

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Rodolfo Salazar (“Plaintiff”) and defendant KW Automotive North America, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Salazar v. KW Automotive North America, Inc., et al.* initiated on January 4, 2022 and pending in Superior Court of the State of California, County of Tulare.
- 1.2. “Administrator” means CPT Group Class Action Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means an amount not to exceed \$6,000.00 payable from the Gross Settlement Amount, subject to Court approval, for all reasonable costs and expenses incurred by the Administrator in administering the Settlement, including, but not limited to, mailing of notice to the class, calculation of Individual Class Payment and Individual PAGA Payment, generation of checks and related tax reporting forms, administration of unclaimed and/or uncashed checks to the Cy Pres, distribution of checks to Class Counsel for Court-approved fees and costs, distribution of a check to Plaintiff for his Enhancement Award, and to the LWDA.
- 1.4. “Aggrieved Employee” means all non-exempt employees employed and directly hired by Defendant in California at any time during the PAGA Period. “Aggrieved Employee” shall not include any employees assigned to Defendant by a third-party staffing agency during the PAGA Period, unless the employee was also directly hired by Defendant.
- 1.5. “Class” means all non-exempt employees employed and directly hired by Defendant in California at any time during the Class Period. The “Class” shall not include any employees assigned to Defendant by a third-party staffing agency during the Class Period, unless the employee was also directly hired by Defendant..
- 1.6. “Class Counsel” means Kashif Haque, Samuel Wong, Jessica L. Campbell and Jamie M. Loos of Aegis Law Firm, PC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for payment of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action and approved by the Court.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security

number, and number of Individual Qualifying Workweeks and PAGA Pay Periods.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from January 3, 2018 through the date of Preliminary Approval, or earlier if Defendant chooses an earlier date pursuant to the terms herein.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Court” means the Superior Court of California, County of Tulare.
- 1.15. “Defendant” means named Defendant KW Automotive North America, Inc.
- 1.16. “Defense Counsel” means Ian B. Wieland and Michael J. Conway II from Sagaser, Watkins, & Wieland PC.
- 1.17. “Enhancement Award” means the Court-approved payment to the Class Representative/Plaintiff for initiating the Action and providing services in support of the Action.
- 1.18. “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is “final.” The Judgment is “final” as of the latest of the following occurrences: (a) if no Participating Class Member nor the LWDA objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members or the LWDA objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; (c) if one or more Participating Class Members or the LWDA moves to intervene after Judgment in order to effectively object to the Settlement by seeking to vacate or modify the Judgment, the day after the deadline for filing a notice of appeal from the Judgment; or (d) if a timely appeal from the Judgment is filed, the day

after the appellate court affirms the Judgment and issues a remittitur.

- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means \$445,130.00 which is the total amount Defendant agrees to pay under the Settlement, subject to a (voluntary) pro rata increase pursuant to Section 8 of this Agreement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Plaintiff’s Enhancement Award, and the Administration Expenses Payment.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Individual Qualifying Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.25. “Individual Qualifying Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period. To the extent a Class Member worked for Defendant as both an employee directly hired by Defendant and an employee of a staffing agency assigned to Defendant, only weeks during which the employee worked for Defendant as a direct hire count as a “Individual Qualifying Workweek”.
- 1.26. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.27. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.28. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under the Labor Code section 2699, subd. (i).
- 1.29. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff’s Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

The remainder is to be paid to Participating Class Members as Individual Class Payments. There shall be no reversion to Defendant.

- 1.30. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.31. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period. To the extent an Aggrieved Employee worked for Defendant as both an employee directly hired by Defendant and an employee of a staffing agency assigned to Defendant, only weeks during which the employee worked for Defendant as a direct hire count as a “PAGA Pay Period”.
- 1.32. “PAGA Period” means the period from January 3, 2021 to through the date of Preliminary Approval, or earlier if Defendant chooses an earlier date pursuant to the terms herein.
- 1.33. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34. “PAGA Notice” means Plaintiff’s January 3, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a), and any subsequently filed amended notices.
- 1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (total of \$20,000), allocated 25% to the Aggrieved Employees (\$5,000) and the 75% to the LWDA (\$15,000) in settlement of PAGA claims.
- 1.36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37. “Plaintiff” means Rodolfo Salazar, the named plaintiff in the Action.
- 1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.40. “Released Class Claims” means the claims being released that pertain to the class allegations in the action as described in Paragraph 5.3 below.
- 1.41. “Released PAGA Claims” means the claims being released that pertain to the PAGA allegations in the action as described in Paragraph 5.4 below.

