

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement” or “Settlement Agreement”) is made by and between Plaintiff Giovanni Perales Alvarado (“Plaintiff”) on the one hand and Defendants Kniesel’s Collision, Inc., iCrash Inc. and Kniesel’sHoldCo Inc. on the other hand (collectively “Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1 DEFINITIONS.

- 1.1 “Action” or “Operative Complaint” means the Plaintiff’s PAGA lawsuit pending in the Superior Court of the State of California, County of Placer, alleging wage and hour violations against Defendants captioned *Giovanni Perales Alvarado v. Kniesel’s Collision, Inc., et al.*, initiated on April 17, 2025, (Case No. S-CV-0055052).
- 1.2 “Administrator” means Phoenix Settlement Administrators the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4 “Aggrieved Employee” or “Aggrieved Employees” means all persons, including but not limited to Plaintiff, who are employed or have been employed by Defendants in the State of California as hourly, non-exempt workers during the PAGA Period.
- 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s last known first and last name, last-known mailing address, Social Security number, and their dates of employment or number of PAGA Pay Periods.
- 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee 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 Aggrieved Employees.
- 1.7 “Approval Order” means the Court Order granting approval of PAGA Settlement.
- 1.8 “Court” means the Superior Court of California, County of Placer.
- 1.9 “Defense Counsel” means Beth Kahn, Esq., Carol A. Humiston, Esq. and Laura Birnbaum, Esq., of Musick, Peeler & Garrett LLP.

- 1.10 “Effective Date” The date on which the Approval Order becomes final. For purposes of this Section, the Approval Order “becomes final” only after the Court grants the motion for approval of Settlement and upon service of the notice of entry of Approval Order and/or Judgment, and upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Approval Order and/or Judgment (this time period shall not be less than sixty (60) calendar days after the Court’s Order is entered); (ii) the date of affirmance of an appeal of Approval Order and/or Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Approval Order and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Approval Order and/or Judgment.
- 1.11 “Gross Settlement Amount” means \$281,268.00, which is the total amount Defendants agree to pay under the Settlement except as provided for in Paragraph 4.1.1 of this Agreement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, payment of Plaintiff’s PAGA Representative General Release Fee, and the Administration Expenses Payment.
- 1.12 “Individual PAGA Payment” means the Aggrieved Employee’s *pro rata* share of 35% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13 “Judgment” means the judgment entered by the Court based upon the Court’s approval of the settlement.
- 1.14 “LWDA” means the California Labor and Workforce Development Agency.
- 1.15 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (m).
- 1.16 “Net Settlement Amount” means the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Court approval) are subtracted from the Gross Settlement Amount: (a) PAGA Counsel Fees Payment up to 33.33% of the Gross Settlement Amount, currently estimated at \$93,746.00; (b) PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00; (c) the PAGA Representative General Release Fee; and (d) the Administration Expenses Payment.
- 1.17 “Notice of PAGA Settlement” means the letter, substantially similar to the form attached hereto as Exhibit A, explaining the Settlement to the Aggrieved Employees, which will be mailed in English and Spanish with each settlement check.

- 1.18 “PAGA Counsel” means Sahag Majarian, Esq., and Garen Majarian, Esq., Majarian Law Group, APC and Nazo Koulloukian, Esq., Koul Law Firm, APC, the attorneys representing the Plaintiff in the Action.
- 1.19 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action. Defendants will not oppose Plaintiff’s request for attorneys’ fees in the amount of up to thirty-three and one-third percent (33.33%) of the Gross Settlement Amount, currently estimated at \$93,746.00, and PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Administrator will report these payments on IRS Form 1099 issued to PAGA Counsel.
- 1.20 “PAGA Representative General Release Fee” means the payment to the Plaintiff for initiating the Action, providing services in support of the Action, and providing a general release.
- 1.21 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.22 “PAGA Period” means the period from February 7, 2024 to July 19, 2026.
- 1.23 “PAGA” means the Private Attorneys General Act of 2004 (Labor Code §§ 2698. et seq.).
- 1.24 “PAGA Notice” means Plaintiff Giovanni Perales Alvarado’s February 7, 2025 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a), and Plaintiff’s amended PAGA Notice filed August 13, 2026.
- 1.25 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, the Net Settlement Amount, allocated 35% to the Aggrieved Employees and the 65% to LWDA in settlement of the Released PAGA Claims.
- 1.26 “Plaintiff” mean Giovanni Perales Alvarado, the named Plaintiff in the Action.
- 1.27 “Released PAGA Claims” means the claims being released by Plaintiff, State of California, Aggrieved Employees, and PAGA Counsel and as set forth in Paragraph 5 below.
- 1.28 “Released Parties” means: Defendants and each of their present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, owners, members, officers, directors, exempt employees, agents, attorneys, insurers, predecessors, successors and assigns, franchisors, affiliates, and any

