishes all of his rights and benefits, if any, arising under the provisions of 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.

5. Timing. Defendant has no obligation to provide the consideration as set forth in Paragraph 1 above until fourteen (14) days after all of the following have occurred: (A) counsel for Defendant has received this Agreement, fully executed by the Plaintiff; (B) Plaintiff and his counsel have executed and provided applicable IRS form W-9 and Plaintiff has provided IRS form W-4; (C) Plaintiff's submission of the Agreement to the LWDA with specific sums in Paragraph 1 redacted except for the amount allocated to the PAGA Payment; (D) the Parties filing of a stipulation and proposed order seeking approval of the Agreement with respect to the PAGA claim as to Plaintiff only, a declaration from Plaintiff's counsel in support of the request for approval with a copy of the Agreement containing redactions of specific sums in Paragraph 1 attached to the declaration; (E) Defendant's submission of an unredacted copy of the Agreement to the Court for *in camera* review concurrently with the filings under subpart (D) herein but no later than two business days of such filings; and (F) entry of an order by the Court approving the

settlement with respect to the PAGA claim as to Plaintiff only. In the event the Court denies approval of the Agreement, the Parties shall meet and confer in good faith to address the Court's concerns, such as, executing any further agreements and filing supplemental documents to obtain approval. Should the Parties fail to obtain approval of this Agreement following the Parties' reasonable efforts to effectuate its terms, the Agreement shall be deemed null and void and the Parties shall return to their respective positions in the litigation prior to the execution of the Agreement.

6. Acknowledgement. Plaintiff acknowledges and agrees that he would not otherwise be entitled to the consideration set forth in Paragraph 1 above were it not for his covenants, promises, and releases set forth herein. Plaintiff acknowledges that all claims for wages, commissions, and any other forms of compensation due to him arising from his employment with Defendant, and Releasees shall owe Plaintiff nothing further once Plaintiff receives the consideration described in Paragraph 1.

7. Confidentiality and Non-Disclosure. Plaintiff represents and agrees that he has and will keep the terms, amount, and facts of this Agreement, and the information obtained and asserted in the Action, completely confidential, and that he will not hereafter disclose, to the extent permitted by law, any information concerning this Agreement, or the Action to anyone; provided, however, that Plaintiff may make such disclosures as specified in Paragraph 5 and for the purpose of seeking court approval of the Agreement (e.g., to the Court and the LWDA) and disclosures to his professional representatives (e.g., attorneys, accountants, auditors, tax preparers, or as otherwise pursuant to law) and/or his spouse. Except for the disclosures specified in Paragraph 5, if any disclosures are made as provided in this Paragraph, each individual who receives the disclosure shall first be informed of and agree to be bound by this confidentiality clause, or other such disclosures required by law to enforce this Agreement. Plaintiff further agrees that if anyone other than his professional representatives and/or his spouse ask him about his claims and the cessation thereof, he will simply respond by stating, "The matter has been resolved and the resolution is confidential." Plaintiff agrees that he has not and will not issue any public announcement, publication, or otherwise disclose this Agreement, the terms thereof,

the claims, demands, or allegations alleged by Plaintiff, or any facts alleged to exist as support thereof to anyone, including the press, media, websites, or any service which reports litigation, verdicts, or settlements. The Parties acknowledge that California Government Code section 12964.5 does not apply to this Agreement because this Agreement is considered a negotiated settlement as defined by Government Code section 12964.5, subdivision (d)(2). Notwithstanding the foregoing, it is agreed by the Parties that nothing in this Agreement prevents or restricts Plaintiff from disclosing factual information related to (i) sexual assault; (ii) sexual harassment; (iii) an act of workplace harassment, discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination, as described in subdivisions (a), (h), (i), (j), and (k) of Government Code section 12940; or (iv) an act of harassment or discrimination, or an act of retaliation against a person for reporting harassment or discrimination by the owner of a housing accommodation, as described by Government Code section 12955. Plaintiff shall not authorize any other person or entity acting on Plaintiff's behalf to make any disclosure except as permitted in this Agreement or to the extent permitted by law. Defendant agrees that if they receive a request for an employment reference concerning Plaintiff (such as a request from a prospective employer), Defendant shall only provide information regarding Plaintiff's job titles, dates of employment with Defendant, and that the employment ended based on a mutual understanding of the Parties.