- 1.42. “Released Parties” means Defendant together with its present and former parents, subsidiaries, affiliated entities, commonly owned or controlled entities, its present and former owners, board members, officers, directors, trustees, shareholders, members, partners, employees, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors and assigns, and any individual or entity to whom liability for the Released Claims, as defined herein, could be assigned pursuant to Labor Code §558.1, or on a joint-employer, alter-ego, or other vicarious liability theory.
- 1.43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.44. “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.45. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On January 4, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for Failure to Pay Minimum Wages; Failure to Pay Overtime Wages; Failure to Provide Meal Periods; Failure to Permit Rest Breaks; Failure to Reimburse Business Expenses; Failure to Provide Accurate Itemized Wage Statements; Failure to Pay All Wages Due Upon Separation of Employment; and Violation of Business and Professions Code §§ 17200, et seq. On March 23, 2022, Plaintiff filed a First Amended Complaint alleging an additional cause of action against Defendant for Enforcement of Labor Code § 2698 *et seq.* (“PAGA”). The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On March 23, 2023, the Parties participated in an all-day mediation presided over by Marc Feder which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained through informal discovery, *inter alia*, all versions of employee handbooks in effect during the Class Period, an approximate 20% sampling of time and pay records, receipts related to reimbursements of business expenses, missed punch forms in regard to apparent meal period violations identifiable

through review of Defendant's time records, and an explanation of Defendant's payroll codes. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Defendant agrees to pay \$445,130.00 as the Gross Settlement Amount as part of the settlement. Defendant agrees to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant shall have no obligation to pay any sum aside from the Gross Settlement Amount, any potential pro rata increase, and Defendant's share of payroll taxes in order to effectuate its duties under this Agreement. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Enhancement Award to the Class Representative of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Enhancement Award no later than 16 court days prior to the Final Approval Hearing. If the Court approves an Enhancement Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$148,376.67 and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00, to the extent Class Counsel Litigation Expenses Payment are costs that are authorized by statute. Defendant will not oppose requests for these payments provided that they do not exceed these amounts and Class Counsel Litigation Expenses Payment are costs that are authorized by statute. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation

Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will retain the remainder as part of the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and agrees to hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$6,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$6,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Individual Qualifying Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Individual Qualifying Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 2.5% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion") and 2.5% of each Participating Class Member's Individual Class Payment will be allocated to reimbursements. The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 95% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, with 75% (\$15,000) allocated to the LWDA PAGA Payment and 25% (\$5,000) allocated to the

Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class and Aggrieved Employee Data. Based on a review of its records, Defendant estimates there are 120 Class Members, and 90 Aggrieved Employees.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fund the first half of the Gross Settlement Amount, which is currently \$222,565.00, by November 1, 2023. In the event that the Effective Date has not occurred by November 1, 2023, Defendant shall fund the first half of the Gross Settlement Amount within thirty calendar days after the Effective Date. The second half of the Gross Settlement Amount as well as the amounts necessary to fully pay Defendant's share of payroll taxes shall be paid no later than six months after the Effective Date by transmitting the funds to the Administrator.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the entire Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the

Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Enhancement Award shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient"). The Parties have selected Valley Children's Hospital as the Cy Pres Recipient. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

4.4.4. The payments made to Participating Class Members or Aggrieved Employees under this Agreement, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, regular rate of pay calculations, and any other benefit plan. Rather, this Settlement will not affect any rights, contributions, or

amounts to which any Participating Class Members or Aggrieved Employees may be entitled under any benefit plans.

