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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN FRANCISCO**

SYED SHAMSUDDOHA AND MIRIAM HERNANDEZ, on behalf of the State of California, as a private attorney general,

Plaintiff,

vs.

AUTOZONERS, LLC, a Limited Liability Company; and DOES 1 through 50, inclusive,

Defendants.

Case No. CGC-16-550266

**JOINT STIPULATION OF PAGA SETTLEMENT AND RELEASE**

Action Filed: February 3, 2016
Trial Date: None

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This Joint Stipulation of PAGA Settlement and Release ("Settlement," "Settlement Agreement," "Agreement," or "Stipulation") is made and entered into by and between Plaintiffs Zachary Lewis, Rafael Miravete, Devon Starks, Syed Shamsuddoha, and Miriam Hernandez ("Plaintiffs") and Defendant AutoZoners, LLC ("Defendant") (together the "Parties").

**DEFINITIONS**

The following definitions are applicable to this Settlement Agreement as are definitions contained elsewhere in this Settlement Agreement:

1. "Action" or "Actions" means the following actions:
    a. *Zachary Lewis and Rafael Miravete vs. Autozoners*, LLC, Orange County Superior Court PAGA Case No. 30-2023-01326556-CU-OE-CXC; PAGA letter date March 8, 2023, Honorable Melissa R. McCormick (the "*Lewis* Action");
    b. *Devon Starks v. AutoZoners, LLC*, North Butte County Superior Court Case No. 25CV01813; and North Butte County Superior Court Case No. 25CV02748 (the "*Starks* Action");
    c. *Syed Shamsuddoha and Miriam Hernandez vs. AutoZo*ners*, LLC*, San Francisco Superior Court Case No. CGC-16-550266 (the "*Shamsuddoha* Action");
2. "Administration Fees and Costs" means the fees and costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to: printing, distributing, and tracking documents for this Settlement; calculating estimated amounts per Covered Employee; tax calculations and reporting, if any; allocating and distributing the Gross Settlement Amount; calculating and distributing Attorneys' Fees, Attorneys' Costs, Representative Enhancement Payments, Individual Plaintiff Release Payments, Individual PAGA Payments, and LWDA Payments; providing necessary reports and declarations, and other duties and responsibilities set forth in this Settlement Agreement in order to process this Settlement and as requested by the Parties or Court. All of the costs, fees and expenses incurred by the Settlement Administrator in performing these functions shall be paid from the Gross Settlement Amount. The Administration Fees and Costs are estimated not to exceed $85,745.

3. "Approval" means the date on which the Court enters an order granting final approval of the Settlement Agreement.

4. "Attorneys' Costs" means the dollar value of the costs/expenses Plaintiffs' Counsel will ask the Court to approve for payment from the Gross Settlement Amount in association with their engagement with respect to the Actions. Defendant will not object to such payments taken from the Gross Settlement Amount. However, even in the event the Court reduces or does not approve any or all of the requested Attorneys' Costs, Plaintiffs and Plaintiffs' Counsel shall not have the right to revoke this Settlement and this Settlement will remain binding.

5. "Attorneys' Fees" means the dollar value of attorneys' fees which Plaintiffs' Counsel will ask the Court to approve for payment from the Gross Settlement Amount in association with their engagement with respect to the Actions. Defendant will not object to such payments taken from the Gross Settlement Amount. However, even in the event the Court reduces or does not approve any or all of the requested Attorneys' Fees, Plaintiffs and Plaintiffs' Counsel shall not have the right to revoke this Settlement and this Settlement will remain binding.

6. "Complaints" means the complaints pending in the Actions as of the date of the execution of this Agreement.

7. "Court" means the Superior Court of California, County of San Francisco.

8. "Covered Employee" means an individual who is or previously was employed by Defendant in California and is or was classified as a non-exempt employee at any time during the Covered Period.

