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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

SHARONDA TAYLOR, TATIANNA
SMITH, and ZENOBIA MILLIGAN,
individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

TESLA, INC. doing business in California as
TESLA MOTORS, INC.; and DOES 1
THROUGH 50, INCLUSIVE,

Defendants.

Case No.: 23CV028922

[Assigned For All Purposes to
Hon. Peter Borkon, Dept. 15]

**PAGA REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE
AGREEMENT**

Complaint Filed: March 7, 2023
Trial Date: None Set

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Attorneys for Representative Plaintiffs

1 **PAGA REPRESENTATIVE ACTION SETTLEMENT AND RELEASE AGREEMENT**

2 This Private Attorneys General Act (“PAGA”) Representative Action Settlement and
3 Release Agreement (“Agreement”) is made and entered into by and between Plaintiffs Sharonda
4 Taylor, Tatianna Smith, and Zenobia Milligan (collectively, “Plaintiffs”), on behalf of themselves
5 and on behalf of the State of California and other aggrieved individuals, on the one hand, and
6 Defendant Tesla, Inc. (“Defendant” or “Tesla”), on the other, subject to the approval of the Court in
7 accordance with California Labor Code § 2699, and subject to the terms and conditions herein. The
8 Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

9 **1. DEFINITIONS.**

- 10 1.1. “Action” means the lawsuit alleging claims for civil penalties for Labor Code
11 violations, entitled *Sharonda Taylor et al. v. Tesla, Inc. et al.*, filed in the Superior
12 Court of the State of California, County of Alameda, Case No. 23CV028922.
- 13 1.2. “Administrator” means Simpluris, the neutral entity the Parties have agreed to
14 appoint to administer the Settlement.
- 15 1.3. “Administration Expenses Payment” means the amount the Administrator will be
16 paid from the PAGA Settlement Member Gross Settlement Amount to reimburse its
17 reasonable fees and expenses in accordance with the Administrator’s “not to exceed”
18 bid submitted to the Court in connection with approval of this Settlement.
- 19 1.4. “Contractor PAGA Settlement Member” means PAGA Settlement Members who
20 were assigned to work at Defendant’s California facility through a third-party staffing
21 agency during the PAGA Period, who submitted a Labor Code § 1198.5, Labor Code
22 § 226, and/or Labor Code § 432 request to Defendant, and who allege they were not
23 provided timely and/or complete records in response to the Labor Code request.
- 24 1.5. “Court” means the Superior Court of the State of California, County of Alameda.
- 25 1.6. “Cy Pres Recipient” means the Impact Fund, or, if the Court so requires, another
26 organization suitable to receive *cy pres* funds under California’s standards.
- 27 1.7. “Defendant” means the named defendant in this Action, Tesla, Inc.
- 28

- 1.8. “Defense Counsel” means Christina T. Tellado and Billy Sahachartsiri of Polsinelli LLP.
- 1.9. “Directly Hired PAGA Settlement Members” means PAGA Settlement Members who were employed by Defendant as a non-exempt employee in the state of California during the PAGA Period, who submitted a Labor Code § 1198.5, Labor Code § 226, and/or Labor Code § 432 request to Defendant, and who allege they were not provided timely and/or complete records in response to the Labor Code request.
- 1.10. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.
- 1.11. “PAGA Settlement Member Gross Settlement Amount” means Two Hundred Ten Thousand Dollars and No Cents (\$210,000.00), which is the total amount Defendant agrees to pay under the Settlement in full satisfaction of the Action, other than the PAGA Counsel Attorneys’ Fees and Costs. The PAGA Settlement Member Gross Settlement Amount will be used to pay the LWDA PAGA Payment, the Individual PAGA Payments, and the Plaintiff Enhancement Payments.
- 1.12. “PAGA Counsel Attorneys’ Fees and Costs” means Three Hundred Forty Thousand Dollars and No Cents (\$340,000.00), which is the total amount Defendant agrees to pay under the Settlement in full satisfaction of the Action, except as provided in the PAGA Settlement Member Gross Settlement Amount. The PAGA Counsel Attorneys’ Fees and Costs are intended to include all attorneys’ fees, litigation expenses, and administration expenses.
- 1.13. “Settlement Amounts” means the PAGA Settlement Member Gross Settlement Amount plus the PAGA Counsel Attorneys’ Fees and Costs Payment.
- 1.14. “Individual PAGA Payment” means each PAGA Settlement Member’s pro rata share of 25% of the PAGA Penalties, as calculated by the Administrator according to the total number of PAGA Settlement Members during the PAGA Period.

- 1.15. “Judgment” means the judgment entered by the Court based upon the Approval Order.
- 1.16. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under California Labor Code § 2699(i).
- 1.17. “LWDA PAGA Payment” means seventy-five percent (75%) of the PAGA Penalties payable to the LWDA pursuant to California Labor Code § 2699(i).
- 1.18. “PAGA Settlement Member Net Settlement Amount” means the PAGA Settlement Member Gross Settlement Amount, less the LWDA PAGA Payment and Plaintiff Enhancement Payments in the amounts approved by the Court and stated in the Approval Order.,. The PAGA Settlement Member Net Settlement Amount is to be paid to the PAGA Settlement Members as Individual PAGA Payments.
- 1.19. “Operative Complaint” means Plaintiffs’ Representative Action Complaint filed in this filed in the Superior Court of the State of California, County of Alameda, Case No. 23CV028922.
- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).
- 1.21. “PAGA Claims” means any and all individual and representative PAGA claims or causes of action for civil penalties, attorneys’ fees or costs, and any other applicable relief under PAGA that are alleged, or that could have been alleged arising out of the facts asserted in the Operative Complaint and PAGA Notices, namely, claims that occurred during the PAGA Period for: (1) failure to allow copying and/or access to wage statements under California Labor Code § 226; (2) failure to allow copying of signed instrument under California Labor Code § 432; and (3) failure to make personnel records available for inspection and copying under California Labor Code § 1198.5.
- 1.22. “PAGA Counsel” means Bryan Schwartz of Bryan Schwartz Law, Lawrence Organ of California Civil Rights Law Group, and Matthew C. Helland of Nichols Kaster, LLP, the attorneys representing Plaintiffs in the Action.