5. RELEASES OF CLAIMS.

5.1. Effective Date of Release: Upon the Effective Date, Participating Class Members and Aggrieved Employees release Released Parties of all Released Claims, as defined below, during the Class Period and PAGA Period, as applicable. Such release shall be subsequently invalidated if, after the Effective Date, Defendant fails to fund the Gross Settlement Amount per the schedule set forth herein. Nonetheless, Released Parties shall have the right to enforce the release set forth herein as to Participating Class Members and Aggrieved Employees, as applicable, without regard to Participating Class Members' receipt of an Individual Settlement Payment and prior to fully funding the Gross Settlement Amount, so long as Defendant has complied with the procedures set forth herein as of the time it seeks to enforce the release. Any claims released under this Settlement by a Participating Class Member or Aggrieved Employee as of the Effective Date shall be deemed tolled for statute of limitations purposes between the Effective Date and Defendant's deadline to fully fund the Settlement, such that if a Class Members' release is subsequently invalidated after the Effective Date due to Defendant's failure to fully fund the Agreement, the Class Members' time to bring an action shall be extended between the Effective Date and the date the release is invalidated (i.e., the date of Defendant's failure, if any, to fund the Settlement as scheduled herein).

5.2. Plaintiff's General Release. Plaintiff does hereby, for himself, and for his heirs, successors, predecessors, attorneys, agents, representatives and assigns, forever release the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, injuries, suits, rights, demands, costs, losses, debts, judgments, accounts, attorneys' fees, interest, expenses (including back wages, penalties, liquidated damages, and attorneys' fees and costs actually incurred), and other legal responsibilities arising in law, equity or otherwise, of any kind, nature, and character whatsoever, from the beginning of time through the Effective Date, known or unknown, suspected or unsuspected, unforeseen, or unanticipated including but not limited to all claims arising out of, based upon, or relating to his employment with Defendant, the termination or resignation of his employment with Defendant, or the remuneration for such employment. Without limiting the generality of the foregoing, Plaintiff expressly releases all claims which were or could have been raised in this action and all claims or rights arising out of alleged violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith or fair dealing (express or implied); any tort, including negligence, fraud, misrepresentation under California Labor Code § 970, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any other common law claim; any "retaliation" claims; any claims relating to any breach of public policy; any claim for costs, fees, interest, or other expenses including attorneys' fees; any legal restrictions on Defendant's right to discharge employees or refuse to hire applicants; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964,

as amended (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) The Civil Rights Act of 1991, as amended; (3) Sections 1981 through 1988 of Title 42 of the United States Code, as amended; (4) The Employee Retirement Income Security Act of 1974, as amended; (5) The Immigration Reform and Control Act, as amended; (6) The Americans with Disability Act, as amended; (7) Sections 503 and 504 of the Rehabilitation Act of 1973 (disability discrimination); (8) The Workers Adjustment and Retraining Notification Act, as amended; (9) The Occupational Safety and Health Act, as amended; (10) California Equal Pay Law, as amended; (11) Equal Pay Act, 29 U.S.C. § 209(4)(1) (equal pay); (12) Americans with Disabilities Act, 42 U.S.C. § 12100 et seq. (disability discrimination); (13) Family and Medical Leave Act, 29 U.S.C. § 2601 et seq. (family/medical leave); (14) California Fair Employment and Housing Act [Gov. Code, §§ 12900, et seq.] (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, sex (including pregnancy), sexual orientation, genetic, or age, including retaliation for reporting discrimination or harassment); (15) California Family Rights Act, [Gov. Code, §§ 12945.1, et seq.] (family/medical leave); (16) California Labor Code or any Industrial Welfare Commission Wage Order; (17) FLSA; (18) Executive Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (19) Executive Order 11141 (age discrimination); (20) California health and safety laws and regulations; and (21) any other federal, state, or local law, regulation or ordinance, including those regulating compensation, and those prohibiting discrimination, harassment, or retaliation of any kind. This release excludes the release of claims not permitted by law.