individual or entity which could be liable for any of the Releases Of Claims set forth in Paragraph 5 below.

- 1.29 “Representative” means the named Plaintiff in the Actions seeking Court approval to serve as the Representative of the State of California, on behalf of all allegedly Aggrieved Employees.
- 1.30 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.31 “Defendants” means Kniesel’s Collision, Inc., iCrash Inc. and Kniesel'sHoldCo Inc.

2 LAWSUIT AND MEDIATION.

- 2.1 On April 17, 2025, Plaintiff Giovanni Perales Alvarado filed a class action and California Private Attorneys General Act of 2004 (“PAGA”) complaint alleging violations including, but not limited to, Failure to Pay Wages including Regular Rate of Pay, Off the Clock Work, Failure to Pay All Wages Owed Twice Per Month, Failure to Pay Minimum Wage, Failure to Pay Wages Due Upon Termination, Failure to Permit Compliant Meal Periods, Failure to Provide Rest Breaks, Failure to Reimburse for Required Business Expenses, Failure to Provide Accurate Itemized Wage Statements & Violations of Recordkeeping Requirements, Unlaw Business Practices pursuant to California Business & Professions Code section 17200 and penalties pursuant to the Private Attorneys General Act of 2004. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.
- 2.2 On October 16, 2025, pursuant to stipulation, the Court signed an order dismissing the class claims, ordering Plaintiff’s individual claims and individual PAGA claims to binding arbitration, and staying the representative PAGA Claims.
- 2.3 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave written notice to the LWDA by sending the PAGA Notice.
- 2.4 On May 20, 2026, the Parties participated in a mediation with Steve Mehta, which led to this Agreement to settle the Action.
- 2.5 Prior to mediation, Plaintiff obtained, through informal discovery, an approximately 20% sampling of employees’ time and wage records, the number of Aggrieved Employees and applicable pay periods and other informal discovery necessary to facilitate mediation.
- 2.6 Separate from and in addition to this Agreement, Plaintiff and Defendants are entering into an individual settlement agreement in consideration for Plaintiff’s agreement to execute a general release of his individual claims not encompassed by this Agreement and pursuant to California Civil Code Section 1542. The individual

settlement is documented in a separate agreement executed contemporaneously with this Agreement and is not part of the Gross Settlement Amount.

- 2.7 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 2.8 Unless otherwise specified, all citations and references to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA") are to the version of the statute as amended June 19, 2024.
- 2.9 PAGA Counsel will file an amended PAGA Notice and a DOE Amendment naming iCrash Inc. as a Defendant.

3 MONETARY TERMS.

- 3.1 Gross Settlement Amount. Defendants promise to pay \$281,268.00, except as provided in Paragraph 4.1.1 of this Agreement, as the Gross Settlement Amount. Defendants must pay the Gross Settlement Amount by the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 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 Approval Order:
 - 3.2.1 To Plaintiff: A PAGA Representative General Release Fee to Plaintiff, serving as Representative, of not more than \$5,000.00 (in addition to any Individual PAGA Payment he is entitled to receive). Defendants will not oppose Plaintiff's request for a PAGA Representative General Release Fee that does not exceed the amount of \$5,000.00 for Plaintiff. As part of the motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any PAGA Representative General Release Fee no later than 16 court days prior to the settlement approval hearing or other deadline set by the Court. If the Court approves a PAGA Representative General Release Fee less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative General Release Fee using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the PAGA Representative General Release Fee.
 - 3.2.2 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33 % which is currently estimated to be \$93,746.00 and PAGA Counsel Litigation Expenses Payment of not more than