9. "Covered Employee List and Data" means an electronic database containing information relating to the Covered Employees that Defendant will provide to the Settlement Administrator within fourteen (14) calendar days after judicial settlement Approval. The Covered Employee List and Data shall contain, to the extent such information is available in Defendant's existing electronic recordkeeping systems, the following information for Covered Employees: full names, last known addresses, Social Security Numbers, and the Covered Employee's number of Relevant Workweeks. This information shall remain confidential to the Settlement Administrator and will not be disclosed to Plaintiffs or Plaintiffs' Counsel absent approval from Defendant's Counsel, court order, or if the

disclosure of a specific Covered Employee's information is necessary to resolve objections or disputes relating to the Settlement or the individual's designated Relevant Workweeks.

10. "Covered Period" means October 5, 2022 through January 10, 2026.

11. "Defendant's Counsel" means Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

12. "Effective Date" of the Settlement Agreement shall mean the date upon which all of the following have occurred: (1) the Court has signed an order approving the Settlement; (2) all objections to the Settlement have been resolved and the time permitted for objections has expired; (3) the passage of the date for seeking appellate review of the Court's Approval of the Settlement; and (4) if Plaintiffs' Counsel appeals the reduction (if any) of category of monetary award or distribution, the later of the dismissal or withdrawal of the appeal, or conclusion of the appeal and any subsequent court proceedings upon remand to the trial court. In no event shall the Effective Date occur before the judgment of the Court granting Approval of the Settlement.

13. "Gross PAGA Fund" means the value remaining from the Gross Settlement Amount after reductions to cover the Attorneys' Fees, Attorneys' Costs, Representative Enhancement Payments, and Administration Fees and Costs.

14. "Gross Settlement Amount" or "Maximum Settlement Amount" means the maximum settlement amount paid in consideration of this Settlement. The Gross Settlement Amount shall be the sum of Two Million Three Hundred Eighty Thousand Dollars ($2,380,000), to be paid by Defendant in full satisfaction of this Settlement, which includes all Attorneys' Fees, Attorneys' Costs to Plaintiffs' Counsel, the Representative Enhancement Payments, the Gross PAGA Fund (which consists of both the LWDA Payment and the Net PAGA Fund), and the Administration Fees and Costs to the Settlement Administrator. In no event will Defendant be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth in Paragraph 31. The Gross Settlement Amount excludes the individual settlements separately paid to Plaintiffs for a General Release of their claims, addressed further herein. As such, the Gross Settlement Amount does not include Plaintiffs' individual settlements which are separately funded by Defendant and memorialized in separate individual settlement agreements.

15. "Individual PAGA Payments" means each Covered Employee's share of the Net PAGA Fund

to be distributed to the Covered Employees. Covered Employees cannot opt out of the Settlement and do not have the option of excluding themselves from their Individual PAGA Payments.

16. "LWDA Payment" means the amount that the Parties have agreed to pay to the California Labor and Workforce Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq., "PAGA"). Specifically, the Parties have agreed that Seventy-Five Percent (75%) of the Gross PAGA Fund shall be allocated to the LWDA as the LWDA Payment.

17. "Net PAGA Fund" means Twenty-Five Percent (25%) of the Gross PAGA Fund. The entire Net PAGA Fund will be distributed to the Covered Employees on a pro rata basis according to their assigned number of Relevant Workweeks. The Individual PAGA Payments from the Net PAGA Fund shall be treated as miscellaneous income which shall be reported on an IRS Form 1099 without withholdings. All funds represented by uncashed checks remaining in the Net PAGA Fund will be assigned to the following *cy pres* beneficiary: AutoZone Assistance Fund. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net PAGA Fund will be paid out to Covered Employees, whether they all cash their Individual PAGA Payments or not. Therefore, Defendant will not be required to pay any interest on said amount.

18. "Operative Complaint" means the First Amended Complaint ("FAC") in the first-filed *Shamsuddoha* Action and shall serve as the operative complaint in this action for purposes of the Settlement and Release. The Court's acceptance of the FAC for these purposes is a precondition for the effectiveness of this Settlement and a precondition for Defendant's payment of the Gross Settlement Amount.