8. Liquidated Damages for Breach of Paragraph 7 of this Agreement. Plaintiff acknowledges that a breach by Plaintiff of any of the covenants set forth in Paragraph 7 of this Agreement will cause substantial harm to Defendant, including but not limited to, the cost of prosecuting any claims and lawsuits against Plaintiff. Plaintiff acknowledges that it is impossible for such harm to be calculated with any degree of certainty. Therefore, Plaintiff agrees that in the event of any proven breach of their obligations under Paragraph 7 of this Agreement shall entitle Defendant to reasonable liquidated damages in the sum of One Thousand Dollars and Zero Cents (\$1,000.00) for each proven breach, as well as recovery of court costs suffered by Defendant, but not to exceed a total of Four Thousand Dollars and Zero Cents (\$4,000.00). Before initiating any formal legal action to enforce the provisions of this Paragraph

8, such as the filing of any claim or lawsuit, Defendant shall first make a good faith and reasonable attempt to resolve the alleged breach informally with Plaintiff. At a minimum, the attempt at an informal resolution shall include, but is not limited to, providing Plaintiff written notice of the basis for any alleged breach, a reasonable time for Plaintiff to respond to the allegations but no less than twenty-one (21) days of the date of written notice pursuant to Paragraph 15, and an opportunity for Plaintiff to resolve an alleged breach by paying the liquidated damages set forth in this Paragraph (e.g., \$1,000.00 for each proven breach and not to exceed a total of \$4,000.00) without admission of any liability, wrongdoing, or conduct giving rise to the alleged breach. The Parties acknowledge that formal litigation for an alleged breach of Paragraphs 7 may be time consuming and costly. The Parties agree that the procedures for informal resolution in this Paragraph 8 are intended to mitigate the need to expend such time and unnecessarily incur such expenses to the extent reasonably practicable. Plaintiff agrees that this provision is fair and reasonable in light of the fact that the actual damages that would be suffered as the result of any such breach of Paragraph 7 this Agreement would be difficult to ascertain.

9. No Representation of Taxability. Plaintiff understands and agrees that he is responsible for payment of any taxes which are required to be paid to the State of California, the United States Government, or any other entity as a result of this settlement. Plaintiff acknowledges and agrees that Releasees have not warranted or represented how the U.S. Internal Revenue Service or other governmental taxing authorities will treat the Settlement Payment for tax purposes, and agrees that no further payment of money to Plaintiff from Defendant will be due in the event that the payment or the release of claims embodied in this Agreement, or any portion thereof, is found by a government taxing authority to be, or to result in, additional taxable income to Plaintiff. Plaintiff agrees that, in the event that any federal, state, or local agency takes the position that taxes should have been withheld from amounts paid pursuant to this Agreement, Plaintiff will be solely responsible for payment of any such alleged tax obligations if proven and will indemnify and hold Defendant harmless from any resulting tax liability, interest, attorneys' fees, or penalty associated therewith. Upon Plaintiff's receipt of written notification from Defendant that such liability has been imposed by any of those

governmental entities and the amount thereof, Plaintiff agrees that he shall fully remit such monies to the demanding entity in a timely manner. Plaintiff further agrees to give Defendant written notice within ten (10) days of the time any demand for payment of any tax deficiency is received by Plaintiff from any governmental agency in connection with this payment, and further, Plaintiff will provide a confirmation that he will honor his obligations under this Paragraph subject to all rights Plaintiff may have to dispute the demand for payment.

10. No Admission of Liability. It is understood and agreed by the Parties that this Agreement represents a compromise and settlement for various matters and that the promises and payments and consideration of this Agreement shall not be construed to be an admission of any liability or obligation by the Parties.

11. Attorneys' Fees and Costs. The Parties agree that they will bear their own attorneys' fees and costs incurred in connection with this matter, except as provided in Paragraph 1 above.

12. Attorney Liens. Plaintiff represents and warrants that all legal expenses, bills, costs or contingency fee agreements resulting from or arising out of the representation of Plaintiff by any attorney in relation to the Action are Plaintiff's responsibility to pay, and that any liens based on any legal expenses, bills, costs, or contingency fee agreements incurred as a result of the Action will be satisfied by Plaintiff. Plaintiff will indemnify, defend, and hold Releasees harmless from any such claims.

13. No Additional Recovery. It is the intent of this Agreement that Plaintiff, lienholders, and any other individual or entity with an interest in Plaintiff's claims shall not recover, directly or indirectly, any sums from Defendant other than the funds received pursuant to this Agreement and set forth in Paragraph 1. If, despite the provisions of this Paragraph, Defendant receives any claims, including a claim for contribution, any indemnity arising out of a claim brought by the Plaintiff against another person, Plaintiff shall indemnify, provide a full defense for, and hold harmless Defendant for such amount. The claims referenced in this Paragraph 13 shall be limited only to the claims asserted in the Action by Plaintiff on his own behalf only. In the event a trier of fact determines (and all appeals are exhausted or the time for

such appeals have expired) that Defendant is or would be liable for indemnity under any theory of law or equity, this Agreement shall act as a general release, releasing not only Defendant, but every other individual, trustee, firm, trust, corporation, or entity of any kind, who is or would be entitled to a defense and indemnity from Defendant with respect to any liability that person, firm, or corporation may have to Plaintiff.

14. Entire Agreement. This Agreement constitutes the entire agreement between Plaintiff and Defendant regarding actual or potential claims asserted by Plaintiff against Defendant and the resolution of those claims, which will remain in full force and effect. This Agreement cannot be orally modified. Any amendment or modification to this Agreement must be in writing, signed by Plaintiff and by a duly authorized representative of Defendant.