\$20,000.00, according to proof. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion for approval, including for approval of Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Litigation Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$5,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administrator Expenses Payment are less, or the Court approves payment less than \$5,500.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To the LWDA and Aggrieved Employees: The Net Settlement Amount, the PAGA Penalties, will be distributed 65% to the LWDA PAGA Payment and 35% to the Individual PAGA Payments.
 - 3.2.4.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties 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 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.4.2 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 Aggrieved Employee Pay Periods. Based on a review of its records at the time of mediation, Defendants estimate there were approximately 14,108 PAGA Pay Periods at the time of the mediation.
 - 4.1.1 Escalator Clause. Defendants estimate the number of PAGA Pay Periods at the time of the mediation to be approximately 14,108. If the actual number of PAGA Pay Periods encompassed within the PAGA Period exceeds 14,108 by more than 10%, then, Defendants at their exclusive discretion may either (a) increase the Gross Settlement Amount by a pro-rata dollar value for those PAGA Pay Periods in excess of the escalation margin; or (b) end the PAGA Period on the date on which the number of PAGA Pay Periods is no more than 10% higher than 14,108. Under the latter option no additional payment is necessary.
- 4.2 Aggrieved Employee Data. Within fifteen (15) calendar days after the Effective Date, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. 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 Aggrieved Employee Data.
- 4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than thirty-five (35) calendar days after the Effective Date. The Administrator shall hold the Gross Settlement Amount or any portion of it in bank accounts insured by the Federal Deposit Insurance Corporation (i.e. FDIC).
- 4.4 Payments from the Gross Settlement Amount. Within 14 business days after Defendants completely fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and Plaintiff's PAGA Representative General Release Fees. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees 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. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.
- 4.4.3 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees 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 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.4 For any Aggrieved Employee Individual PAGA Payment check that is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.4.5 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5 RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff, State of California, Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

- 5.1 Released PAGA Claims: Upon full funding of the Settlement, the State of California, Aggrieved Employees, and Plaintiff, on behalf of himself and as representative for the Aggrieved Employees, and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, are deemed to release the Released Parties from all claims for PAGA Penalties that could have been sought by the LWDA for the violations that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the PAGA Period and/or Plaintiff's PAGA Notice, including, but not limited to, failure to pay

wages including regular rate of pay, failure to pay all wages owed twice per month, failure to pay minimum wage, off the clock work, failure to pay wages due upon termination, failure to permit compliant meal periods, failure to provide rest breaks, failure to reimburse for required business expenses, failure to reimburse mileage, failure to provide accurate itemized wage statements & violation of recordkeeping requirements, unlaw business practice pursuant to California Business & Professions Code section 17200 and penalties pursuant to the Private Attorneys General Act of 2004, predicated upon violations of the California Labor Code sections 200, 201, 202, 203, 204, 206, 206.5, 207, 208, 210, 216, 218, 218.5, 218.6, 221, 222, 223, 226, 226.2, 226.7, 227.3, 245-248.6, 351, 432, 432.5, 432.6, 510, 512, 558, 558.1, 1024.5, 1174, 1174(d), 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1198.5, 1199, 2698 et seq., 2699 et seq., 2699.3, 2699.5 2802, 2810.5, California Code of Civil Procedure section 1021.5, California Code of Regulations, Title 8, Section 11070(14), and the applicable Industrial Welfare Commission Orders.

The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity under PAGA for any Aggrieved Employee to appeal the approval of the PAGA Settlement by the Court. This Agreement shall not be subject to collateral attack by any Aggrieved Employee.

The Released PAGA Claims do not release any Aggrieved Employees' individual claims for wages. Released PAGA Claims expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside the PAGA Period. Plaintiff as representative and Defendants agree and acknowledge that, to the maximum extent permitted by law, the Judgment entered pursuant to this settlement will bind all those who would be bound by a judgment if the Action had been brought by the State of California.