- 1.23. “PAGA Counsel Attorneys’ Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts to be paid to PAGA Counsel for reimbursement of reasonable attorneys’ fees and actual litigation costs, respectively, incurred to prosecute the Action.
- 1.24. “PAGA Notices” mean Plaintiffs’ February 9, 2022 and April 19, 2022 letters to Defendant and the LWDA, providing notice pursuant to Labor Code § 2699.3(a).
- 1.25. “PAGA Penalties” means the total amount to be paid from the PAGA Settlement Member Gross Settlement Amount and distributed as twenty-five percent (25%) to the PAGA Settlement Members and seventy-five percent (75%) to the LWDA, as consideration for the Released PAGA Claims.
- 1.26. “PAGA Period” means the period from February 9, 2021 through the date of the Court grants approval of the Settlement.
- 1.27. “PAGA Settlement Members” means the 766 individuals who, while represented by Bryan Schwartz Law, P.C. and California Civil Rights Law Group, submitted a written request for records from Tesla pursuant to California Labor Code §§ 226, 432, and/or 1198.5. A list of the included individuals is attached hereto as **Exhibit A**. Each of these 766 individuals is: (1) a current or former hourly-paid, non-exempt employee who worked for Defendant in the state of California during the PAGA Period, who submitted a Labor Code § 1198.5, Labor Code § 226, and/or Labor Code § 432 request to Defendant, and who alleges he or she was not provided timely and/or complete records in response to the Labor Code request (*i.e.*, “Directly Hired PAGA Settlement Members”); and/or (2) an individual who was assigned to work at Defendant’s California facility through a third-party staffing agency during the PAGA Period, who submitted a Labor Code § 1198.5, Labor Code § 226, and/or Labor Code § 432 request to Defendant, and who alleges he or she was not provided timely and/or complete records in response to the Labor Code request (*i.e.*, “Contractor PAGA Settlement Members”).

- 1.28. “PAGA Settlement Member Address Search” means the Administrator’s investigation and search for the PAGA Settlement Member’s current 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 PAGA Settlement Members.
- 1.29. “PAGA Settlement Member Data” means PAGA Settlement Member identifying information in Defendant’s possession, including the PAGA Settlement Member’s name, last-known mailing address, and social security number, to the extent the information is available.
- 1.30. “Plaintiffs” mean Sharonda Taylor, Tatianna Smith, and Zenobia Milligan, the named plaintiffs in the Action.
- 1.31. “Plaintiff Enhancement Payment” or “Plaintiff Enhancement Payments” means an amount not to exceed Two Thousand Five Hundred Dollars and No Cents (\$2,500.00), which will be paid to each of the three Plaintiffs in recognition of their role in bringing the litigation and serving as the deputized PAGA representatives. The Plaintiff Enhancement Payment is subject to Court approval and will be paid from the PAGA Settlement Member Gross Settlement Amount.
- 1.32. “Approval Order” means the Court’s order granting approval of PAGA Settlement.
- 1.33. “Released PAGA Claims” means the PAGA Claims that Plaintiffs, the PAGA Settlement Members, and PAGA Counsel release and forever discharge Defendant and the Released Parties during the PAGA Period, as described in Paragraph 5 of this Agreement.
- 1.34. “Released Parties” means: Tesla, Inc., formerly known as Tesla Motors, Inc., and each of its past, present, and future divisions, affiliates, parents, subsidiaries, predecessors, successors, predecessors, heirs, assigns, shareholders, members, owners, officers, directors, managers, employees, agents, principals, trustees, attorneys, accountants, representatives, administrators, fiduciaries, beneficiaries,

subrogees, executors, partners, insurers, privies, and any individual or entity which could be jointly liable with Defendant.

1.35. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.36. "Tesla, Inc." or "Tesla" means the named defendant in this Action.

2. **RECITALS.**

2.1. On March 7, 2023, Plaintiffs filed this Action against Defendant, asserting claims for civil penalties under PAGA premised on the following California Labor Code violations: (1) failure to allow copying and/or access to wage statements under California Labor Code § 226; (2) failure to allow copying of signed instrument under California Labor Code § 432; and (3) failure to make personnel records available for inspection and copying under California Labor Code § 1198.5. Plaintiffs seek to recover civil penalties under PAGA on behalf of themselves, the State of California, and other aggrieved individuals.

2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff Taylor sent a letter to the LWDA on February 9, 2022, notifying it and Defendant that Plaintiff Taylor intended to pursue claims against Defendant under PAGA for violation of California Labor Code §§ 226, 432, and 1198.5.

2.3. Pursuant to Labor Code § 2699.3(a), Plaintiffs Smith and Milligan sent a letter to the LWDA on April 19, 2022, notifying it and Defendant that Plaintiffs Smith and Milligan intended to pursue claims against Defendant under PAGA for violation of California Labor Code §§ 226, 432, and 1198.5.

2.4. Defendant expressly denies all allegations, denies any failure to comply with the laws identified in the Action and PAGA Notices, and denies any and all liability for the causes of action and claims alleged in the Action and PAGA Notices. Defendant further denies it has committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind as to Plaintiffs and the PAGA Settlement Members.