5.2.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

- 5.3. Released Class Claims by Participating Class Members: All Participating Class Members release the Released Parties from all claims alleged in the Operative Complaint, or which could have been alleged based on the facts alleged in the Operative Complaint, and which arose during the Class Period. The Released Class Claims shall include all claims alleged by Plaintiff in the Operative Complaint, or which could have been alleged by Plaintiff in the Operative Complaint based on the facts stated in the Operative Complaint, including any and all claims or causes of action regarding unpaid wages, including but not limited to failure to pay minimum wages, straight time wages, overtime (including doubletime) compensation, and interest; failure to timely pay regular and final wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and recovery period

obligations; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; failing to reimburse business expenses; and unfair business practices related thereto; and any and all related statutory penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting time penalties, and other statutory associated with any of the foregoing. Such Released Class Claims shall include, but are not limited to those claims arising under California Labor Code sections 201, 202, 203, 204, 206, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, subdiv. (i), 510, 512, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 7, 9, 11, 12, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)]), California Business Professions Code 17200 *et seq.* (including, without limitation, §§17200 through 17208); the California Civil Code sections 3287, and 3289; California Code of Civil Procedure section 1021.5, and any related claims under the claims under the provisions of the Fair Labor Standards Act (29 USC §§201, *et seq.*) (“Released Claims”). The Parties intend that this release be construed as broadly as possible. The release excludes the release of claims not permitted by law. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

- 5.4. Released PAGA Claims by Non-Participating Class Members Who Are Aggrieved Employees: All Aggrieved Employees are deemed to release the Released Parties from all claims for civil penalties assertable under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice(s). The Released PAGA Claims shall include, but are not limited to, claims for civil penalties for actual alleged violations of the California Labor Code or applicable IWC Wage Order(s), which arose during the PAGA Period, and which were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice(s). Such Released PAGA Claims shall include, but are not limited to, any civil penalty arising from matters discussed in Section 5.3. Without limiting the foregoing, Released PAGA Claims shall include any civil penalty associated with violations of, or any civil penalty arising under, California Labor Code sections 201, 202, 203, 204, 206, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, subdiv. (i), 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and 2698 *et seq.*, and/or any civil penalty associated with violations of, or any civil penalty arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 7, 9, 11, 12, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)]).

6. MOTION FOR PRELIMINARY APPROVAL. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

- 6.1. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval Order to the Administrator.
- 6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting by telephone or email, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting by telephone or email, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns. However, no party shall be obligated to consent to any material change (including but not limited to changes to the Gross Settlement Amount or the releases set forth herein) in the Agreement, whether or not such material change is caused or requested by the Court.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected CPT Group Class Action Administrators to serve as the Administrator and verified that, as a condition of appointment, CPT Group agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.3. Notice to Class Members.
- 7.3.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the total number of Class Members, PAGA Members, Individual Qualifying Workweeks, and PAGA Pay Periods in the Class Data. The Administrator shall not share any individually identifying information with Class Counsel.

- 7.3.2. Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Individual Qualifying Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.3.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.3.4. The deadlines for Class Members’ written objections, Challenges to the calculation of Individual Qualifying Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.3.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received the Class Notice, the Parties will expeditiously meet and confer by telephone or email, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.
- 7.4. Requests for Exclusion (Opt-Outs).
- 7.4.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion form not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion may be given via completing and returning the Exclusion Form that is enclosed with the Class Notice, or via a letter from a Class Member or his/her representative that reasonably communicates the Class

Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

- 7.4.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, except for by a Court of competent jurisdiction.
- 7.4.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.4.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims arising under PAGA and identified in Paragraph 5.4 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.5. Challenges to Calculation of Individual Qualifying Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Individual Qualifying Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Individual Qualifying Workweeks and PAGA Pay Periods contained in the Class Notice are correct as long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Individual Qualifying Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge, except for by a Court of competent jurisdiction. The Administrator shall promptly provide copies of all challenges to calculation of Individual Qualifying Workweeks and/or PAGA Pay Periods to Defense

Counsel and Class Counsel and the Administrator's determination of the challenges.

7.6. Objections to Settlement.

7.6.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Enhancement Award.

7.6.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to submitting written objections, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.6.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.7. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.7.1. Toll-Free Number. The Administrator will maintain and monitor a toll-free telephone number to receive Class Member calls.

7.7.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). Upon request, the Administrator may provide summary information regarding the information described in this paragraph to Class Counsel, but shall not provide any personal identifying information (e.g., names and contact information) to Class Counsel.