5.2 Release of Attorneys' Fees:

Release of Attorneys' Fees: Plaintiff individually and as Representative releases on behalf of himself and his respective present and former representatives, attorneys, heirs, administrators, agents, successors and assigns, the Released Parties from all claims for the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment incurred in connection with or any way related to, the Action, the PAGA Period facts stated in the Action, the PAGA Notice, and the amended PAGA Notice, PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment.

6 **STIPULATION OR MOTION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file a motion for approval of this Settlement after the complaint is amended to add iCrash Inc as a named Defendant in this Action.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel a stipulation

or motion for approval of PAGA Settlement, including all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (s)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) declaration(s) from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Complaint and Operative Complaint (Labor Code section 2699, subd. (s)(1)), this Agreement (Labor Code section 2699, subd. (s)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Defense Counsel will be given the draft stipulation or motion for approval and will have at least seven (7) business days to provide comments or changes.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for finalizing and filing the stipulation or motion for approval of this Settlement and, if necessary, obtaining a hearing date for the stipulation or motion and appearing in Court to advocate in favor of the stipulation or motion. PAGA Counsel is responsible for delivering the Court’s Approval Order of PAGA Settlement to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed stipulation or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to try to resolve the disagreement. If the Court does not grant the stipulation or motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously attempt to work together on behalf of the Parties by meeting in person or by telephone, and in good faith, try to modify the Agreement and otherwise satisfy the Court’s concerns.

7 SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators 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 PAGA and Defense 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 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 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.
- 7.4 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.
- 7.5 No Right to Opt Out or Object. The Parties agree there is no statutory right for any Aggrieved Employees to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any Aggrieved Employees to appeal the approval of the Settlement by the Court. The Parties further agree that an Aggrieved Employees’ recovery under this Settlement does not act to preclude claims not encompassed within the release of claims in Section 5.

8 NULLIFICATION OF AGREEMENT. In the event: (i) the Court does not enter the Approval Order and approve the Released PAGA Claims specified herein; or (ii) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void. A reduction of the attorneys’ fees and expenses and the Plaintiff’s PAGA Representative General Release Fees shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Agreement shall be treated as void from the beginning, and the provisions contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees already incurred by the settlement administrator shall be paid equally by both Parties.

9 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.

- 9.1 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, the scope of release to be granted by Aggrieved Employees and the State of California), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to try to address the appellate court’s concerns and try to obtain approval of the Settlement 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 any payments to PAGA 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.

10 **ADDITIONAL PROVISIONS.**

- 10.1 **No Admission of Liability 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 Defendants that any of the allegations in the Operative Complaint or PAGA Notice have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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 or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this PAGA Settlement Agreement).
- 10.2 **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.
- 10.3 **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms.
- 10.4 **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.
- 10.5 **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 and portion of any liability, claim,

demand, action, cause of action, or right released and discharged by the Party in this Settlement.

- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants 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.
- 10.7 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.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 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.
- 10.10 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.
- 10.11 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. Prior to filing the motion for approval, Plaintiff will not issue any press or other media releases or have any communication with the press or media or anyone other than financial advisors, retained experts, the LWDA and vendors related to settlement administration, regarding the Settlement. If, before the filing of the motion for approval, Plaintiff or their attorneys disclose to any unauthorized party any of the terms of the Settlement except as required by law or to affect the Settlement, Defendants may rescind Settlement rendering it null and void. Plaintiff further agree that they will instruct their attorneys not to disclose the terms of this Agreement other than as necessary in connection with settlement approval. This section does not bar Plaintiff's counsel from carrying out their duties as counsel to Plaintiff for the LWDA.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the

Administrator's payment of all settlement funds, Defendants makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 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.
- 10.15 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:

Nazo Koulloukian, Esq.
nazo@koullaw.com
KOUL LAW FIRM, APC
217 S. Kenwood St.
Glendale, CA 91205

-and-

Sahag Majarian, Esq.
sajagii@aol.com
Garen Majarian, Esq.
garen@majarianlawgroup.com
MAJARIAN LAW GROUP, APC
18250 Ventura Blvd.
Tarzana, CA 91356

To Defendants:

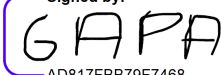
Beth Kahn, Esq.
b.kahn@musickeeler.com
Carol A. Humiston, Esq
c.humiston@musickeeler.com
Laura Birnbaum, Esq
l.birnbaum@musickeeler.com
MUSICK, PEELER & GARRETT LLP
333 South Hope Street, Suite 2900
Los Angeles, CA 90071

10.16 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 counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 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 California 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.