- 1 2.5. Defendant filed a special motion to strike Plaintiffs' Operative Complaint pursuant
2 to California Code of Civil Procedure § 425.16 (the anti-SLAPP statute), which the
3 trial court denied on July 7, 2023. Tesla appealed the trial court's denial of its anti-
4 SLAPP motion, and the appeal was unsuccessful. *See Taylor v. Tesla, Inc.* (2024)
5 104 Cal.App.5th 75. A remittitur issued on October 9, 2024.
- 6 2.6. On October 9, 2024, Plaintiffs sought to meet and confer regarding outstanding
7 discovery that they had initiated prior to the appellate stay. The parties met and
8 conferred several times about the outstanding discovery thereafter.
- 9 2.7. On October 16, 2024, Plaintiffs communicated an offer of judgment under Code of
10 Civil Procedure § 998, which expired unaccepted a month later.
- 11 2.8. On December 13, 2024, the parties agreed to mediate with Peter Rukin, Esq., who
12 has approximately 30 years' labor/employment law experience, and agreed to say
13 discovery and other proceedings pending mediation.
- 14 2.9. On February 20, 2025, the Parties participated in a private mediation presided over
15 by Mr. Rukin.
- 16 2.10. Prior to mediation and negotiation of this Settlement, Plaintiffs and Defendant
17 obtained and exchanged, through informal discovery, information sufficient to
18 meaningfully evaluate the claims at issue in the Action. The discovery included
19 information about the 766 putative aggrieved individuals who allege they submitted
20 a Labor Code § 1198.5 and/or Labor Code § 226 request to Defendant and were not
21 provided timely and/or complete records in response to their Labor Code request
22 during the PAGA Period, PAGA data through February 20, 2025, and PAGA
23 Counsel's damages calculation, which enabled the Parties to rigorously evaluate the
24 strengths and risks of the case and perform an analysis of the potential civil penalties
25 arising from the claims made in the Action.
- 26 2.11. Plaintiffs also conveyed that their fees and litigation expenses incurred in prosecution
27 of this Action and the appeal were likely to exceed \$500,000 by the conclusion of
28 mediation and shared information about these claimed fees and costs to the mediator.

1 2.12. At mediation, the Parties negotiated in three phases, and eventually received three
2 mediators' proposals, one with respect to each phase of the negotiations. The three
3 phases of negotiation were, in order: 1) the PAGA Penalties corresponding to the
4 PAGA Settlement Members; 2) injunctive relief; and 3) attorneys' fees and costs.
5 Following the mediation, the Parties accepted the three mediators' proposals, which
6 serve as the basis for this Agreement.

7 2.13. The Parties understand, acknowledge, and agree that this Agreement constitutes a
8 compromise of Plaintiffs' Action and PAGA Claims, and that it is the desire and
9 intention of the Parties to affect a final and complete resolution of the Action and
10 PAGA Claims against Defendant. The Parties further acknowledge that this
11 Agreement is a compromise of disputed claims and that nothing in this Agreement
12 shall be construed as an admission by Defendant of liability.

13 2.14. The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware
14 of any other pending matter or action asserting claims that will be extinguished or
15 affected by the Settlement. In particular, this Settlement is not intended to affect any
16 claims in *Vaughn, et al. v. Tesla, Inc.*, Alameda County Superior Court Case No.
17 RG17882082, or *CRD v. Tesla, Inc.*, Alameda County Superior Court Case No.
18 22CV00683, or in any pending lawsuit other than this Action.

19 **3. SETTLEMENT TERMS AND CONDITIONS.**

20 3.1. **Stipulation of Dismissal for Settlement.** Subject to the terms of this Agreement,
21 Plaintiffs will stipulate to the dismissal of this Action with prejudice.

22 3.2. **Non-Admission and Denial of Liability.** Nothing in this Agreement shall be
23 construed to be an admission by Defendant of any liability or wrongdoing as to
24 Plaintiffs, the PAGA Settlement Members, or any other person. Defendant
25 specifically disclaims and denies any such liability or wrongdoing alleged in the
26 Action and PAGA Notices. The Parties have entered into this Agreement to avoid
27 further disputes and litigation with the attendant inconvenience, nuisance, expenses,
28 and risks. This Agreement and any related court documents or orders are not and

1 may not be cited or admitted as evidence of liability or wrongdoing by Defendant.
2 The Parties agree that an express condition of this Agreement is that there has been
3 no finding of liability on the merits, and that this Agreement therefore cannot be a
4 basis to assert offensive collateral estoppel against Defendant. Notwithstanding the
5 foregoing, nothing in this Agreement shall limit Defendant's use of the Approval
6 Order or Judgment to establish res judicata and/or collateral estoppel in any other
7 action.

8 3.3. **PAGA Settlement Member Gross Settlement Amount.** In consideration for the
9 covenants, promises, waivers, and releases contained in this Agreement, and subject
10 to Court approval, Defendant agrees to pay Two Hundred Ten Thousand Dollars and
11 No Cents (\$210,000.00) as the PAGA Settlement Member Gross Settlement Amount
12 to fully settle, resolve, and extinguish all the PAGA Claims and the Action to the
13 fullest extent permitted by law, other than Plaintiffs' claims as to the attorneys' fees
14 and costs associated with this Action (*i.e.*, PAGA Counsel Attorneys' Fees and
15 Costs"). Defendant will not pay the PAGA Settlement Members more than the
16 PAGA Settlement Member Gross Settlement Amount, which is an "all in" amount
17 that includes all PAGA Penalties and Plaintiff Enhancement Payments. The PAGA
18 Settlement Member Gross Settlement Amount is separate from the PAGA Counsel
19 Attorneys' Fees and Costs, as detailed in Paragraph 3.5 of this Agreement. Defendant
20 has no obligation to pay the PAGA Settlement Member Gross Settlement Amount
21 prior to the deadline as stated in Paragraph 4.2 of this Agreement. The Administrator
22 will disburse the entire PAGA Settlement Member Gross Settlement Amount without
23 asking or requiring PAGA Settlement Members to submit any claim as a condition
24 of payment. None of the PAGA Settlement Member Gross Settlement Amount will
25 revert to Defendant.