7.7.3. Weekly Reports. The Administrator must, on a weekly basis provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Individual Qualifying Workweeks and/or PAGA Pay

Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received, except that any personal identifying information (e.g., names and contact information) shall be redacted from any copies of the Requests for Exclusion forms or other documentation provided to Class Counsel.

7.7.4. Individual Qualifying Workweek and/or PAGA Pay Period Challenges.

The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Individual Qualifying Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.7.5. Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List, except that any personal identifying information (e.g., names and contact information) shall be redacted from any copies of the Requests for Exclusion forms or other documentation provided to Class Counsel. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

7.7.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8. **ESCALATOR CLAUSE.** If the number of Class Members exceeds 120 by 10% (i.e., 132) or more during the Class Period (“the Pro Rata Increase Threshold”), the GSA will increase pro rata per additional class member, but only to the extent Defendant does not choose a date earlier than the date of Preliminary Approval to avoid any pro rata increase. If the Pro Rata Increase Threshold is triggered, Defendant shall have the exclusive right to choose an earlier date than the date of Preliminary Approval so to avoid triggering any pro rata increase.

9. DEFENDANT'S RIGHT TO WITHDRAW. Defendant shall have the right at its sole discretion to terminate the Settlement if more than 15% of Class Members timely elect to exclude themselves (opt out) of the Settlement, as determined by the Administrator. If Defendant exercises its right under this paragraph, Defendant shall be solely liable for administrative costs of the Administrator incurred. Defendant must exercise this right within 21 days of receiving the final number of opt outs from the Administrator. Termination of the agreement may be achieved by Defense Counsel providing written notice to Class Counsel of Defendant's intent to terminate the settlement.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel and Defense Counsel will expeditiously meet and confer by telephone or email, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, a change to the Gross Settlement Amount or scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. However, no party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court.

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from

the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

- 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, modifications to the Gross Settlement Amount or the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged. However, no party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the reviewing Court.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

- 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2. Confidentiality Through Final Approval. Plaintiff and his counsel will keep the operative complaint, PAGA letters and this settlement confidential through Final

Approval. Thereafter, Plaintiff and his counsel will further agree to keep this settlement, operative complaint(s) and the PAGA letters confidential, including without limitation, no disclosures to current or former employees of the Released Parties, to the media, or on any websites, blogs, social media, and/or online platforms. Exceptions to the obligation of confidentiality in this section are: (i) disclosures necessary to comply with the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain and seek approval of this settlement in court and as is necessary to provide settlement information to Class Members and/or Aggrieved Employees, and (iii) if any party seeks to enforce any term or condition of this Agreement against any other party. Nothing herein shall prevent Plaintiff's counsel from disclosing this settlement for purposes of describing their qualifications as counsel in other cases or as required by a court, nor shall any terms herein preclude Class Counsel from communicating with and fulfilling its obligations to Class Members.

- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's, Defendant's, or Defense Counsel's ability to communicate with Class Members in accordance with applicable ethical obligations.
- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. However, no party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court.
- 12.6. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by either Party in this Settlement.
- 12.7. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury

Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.8. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties and their representatives, and approved by the Court.
- 12.9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties and Released Parties.
- 12.10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.11. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.12. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only.
- 12.14. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
jcampbell@aegislawfirm.com
Jamie M. Loos
jloos@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

To Defendant: Sagaser, Watkins, & Wieland PC
Ian B. Wieland
Michael Conway
5260 N. Palm Ave., Suite 400
Fresno, CA 93704
mikec@sw2law.com
ian@sw2law.com

12.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically, (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterparts will be admissible in evidence to prove the existence and contents of this Agreement.

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12.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Date: _____

PLAINTIFF

Rodolfo Salazar

Date: 8/24/23

DEFENDANT KW AUTOMOTIVE
NORTH AMERICA, INC.

Julie Sliger
By: Director of Finance

Date: _____

AEGIS LAW FIRM, PC

Samuel Wong
Kashif Haque
Jessica Campbell
Jamie M. Loos
Attorneys for Plaintiff

Date: 8/25/2023

SAGASER, WATKINS, & WIELAND PC



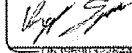
Ian B. Wieland
Michael Conway
Attorneys for Defendant

12.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Date: 08/23/2023

PLAINTIFF

DocuSigned by:



DocuSigned by:
Rodolfo Salazar

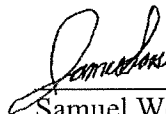
Date: _____

DEFENDANT KW AUTOMOTIVE
NORTH AMERICA, INC.