15. Notices. Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed to be given when served personally, or on the third business day after mailing if mailed by United States mail, postage prepaid, addressed to the other Party and/or its counsel.

16. No Reliance Upon Representations by the Other Side. Each Party hereto represents and acknowledges that in executing this Agreement, it does not rely and has not relied upon any representation or statement made by any other Party or by the agents, attorneys, or representatives of the other Party with regard to the subject matter of this Agreement, or its basis, or the effects of this Agreement other than those representations specifically set forth in this written document.

17. Binding Nature; No Assignment. This Agreement, and all the terms and provisions contained herein, shall bind the heirs, personal representatives, successors and assigns of each Party, and inure to the benefit of each Party, its agents, directors, officers, employees, servants, successors, and assigns. The Parties promise and guarantee that they have not made, and will not make, any assignment of any claim, chose in action, right of action, or any right of any kind whatsoever, embodied in any of the claims that are released herein, and that no other person or entity of any kind had or has any interest in any of the claims released herein.

18. Construction. This Agreement is the product of arms-length negotiations and is

considered to be jointly drafted. As such, it shall not be construed against any party because that party caused it to be reduced to a written instrument.

19. Fairness of Settlement. The Parties agree that this settlement is fair, reasonable and adequate. The Parties covenant never to challenge this Agreement.

20. Effect of Illegality. With the exception of Paragraph 3 of this Agreement, should any part, term, or provision of this Agreement be declared or determined by any court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby. Said illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Agreement.

21. Compliance with Terms; No Waiver. The failure to insist upon compliance with any term, covenant, or condition contained in this Agreement shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power contained in this Agreement at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.

22. Governing Law and Jurisdiction. This Agreement shall be interpreted under the laws of the State of California, both as to interpretation and performance.

23. Section Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

24. Representative Capacity. Each Party executing this Agreement in a representative capacity represents and warrants that he/she/it is empowered to do so.

25. Counterparts and Facsimile/Digital Signatures. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an executed Agreement and each of which shall be deemed to be one and the same instrument. A facsimile or digital signature shall be treated as an original signature for all purposes.

26. Voluntary and Knowing. This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the Parties hereto.

27. Enforcement Costs. The Parties agree that in the event litigation or arbitration is initiated by any Party to enforce this Agreement, the prevailing party will be entitled to recover its costs and reasonable attorneys' fees incurred in conjunction with the litigation, in addition to any other relief granted. Before initiating any formal legal action to enforce the provisions of this Paragraph 27, the Parties shall first make a good faith and reasonable attempt to resolve any alleged breach informally. At a minimum, the attempt at an informal resolution shall include, but is not limited to, providing written notice of the basis for any alleged breach, a reasonable time to respond to the allegations but no less than twenty-one (21) days of the date of written notice pursuant to Paragraph 15, and an opportunity for each respective party to resolve an alleged breach without admission of any liability, wrongdoing, or conduct giving rise to the alleged breach.

I, having read the foregoing Settlement Agreement and Release of All Claims and knowing the contents thereof, am effecting this settlement and executing this Agreement after having the opportunity to obtain legal advice from counsel, and I sign the same as my own free act.

DATED: June 5, 2023

DocuSigned by:

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 STEVE HERNANDEZ

WALTER'S AUTO SALES AND
 SERVICE, INC.

DATED: _____

By: _____
 Its: _____

its costs and reasonable attorneys' fees incurred in conjunction with the litigation, in addition to any other relief granted. Before initiating any formal legal action to enforce the provisions of this Paragraph 27, the Parties shall first make a good faith and reasonable attempt to resolve any alleged breach informally. At a minimum, the attempt at an informal resolution shall include, but is not limited to, providing written notice of the basis for any alleged breach, a reasonable time to respond to the allegations but no less than twenty-one (21) days of the date of written notice pursuant to Paragraph 15, and an opportunity for each respective party to resolve an alleged breach without admission of any liability, wrongdoing, or conduct giving rise to the alleged breach.

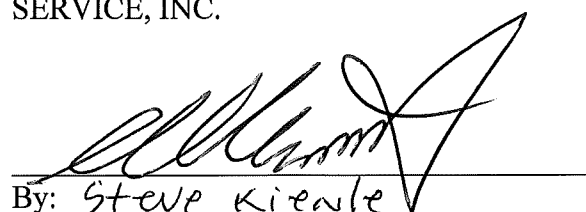
I, having read the foregoing Settlement Agreement and Release of All Claims and knowing the contents thereof, am effecting this settlement and executing this Agreement after having the opportunity to obtain legal advice from counsel, and I sign the same as my own free act.

DATED: _____

STEVE HERNANDEZ

WALTER'S AUTO SALES AND
SERVICE, INC.

DATED: 6/5/23


By: Steve Kienle
Its: President.