(The Settlement Agreement consists of 15 pages, including this signature page, excluding Exhibit A.)

Dated: 8/25/2026

Signed by:

AD817FBB79F7468...

Plaintiff Giovanni Perales Alvarado

Dated: _____

for: Defendants Kniesel's Collision, Inc., iCrash Inc.
and Kniesel'sHoldCo Inc.

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(The Settlement Agreement consists of 15 pages, including this signature page, excluding Exhibit A.)

Dated: _____

Plaintiff Giovanni Perales Alvarado

Dated: 8/21/2026 _____

Signed by:

880752D907A04CE

Rob Champe

for: Defendants Kniesel's Collision, Inc., iCrash Inc.
and Kniesel'sHoldCo Inc.

[EXHIBIT A]
(NOTICE OF SETTLEMENT)

[Date], 2026

[Settlement Administrator Name]

[Settlement Administrator Address]

[Employee Name]

[Employee Street Address]

[City, State Zip]

Re: PAGA Settlement Payment: *Giovanni Perales Alvarado v. Kniesel's Collision, Inc., et al.*

Dear Current or Former Employee of Kniesel's Collision, Inc., iCrash Inc., and Kniesel'sHoldCo Inc.,

You have received this notice because records of Kniesel's Collision, Inc., iCrash Inc., and/or Kniesel'sHoldCo Inc. (collectively, "Defendants") indicate that you work or have worked for Defendants in California at some time between February 7, 2024 and July 19, 2026 (the "PAGA Period"). This notice relates to the settlement of a lawsuit titled *Giovanni Perales Alvarado v. Kniesel's Collision, Inc., et al.*, filed in the Placer County Superior Court, Case No. S-CV-0055052 (the "Lawsuit").

In the Lawsuit, Plaintiff Giovanni Perales Alvarado ("Plaintiff") seeks civil penalties pursuant to the California Private Attorneys General Act ("PAGA"), a law which allows a plaintiff to attempt to recover penalties on behalf of the State of California and on behalf of employees who Plaintiff claims were "aggrieved" by alleged wage and hour violations. In the Lawsuit, Plaintiff alleges that Defendants are liable for: (1) failing to pay for all hours worked, including overtime hours worked; (2) failing to pay all wages owed twice per month; (3) failing to pay minimum wage; (4) failing to pay wages due upon termination; (5) failing to permit compliant meal breaks; (6) failing to provide rest breaks; and (7) failing to reimburse for required business expenses.

Defendants strongly dispute Plaintiff's allegations and maintain that Defendants have fully complied with all applicable wage and hour laws. The Court has not issued any ruling regarding the merits of the Lawsuit. Nonetheless, to avoid the cost and distraction of litigation, Defendants have made a business decision to settle the Lawsuit, which settlement has been approved by the Court.

The enclosed settlement check represents your portion of the Court-approved PAGA settlement. You will not be retaliated against for cashing your check. Checks that are not cashed within 180 days of issuance will be voided and the funds will be transmitted to the

California State Controller Unclaimed Payment Fund in your name. You may search for and claim unclaimed funds by visiting: https://www.sco.ca.gov/search_upd.html

Regardless of what you do with the settlement check, you will have released claims for penalties arising under PAGA as asserted in the Lawsuit. This lawsuit does not impact any claims for wages you may have.

If you have any questions about this notice, please contact the Settlement Administrator, [NAME] at [number/email].

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THE LAWSUIT. PLEASE DO NOT CONTACT THE COURT REGARDING THE CASE.