26 3.4. **Payments from the PAGA Settlement Member Gross Settlement Amount.** The
27 Administrator will make and deduct the following payments from the PAGA
28

Settlement Member Gross Settlement Amount, in the amounts approved and specified by the Court in the Approval Order:

3.4.1. To the LWDA and PAGA Settlement Members. The PAGA Penalties are to be paid from the PAGA Settlement Member Gross Settlement Amount, after deducting the Plaintiff Enhancement Payments. The PAGA Penalties shall be allocated as: (i) seventy-five percent (75%) to the LWDA PAGA Payment (currently estimated to be \$151,875); and (ii) twenty-five percent (25%) to the Individual PAGA Payments (currently estimated to be \$50,625).

3.4.2. Individual PAGA Payments. PAGA Counsel will calculate each Individual PAGA Payment according to a PAGA Share formula. Each PAGA Settlement Member for whom Tesla made a partial production of a personnel file upon request will receive one PAGA Share. Each PAGA Settlement Member for whom Tesla made no production shall receive three PAGA Shares. PAGA Counsel will divide the amount of the PAGA Settlement Members' 25% share of PAGA Penalties (*i.e.*, the PAGA Settlement Member Net Settlement Amount) by the total number of PAGA Shares. Those PAGA Settlement Members for whom Tesla made a partial production of a personnel file upon request will receive the resulting share amount. Those PAGA Settlement Members for whom Tesla made no production shall receive three times the resulting share amount. PAGA Settlement Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. Individual PAGA Payments shall be allocated 100% as penalties for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms, which will be issued to the PAGA Settlement Members with distribution of their Individual PAGA Payments.

1 3.4.3. Plaintiff Enhancement Payments. The Plaintiff Enhancement Payments,
2 in the amount approved by the Court, are to be paid from the PAGA
3 Settlement Member Gross Settlement Amount.

4 3.5. **Payments from the PAGA Counsel Attorneys' Fees and Costs.** The Administrator
5 will make and deduct the following payments from the PAGA Counsel Attorneys'
6 Fees and Costs Amount, in the amounts approved and specified by the Court in the
7 Approval Order:

8 3.5.1. To PAGA Counsel. A PAGA Counsel Attorneys' Fees and Costs Payment
9 of not more than Three Hundred Forty Thousand Dollars and No Cents
10 (\$340,000.00), including actual litigation expenses and a fraction of the
11 attorneys' fees PAGA Counsel claims have been billed to date on this
12 Action. Defendant will not oppose requests for Court approval of these
13 payments, as supported by declarations from PAGA Counsel, and provided
14 that the requests do not exceed these amounts. As part of the motion for
15 approval of this Settlement, Plaintiffs and/or PAGA Counsel will file an
16 application or motion for approval of the PAGA Counsel Attorneys' Fees
17 and Costs Payment. If the Court approves a PAGA Counsel Attorneys'
18 Fees and Costs Payment in an amount that is less than the amounts
19 requested, the Administrator will allocate the remainder to the *Cy Pres*
20 Recipient, Impact Fund. The Released Parties shall have no liability to
21 PAGA Counsel, or any other plaintiff's counsel, arising from any claim to
22 any portion of any PAGA Counsel Attorneys' Fees and Costs Payment. The
23 Administrator will report payment of the PAGA Counsel Attorneys' Fees
24 and Costs Payment using one or more IRS 1099 Forms. PAGA Counsel
25 assumes full responsibility and liability for taxes owed on the PAGA
26 Counsel Attorneys' Fees and Costs Payment and holds Defendant harmless
27 and indemnifies Defendant from any dispute or controversy regarding any
28 division or sharing of any of these Payments.

1 3.5.2. To the Administrator: An Administrator Expenses Payment not to exceed
2 Ten Thousand Dollars and No Cents (\$10,000.00), except for a showing of
3 good cause and as approved by the Court, to come from the PAGA Counsel
4 Attorneys' Fees and Costs Payment. To the extent the actual amount of the
5 Administration Expenses is less or the Court approves payment less than
6 \$10,000, the Administrator will distribute the remainder as PAGA Counsel
7 Attorneys' Fees and Costs Payment.

8 3.6. **Production of PAGA Settlement Member Record.** In consideration for the
9 covenants, promises, waivers, and releases contained in this Agreement, and subject
10 to Court approval, Defendant agrees to produce the following employment or job-
11 assignment related documents for each PAGA Settlement Members to PAGA
12 Counsel to fully settle, resolve, and extinguish all the PAGA Claims and the Action
13 to the fullest extent permitted by law. Defendant will not produce any other
14 document except those set forth specifically below:

15 3.6.1. Directly Hired PAGA Settlement Member Production. For each Directly
16 Hired PAGA Settlement Member, Defendant will produce the following:
17 (i) the employment contract; (ii), payroll authorization form; (iii) notices of
18 commendation, warning, discipline, or termination; (iv) performance
19 reviews; (v) wage statements; and (vi) any complaint or report lodged by
20 the Directly Hired PAGA Settlement Member regarding race-based
21 discrimination and/or harassment that Defendant received.