By: _____

Date: 8/25/23

AEGIS LAW FIRM, PC



Samuel Wong
Kashif Haque
Jessica Campbell
Jamie M. Loos
Attorneys for Plaintiff

Date: _____

SAGASER, WATKINS, & WIELAND PC

Ian B. Wieland
Michael Conway
Attorneys for Defendant

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

Salazar v. KW Automotive North America, Inc., et al. Case No. VCU289988

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against KW Automotive North America, Inc. (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee, Rodolfo Salazar (“Plaintiff”), and seeks payment of (1) back wages and other relief for a class of non-exempt employees (“Class Members”) who worked for Defendant during the Class Period (January 3, 2018 through [the date of preliminary approval, unless Defendant selects an earlier date as provided in the Settlement Agreement]); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for Defendant during the PAGA Period (January 3, 2021 to through [the date of preliminary approval, unless Defendant selects an earlier date as provided in the Settlement Agreement]) (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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

	Plaintiff if you thing they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Individual Qualifying Workweeks and number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, and reimbursable expenses as well as failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") and violation of Business and Professions Code § 17200, *et seq.* Plaintiff is represented by attorneys in the Action: Samuel A. Wong, Kashif Haque, Jessica L. Campbell, and Jamie M. Loos from Aegis Law Firm, PC ("Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws. Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action. Defendant maintains that but for this Settlement a class should not be certified in this Action. Defendant has entered into this Settlement for the purpose of compromising highly disputed claims. Defendant is represented by attorneys in the Action: Ian B. Wieland and Michael J. Conway II from Sagaser, Watkins & Wieland PC ("Defense Counsel").

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were

successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay \$ 445,130.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Enhancement Award, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fully fund the Gross Settlement not more than six months days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$148,376.67 (one-third (1/3) of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as an Enhancement Award to Plaintiff for filing the Action, working with Class Counsel and representing the Class. An Enhancement Award will be the only monies Plaintiff will receive other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$6,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$20,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Individual Qualifying Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 2.5% of each Individual Class Payment to taxable wages (“Wage Portion”), 2.5% to unreimbursed business expenses, and 95% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. (Defendant will separately pay employer payroll taxes it owes on the Wage Portion.) The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.
5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [DATE], that you wish to opt-out. A Request for Exclusion may be given via completing and returning the postage pre-paid Exclusion Form that is enclosed with the Class Notice, or via a letter from a Class Member or his/her representative that reasonably communicates the Class Member’s election to be excluded from the Settlement and includes the Class Member’s name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline and signed.

Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal.

Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

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

The Participating Class Members will be bound by the following release:

All Participating Class Members release the Released Parties from all claims alleged in the Operative Complaint, or which could have been alleged based on the facts alleged in the Operative Complaint, and which arose during the Class Period. The Released Class Claims shall include all claims alleged by Plaintiff in the Operative Complaint, or which could have been alleged by Plaintiff in the Operative Complaint based on the facts stated in the Operative Complaint, including any and all claims or causes of action regarding unpaid wages, including but not limited to failure to pay minimum wages, straight time wages, overtime compensation, and interest; failure to timely pay regular and final wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and recovery period obligations; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; failing to reimburse business expenses; and unfair business practices related thereto; and any and all related statutory penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting time penalties, and other statutory associated with any of the foregoing. Such Released Class Claims shall include, but are not limited to those claims arising under California Labor Code sections 201, 202, 203, 204, 206, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, subdiv. (i), 510, 512, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 7, 9, 11, 12, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)]),

California Business Professions Code 17200 *et seq.* (including, without limitation, §§17200 through 17208); the California Civil Code sections 3287, and 3289; California Code of Civil Procedure section 1021.5, and any related claims under the provisions of the Fair Labor Standards Act (29 USC §§201, *et seq.*) (“Released Claims”). The Parties intend that this release be construed as broadly as possible. The release excludes the release of claims not permitted by law.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees’ Releases are as follows:

All Aggrieved Employees are deemed to release the Released Parties from all claims for civil penalties assertable under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice(s). The Released PAGA Claims shall include, but are not limited to, claims for civil penalties for actual alleged violations of the California Labor Code or applicable IWC Wage Order(s), which arose during the PAGA Period, and which were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice(s). Such Released PAGA Claims shall include, but are not limited to, any civil penalty arising from matters discussed in the Participating Class Members’ Release above. Without limiting the foregoing, Released PAGA Claims shall include any civil penalty associated with violations of, or any civil penalty arising under, California Labor Code sections 201, 202, 203, 204, 206, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, subdiv. (i), 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and 2698 *et seq.*, and/or any civil penalty associated with violations of, or any civil penalty arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 7, 9, 11, 12, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)]).

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Individual Qualifying Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Individual Qualifying Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Individual Qualifying Workweek/Pay Period Challenges. The number of Individual Qualifying Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period (if any), as recorded in Defendant's records, are stated in the first page of this Notice. You have until [DATE] to challenge the number of Individual Qualifying Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

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

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

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

A Request for Exclusion may be given via completing and returning the postage pre-paid Exclusion Form that is enclosed with the Class Notice, or via a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. The Administrator will exclude you based on any writing

communicating your request be excluded. **The Administrator must be sent your request to be excluded by [DATE], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 business days before the [DATE] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting as an Enhancement Award. Upon reasonable request, the Administrator (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [DATE].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Salazar v. KW Automotive North America, Inc., et al.* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [DATE] at [TIME] in Department 1 of the Tulare Superior Court, located at 221 S. Mooney Blvd., Visalia California 93291. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making any decisions.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Court's website (<https://online.tulare.courts.ca.gov/?q=Login>), create an account, enter Case No. VCU289988, and view the case information beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to telephone or send an email to Class Counsel, Defense Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://online.tulare.courts.ca.gov/?q=Login>), creating an account, and entering the Case Number for the Action, Case No. VCU289988.

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

Class Counsel:

Name of Attorney: Kashif Haque, Samuel Wong, Jessica L. Campbell, and Jamie M. Loos

Email Address: jloos@aegislawfirm.com

Name of Firm: Aegis Law Firm, PC

Mailing Address: 9811 Irvine Center Drive, Suite 100

Telephone: (949) 379-6250

Defense Counsel:

Name of Attorney: Ian B. Wieland and Michael J. Conway II

Name of Firm: Sagaser, Watkins & Wieland PC

Mailing Address: 5260 N. Palm Ave., Ste. 400, Fresno, CA 93704

Telephone: (559) 421-7000

Settlement Administrator:

Name of Company: CPT Group Class Action Administrators

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

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

Superior Court of California, County of Tulare

Salazar v. KW Automotive, Inc.,

Case No. VCU289988

REQUEST FOR EXCLUSION FORM

*[This form should be returned
ONLY IF you do not wish to receive
your share of the Settlement monies
identified in the accompanying
Notice.]*

As a Class Member, I understand that I have the option to request to be excluded from the Settlement Class described in the accompanying Notice. I understand that by exercising this option, I will remain free to prosecute my own claims, if any, at my own expense, against KW Automotive, Inc., subject to applicable statute of limitations and other applicable restrictions. I also understand that by filling out this form requesting to be excluded from the Settlement that I will not receive a portion of the Settlement monies as described in Section 3, Paragraph 6 of the accompanying Notice that I would otherwise be entitled to receive pursuant to the settlement.

I wish to exclude myself from this class action lawsuit, the settlement and the judgment.

Name (First, Middle, Last) (Print)

Home Street Address:

City, State, Zip Code:

Former Names (used while employed for KW Automotive, Inc., if any):

Telephone Numbers: Home: _____ Work: _____

Date: _____, 2023 Signature: _____

PLEASE RETURN THIS FORM IN THE ENVELOPE PROVIDED

OR VIA UNITED STATES FIRST-CLASS MAIL TO:

Salazar v. KW Automotive, Inc. Class Action Settlement Claims Administrator

c/o CPT Group Settlement Administrators.

[ADDRESS]