22 3.6.2. Contractor PAGA Settlement Member Production. For each Contractor
23 PAGA Settlement Member, Defendant will produce the following
24 documents to the extent they are maintained by Defendant: (i) any notices
25 of commendation, warning, discipline, or termination of assignment; and
26 (ii) any complaint or report lodged by the Contractor PAGA Settlement
27 Member regarding race-based discrimination and/or harassment that
28 Defendant received.

3.6.3. Timeline for Production. Defendant will commence the production of the
aforementioned documents on a rolling basis beginning seven (7) calendar
days following the Approval Order. Approximately twenty-five percent
(25%) of the responsive files will be produced every thirty (30) calendar
days thereafter, with the entire production to conclude within 120-days from
the date of the approval order.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. PAGA Settlement Member Data. Within twenty-one (21) calendar days of the
Approval Order, Defendant will deliver the PAGA Settlement Member Data (*i.e.*, the
name, last-known mailing address, and social security number, to the extent
available) to the Administrator. To protect the PAGA Settlement Members' privacy
rights, the Administrator must maintain the PAGA Settlement Member Data in
confidence, use the PAGA Settlement Member Data only for purposes of this
Settlement and for no other purpose, and restrict access to the PAGA Settlement
Member Data to Administrator staff who need access to the PAGA Settlement
Member Data to effect and perform under this Agreement, and PAGA Counsel to the
extent sought by PAGA Counsel to ensure the settlement is effectuated properly,
including but not limited to resolving any dispute over the eligibility for or amount
of a PAGA Settlement Member's Individual PAGA Payment. PAGA Counsel may
also provide the Administrator with contact information for PAGA Settlement
Members to ensure that the Administrator has current contact information.

4.2. Funding of Settlement Amounts. Defendant shall fund the PAGA Settlement
Member Gross Settlement Amount and PAGA Counsel Attorneys' Fees and Costs
by depositing the funds with the Administrator no later than thirty (30) calendar days
after the Court Approval.

4.3. Payments from Settlement Amounts. Within fourteen (14) calendar days after
Defendant fully funds the PAGA Settlement Member Gross Settlement Amount and
PAGA Counsel Attorneys' Fees and Costs, the Administrator will mail checks for all

Individual PAGA Payments and the LWDA PAGA Payment, will pay itself the Administrator Expenses Payment, and will wire the PAGA Counsel Attorneys' Fees and Costs Payment.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the PAGA Settlement 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 "Void Date"). The Administrator will cancel all checks not cashed by the Void Date. Before mailing any checks, the Administrator must update the PAGA Settlement Member's mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an PAGA Settlement Member Address Search for all PAGA Settlement Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar 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 PAGA Settlement Member Address Search. The Administrator need not take further steps to deliver checks to PAGA Settlement Members whose re-mailed checks are returned as undelivered. If requested by a PAGA Settlement Member prior to the Void Date, the Administrator shall promptly send a replacement check to any PAGA Settlement Member whose original check was lost or misplaced.

4.3.3. For any PAGA Settlement Member whose Individual PAGA Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the funds represented by such checks to *Cy Pres* recipient, the Impact Fund.

4.3.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the

PAGA Settlement Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

Upon the Court's Approval Order and Defendant's full funding of the Settlement Amounts, the Settlement shall be effective as a full and final accord and satisfaction and settlement of, and as a bar to, the Released PAGA Claims against the Released Parties by Plaintiffs, on behalf of themselves and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, the PAGA Settlement Members they seek to represent, the LWDA, and the State of California.

5.1. **Released PAGA Claims.** All PAGA claims alleged, or that could have reasonably been alleged arising out of the facts asserted in Plaintiffs' PAGA Notices and the Operative Complaint, namely PAGA claims that occurred during the relevant PAGA Period for: (1) failure to allow copying and/or access to wage statements under California Labor Code § 226; (2) failure to allow copying of signed instrument under California Labor Code § 432; and (3) failure to make personnel records available for inspection and copying under California Labor Code § 1198.5.

5.2. **Release by PAGA Counsel.** PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for attorneys' fees and expenses incurred in connection with the Operative Complaint and the PAGA Notices during the PAGA Period.

5.3. **No Opt Out.** There is no statutory right for any PAGA Settlement Member to opt out or otherwise exclude himself or herself from the Settlement. Further, there is no right or opportunity for any PAGA Settlement Member, with the exception of Plaintiffs, to appeal the approval of the Settlement by the Court.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

Plaintiffs will prepare and file an application or motion for approval of this Settlement, allowing Defendant five (5) calendar days to review and comment prior to submission, as discussed below.

1 6.1. **Plaintiffs' Responsibilities.** Plaintiffs will prepare and deliver to Defense Counsel
2 all documents necessary for obtaining approval of this Settlement under Labor Code
3 § 2699(f)(2) including (i) a draft proposed Order Granting Approval of PAGA
4 Settlement, which will include a dismissal of Plaintiffs' PAGA claims with prejudice;
5 (ii) a "not to exceed" bid from the Administrator for administering the Settlement;
6 and (iii) a signed declaration from PAGA Counsel attesting to timely transmission to
7 the LWDA of all necessary PAGA documents (*i.e.*, the PAGA Notices and Plaintiffs'
8 initial notice of violations [Labor Code § 2699.3(a)], the Operative Complaint [Labor
9 Code § 2699(l)(1)], and this Agreement [Labor Code § 2699(l)(2)]. In their
10 Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any
11 other pending matter or action asserting claims that will be extinguished or adversely
12 affected by the Settlement.

13 6.2. **Responsibilities of PAGA Counsel.** Subject to Defendant's review and approval
14 prior to filing, PAGA Counsel shall be responsible for expeditiously finalizing and
15 filing the application or motion for approval of this Settlement pursuant to California
16 Labor Code § 2699(l)(2), which will set forth why the terms of the settlement are fair,
17 adequate, and reasonable, and, if necessary, obtaining a prompt hearing date for the
18 motion and appearing in Court to advocate in favor of the motion. Defendant shall
19 not oppose such a motion provided that it is consistent with the terms of this
20 Agreement. PAGA Counsel will provide Defense Counsel with a draft of said motion
21 at least five (5) court days prior to filing with the Court in order to provide Defendant
22 with an opportunity to comment on and propose revisions to the motion before it is
23 filed. PAGA Counsel is responsible for delivering the Court's Approval Order to the
24 Administrator.

25 6.3. **Non-Approval of Agreement.** Because settlement of the Action requires Court
26 approval pursuant to Labor Code § 2699(l)(2), the Agreement is conditional and
27 contingent upon approval and entry of Judgment. If the Court does not approve this
28 Agreement, or if appellate review is sought and on such review the Court's decision

1 is materially modified or reversed, then each of the Parties by and through their
2 Counsel, will cooperate with each other and use their best efforts to seek to reach
3 agreement to revise the affected term(s) of the Agreement in order to obtain approval.
4 Any order relating to the award of attorneys' fees and expenses, or any appeal from
5 any order relating thereto or reversal or modification thereof, will not operate to
6 terminate or cancel this Agreement. If the amount of the PAGA Counsel Attorneys'
7 Fees and Costs Payment awarded by the Court is less than PAGA Counsel's
8 requested amount, the difference shall be allocated to *Cy Pres* Recipient, unless there
9 is an appeal specific to the PAGA Counsel Attorneys' Fees and Costs Payment, in
10 which case any amount not approved after appeal will be sent to *Cy Pres* Recipient
11 within thirty (30) days after conclusion of such appeal. Nothing in this Agreement
12 will require Defendant to pay more than the Settlement Amounts under any
13 circumstances.

14 6.4. **Confidentiality of Terms Pending Filing of Motion for Court Approval.**

15 Plaintiffs agree to maintain the terms and conditions of this Agreement as confidential
16 and agree not to disclose the terms of this Agreement until the motion for approval is
17 filed with the Court and/or submitted to the LWDA, after which time Plaintiffs shall
18 refer any questions or comments about the Settlement or this Agreement from PAGA
19 Settlement Members to PAGA Counsel. The Parties agree that this Paragraph is a
20 material inducement to entering into this Agreement. Nothing in this Agreement
21 shall limit Plaintiffs' right to communicate with their spouse, legal counsel, personal
22 certified accountant, financial adviser, or any other financial consultant, or as
23 required or compelled by legal authority before or after the motion for approval is
24 filed with the Court.

25 7. **SETTLEMENT ADMINISTRATION.**

26 7.1. **Selection of Administrator.** The Parties have jointly selected Simpluris, to serve as
27 the Administrator and verified that, as a condition of appointment, Simpluris, agrees
28 to be bound by this Agreement and to perform, as a fiduciary, all duties specified in

1 this Agreement in exchange for payment of Administration Expenses. The Parties
2 and their Counsel represent that they have no interest or relationship, financial or
3 otherwise, with the Administrator other than a professional relationship arising out
4 of prior experiences administering settlements.

5 7.2. **Individual PAGA Payment Distribution.** Because the Individual PAGA Payments
6 are a payment in compromise and settlement of claims for alleged civil penalties, one
7 hundred percent (100%) of each Individual PAGA Payment will be considered non-
8 wage income, not subject to any withholdings or deductions. The Administrator shall
9 be responsible, to the extent necessary based on the amount of a payment, for all tax
10 reporting and documentation related to Individual PAGA Payments, as well as all
11 other payments made under the Agreement.

12 7.3. **Administrator Accounting.** The Administrator will provide an accounting under
13 oath to the Parties of the amounts paid out, including, but not limited to, the LWDA
14 PAGA Payment, the PAGA Settlement Member Net Settlement Amount, the PAGA
15 Counsel Attorneys' Fees and Costs Payment, and the Administrator's Expenses
16 Payment.

17 7.4. **Administrator Duties.** The Administrator has a duty to perform or observe all tasks
18 to be performed or observed by the Administrator contained in this Agreement or
19 otherwise.

20 **8. CONTINUING JURISDICTION OF THE COURT.**

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

25 8.1. **Waiver of Right to Appeal.** Provided the Judgment is consistent with the material
26 terms and conditions of this Agreement, Plaintiffs, Defendant, and their respective
27 Counsel hereby waive any and all rights to appeal from the Judgment, including all
28 rights to post-judgment and appellate proceedings, the right to file motions to vacate

1 judgment, motions for new trial, extraordinary writs, and appeals. If, for any reason
2 an appeal is taken, the Parties' obligations to perform under this Agreement will be
3 suspended until such time as the appeal is finally resolved and the Judgment becomes
4 final. However, if PAGA Counsel appeals the PAGA Counsel Attorneys' Fees and
5 Costs Payment, such appeal shall not in any way delay the payment obligations under
6 this Agreement. In this instance, any disputed amount will remain with the
7 Administrator pending the outcome of any appeal and any unawarded amounts,
8 following appeal, will be distributed to *Cy Pres* Recipient.

9 **9. MISCELLANEOUS PROVISIONS.**

10 9.1. **No Admission of Liability or Representative Manageability for Other Purposes.**

11 This Agreement represents a compromise and settlement of highly disputed claims.
12 Nothing in this Agreement is intended or should be construed as an admission by
13 Defendant that any of the allegations in the Operative Complaint or PAGA Notices
14 have merit or that Defendant has any liability for any claims asserted; nor should it
15 be intended or construed as an admission by Plaintiffs that Defendant's defenses in
16 the Action have merit. The Parties agree that representative treatment is for purposes
17 of this Settlement only. If, for any reason the Court does not approve this Settlement,
18 Defendant reserves all available defenses to the claims in the Action, and Plaintiffs
19 reserves the right to contest Defendant's defenses. The Settlement, this Agreement,
20 and Parties' willingness to settle the Action will have no bearing on, and will not be
21 admissible in connection with, any litigation (except for proceedings to enforce or
22 effectuate the Settlement and this Agreement).

23 9.2. **Integrated Agreement.** Upon execution by all Parties and their respective Counsel,
24 this Agreement together with its attached exhibits shall constitute the entire
25 agreement between the Parties relating to the Settlement, superseding any and all oral
26 representations, warranties, covenants, or inducements made to or by any Party.

27 9.3. **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant
28 and represent that they are authorized by Plaintiffs and Defendant, respectively, to

1 take all appropriate action required or permitted to be taken by such Parties pursuant
2 to this Agreement to effectuate its terms, and to execute any other documents
3 reasonably required to effectuate the terms of this Agreement including any
4 amendments to this Agreement.

5 9.4. **Cooperation.** The Parties and their Counsel will cooperate with each other and use
6 their best efforts, in good faith, to implement the Settlement by, among other things,
7 modifying the Settlement Agreement, submitting supplemental evidence and
8 supplementing points and authorities as requested by the Court. In the event the
9 Parties are unable to agree upon the form or content of any document necessary to
10 implement the Settlement, or on any modification of the Agreement that may become
11 necessary to implement the Settlement, the Parties will seek the assistance of the
12 mediator, Mr. Rukin, and/or the Court for resolution.

13 9.5. **No Prior Assignments.** The Parties separately represent and warrant that they have
14 not directly or indirectly assigned, transferred, encumbered, or purported to assign,
15 transfer, or encumber to any person or entity and portion of any liability, claim,
16 demand, action, cause of action, or right released and discharged by the Party in this
17 Settlement.

18 9.6. **No Tax Representations.**

19 9.6.1. The Parties agree that all tax obligations, if any, which may arise from the
20 payments set forth above shall be the sole obligation of Plaintiffs, PAGA
21 Settlement Members, and/or PAGA Counsel. Because the Individual PAGA
22 Payments are a payment in compromise and settlement of claims for alleged
23 civil penalties, one hundred percent (100%) of each Individual PAGA
24 Payment will be considered non-wage income, not subject to any
25 withholdings or deductions. The Administrator shall be responsible, to the
26 extent necessary based on the amount of a payment, for all tax reporting and
27 documentation related to Individual PAGA Payments, as well as all other
28 payments made under the Agreement.

9.6.2. Plaintiffs acknowledge that neither Defendant nor PAGA Counsel make any representations or warranties with respect to any tax consequences or characterization of the nature of any payment under this Agreement.

9.6.3. Plaintiffs and PAGA Counsel each agree to hold Defendant harmless from and against any damage or penalty incurred by Defendant as a result of any taxing authority assessing any tax or penalty upon Defendant as a consequence of any tax being due and unpaid on each of their portions of the settlement.

9.6.4. Neither Plaintiffs, PAGA 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.

9.7. **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 or their representatives, and approved by the Court.

9.8. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

9.9. **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.

9.10. **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.

9.11. **Use and Return of Aggrieved Employee Data.** Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and any copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may

1 be used only with respect to this Settlement, and no other purpose, and may not be
2 used in any way that violates any existing contractual agreement, statute, or rule of
3 court.

4 9.12. **Headings.** The descriptive heading of any section or paragraph of this Agreement is
5 inserted for convenience of reference only and does not constitute a part of this
6 Agreement.

7 9.13. **Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement
8 shall be to calendar days. In the event any date or deadline set forth in this Agreement
9 falls on a weekend or federal legal holiday, such date or deadline shall be on the first
10 business day thereafter.

11 9.14. **Notice.** All notices, demands or other communications between the Parties in
12 connection with this Agreement will be in writing and deemed to have been duly
13 given as of the third business day after being sent by email, addressed as follows:

14 9.14.1. **To Plaintiffs:**

15 Bryan Schwartz (E-mail: bryan@bryanschwarzlaw.com)
16 Matthew Helland (E-mail: helland@nka.com)

17 9.14.2. **To Defendant:**

18 Christina Tellado (E-mail: ttellado@polsinelli.com)
19 Billy Sahachartsiri (E-mail: bsahachartsiri@polsinelli.com)
20 POLSINELLI LLP
21 2049 Century Park East, Suite 2900
22 Los Angeles, California 90067

23 9.15. **Nullification of Agreement.** In the event that the Court does not approve the
24 Agreement and enter Judgment as provided herein, then this Agreement, and any
25 documents generated to bring it into effect, will be null and void, and the Parties will
26 be returned to their original respective positions.

27 9.16. **Waiver.** No waiver of any condition or covenant contained in this Agreement or
28 failure to exercise a right or remedy by any of the Parties hereto will be considered
to imply or constitute a further waiver by such Party of the same or any other
condition, covenant, right, or remedy.

- 1 9.17. **Severability.** If any term or provision of this Agreement is held to be invalid or
2 un enforceable, the remaining portions of this Agreement will continue to be valid
3 and will be performed, construed, and enforced to the fullest extent permitted by law,
4 and the invalid or un enforceable term will be deemed amended and limited in
5 accordance with the intent of the Parties, as determined from the face of the
6 Agreement, to the extent necessary to permit the maximum enforceability or
7 validation of the term or provision.
- 8 9.18. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, and
9 other costs incurred in connection with this Agreement and in connection with the
10 Action, except as otherwise set forth specifically herein.
- 11 9.19. **Authority.** Defendant represents and warrants that the undersigned has the authority
12 to act on behalf of Defendant and to bind Defendant to the terms of this Agreement.
13 Plaintiffs represent and warrant that they have the capacity to act on their own behalf
14 and on behalf of all who might claim through them to bind them to the terms and
15 conditions of this Agreement, including the PAGA Settlement Members (which
16 includes any legal heirs and/or successors-in-interest of each and every PAGA
17 Settlement Members) and the LWDA.
- 18 9.20. **Governing Law.** This Agreement shall be construed and interpreted in accordance
19 with the laws of the State of California. The Court shall retain jurisdiction solely
20 with respect to the interpretation, implementation, and enforcement of the terms of
21 this settlement, and the Parties and their respective counsel submit to the jurisdiction
22 of the Court for purposes of interpreting, implementing, and enforcing the settlement
23 embodied in this Agreement and all orders and judgments entered in connection
24 therewith. In the event either Party is reasonably required to seek to enforce any of
25 the terms of this Agreement, the prevailing party shall be entitled to attorneys' fees
26 and costs.
- 27 9.21. **Binding Agreement.** The Parties warrant that they understand and have full
28 authority to enter into this Agreement, and further intend that this Agreement will be

1 fully enforceable and binding on all Parties, and agree that it will be admissible and
2 subject to disclosure in any proceeding to enforce its terms. The Parties further agree
3 that, as of the Approval Order, Plaintiffs, all other PAGA Settlement Members, the
4 LWDA, and Defendant shall be bound by this Agreement as to the Action.

5 9.22. **Arbitration.** This Agreement shall not affect the validity of any arbitration
6 agreements and/or release agreements applicable to Plaintiffs or any PAGA
7 Settlement Members. Defendant reserves the ability to enforce arbitration
8 agreements in any other action, or in this Action as to any arbitrable claims of PAGA
9 Settlement Members, subject to an enforceable arbitration agreement and should the
10 Court not approve the Agreement and enter Judgment as provided herein. Nothing
11 in this Agreement shall prevent or prohibit any PAGA Settlement Members,
12 including Plaintiffs, to assert any defenses or challenge to any purported arbitration
13 agreements and/or release agreements.

14 9.23. **Execution in Counterparts.** This Agreement may be executed in one or more
15 counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for
16 purposes of this Agreement shall be accepted as an original. All executed
17 counterparts and each of them will be deemed to be one and the same instrument if
18 counsel for the Parties will exchange between themselves signed counterparts. Any
19 executed counterpart will be admissible in evidence to prove the existence and
20 contents of this Agreement.

21 9.24. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement they
22 will ask the Court that the litigation be stayed, except to effectuate the terms of this
23 Agreement. The Parties further agree to extend the date to bring a case to trial under
24 California Code of Civil Procedure § 583.310 for the entire period of this settlement
25 process, after the signing of this Agreement, pursuant to California Code of Civil
26 Procedure § 583.330.

1 **IT IS AGREED AND UNDERSTOOD BY:**

2 **Plaintiffs:**

3
4 Dated: 4/10/2025

By:

Signed by:

Sharonda Taylor

13BC7950F49744C...
Sharonda Taylor

5
6 Dated:

By:

Tatianna Smith

7
8
9 Dated: 4/11/2025

By:

DocuSigned by:

Zenobia Milligan

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Zenobia Milligan

10
11
12 **Defendant:**

13
14 Dated: 4/10/2025

TESLA, INC.

By:

Signed by:

Stephanie Stroup

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Name: Stephanie Stroup

Title: Associate General Counsel

Representative for Defendant Tesla, Inc.

APPROVED AS TO FORM BY:

Plaintiffs' Counsel:

Dated: 4/10/2025

BRYAN SCHWARTZ LAW

By:

Signed by:

Bryan Schwartz

710A4C7AD9CE4DC
Bryan Schwartz

Dated: 4/10/2025

CALIFORNIA CIVIL RIGHTS LAW
GROUP

By:

DocuSigned by:

LAWRENCE ORGAN

6225608A2023447
Lawrence Organ

Dated: 4/10/2025

NICHOLS KASTER, LLP

By:

Signed by:

Matthew C. Helland

253470FE9586D496
Matthew C. Helland

*Attorneys for Plaintiffs Sharonda Taylor,
Tatianna Smith, and Zenobia Milligan*

Defense Counsel:

Dated:

POLSINELLI LLP

By:

Christina T. Tellado
Billy Sahachartsiri

Attorneys for Defendant Tesla, Inc.

APPROVED AS TO FORM BY:

Plaintiffs' Counsel:

Dated: BRYAN SCHWARTZ LAW

By: _____
Bryan Schwartz

Dated: CALIFORNIA CIVIL RIGHTS LAW
GROUP

By: _____
Lawrence Organ

Dated: NICHOLS KASTER, LLP

By: _____
Matthew C. Helland

*Attorneys for Plaintiffs Sharonda Taylor,
Tatianna Smith, and Zenobia Milligan*

Defense Counsel:

Dated: April 11, 2025

POLSINELLI LLP

By:  _____
Christina T. Tellado
Billy Sahachartsiri

Attorneys for Defendant Tesla, Inc.

EXHIBIT A

*(list of aggrieved
individuals omitted to
protect privacy)*