19. "PAGA" means the Labor Code Private Attorneys' General Act of 2004 (Cal. Lab. Code §§ 2698, et seq.)

20. "Parties" means Plaintiffs and Defendant collectively.

21. "Plaintiffs' Counsel" means: (1) Blumenthal Nordrehaug Bhowmik De Blouw LLP ("BNBD"); (2) Lavi & Ebrahimian, LLC ("L&E"); (3) Capstone Law APC ("CL"); (4) The Markham Law Firm ("MLF"); and United Employees Law Group ("UELG").

22. "Relevant Workweek" means a week in which a Covered Employee recorded performing any compensable work for Defendant as a non-exempt employee in California during the Covered Period.

23. "Release of PAGA Claims" means the release (without any ability to opt out) of claims under PAGA for civil penalties by the Plaintiffs, the Covered Employees, the LWDA, and the State of California as described in Paragraph 34.

24. "Released PAGA Claims" means any and all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts and legal theories stated in the Operative Complaint and all PAGA Notices submitted by Plaintiffs to the LWDA, which occurred during the PAGA Period while employed in a non-exempt position in California. The Released PAGA Claims cover all allegations in in the Operative Complaint for PAGA penalties including: failure to pay or properly pay all wages due (including regular wages, minimum wages, overtime wages, time rounding, "synthetic" timekeeping, double time wages, off the clock work, sick pay, sick leave wages, vacation wages, and all other wage payments); failure to properly calculate or pay the regular rate of pay; failure to provide properly meal and/or rest periods and/or to properly provide premium pay in lieu thereof; failure to properly calculate and/or pay meal and/or rest premiums; failure to reimburse all manner of business expenses; failure to provide suitable seating; failure to provide personnel records; recordkeeping violations; failure to provide complete and/or accurate wage statements; failure to properly and timely pay wages during employment; failure to properly and timely pay wages due upon termination of employment; failure to pay waiting time penalties; failure to provide paid sick leave; forced patronage; failure to pay accrued vacation pay; failure to pay or properly pay split shifts and/or reporting time; unlawful deductions from wages; and any other amounts recoverable under PAGA arising out of the Released PAGA Claims. The Released PAGA Claims exclude all other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, California class claims outside of the Covered Period, and PAGA claims outside of the Covered Period. The Released PAGA Claims also expressly exclude Plaintiffs' non-PAGA claims which are subject to a separate release, which will be set forth in a separate individual settlement agreement.

25. "Released Parties" includes AutoZone, Inc. and AutoZoners, LLC and each of their past, present, and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

26. "Representative Enhancement Payments" means the amounts which Plaintiffs will ask the Court to approve for payment from the Gross Settlement Amount in recognition of their effort and work in prosecuting the Actions on behalf of Covered Employees. Defendant will not object to such payments taken from the Gross Settlement Amount in the amount of Ten Thousand Dollars ($10,000) to each of the Plaintiffs (for a total of $50,000). However, even in the event that the Court reduces or does not approve any or all of the requested Representative Enhancement Payments, Plaintiffs and Plaintiffs' Counsel shall not have the right to revoke this Settlement Agreement and it will remain binding.

27. "Settlement Administrator" means the third-party class action settlement administrator chosen by Plaintiffs' Counsel and approved by the Court for the purposes of administering this Settlement, which shall be: ILYM Group, Inc. Defendant and Defendant's Counsel did not select the Settlement Administrator and shall not enter into any contractual relationship with the Settlement Administrator. The Administration Fees and Costs shall be paid out of the Maximum Settlement Amount. The Settlement Administrator's duties shall include, but are not limited to, reporting payments to all required taxing and other authorities, taking appropriate withholding from the individual payments, and issuing IRS Forms. It is also understood and agreed that the Settlement Administrator will establish a qualified settlement fund, or QSF, pursuant to Section 468B(g) of the Internal Revenue Code for the purpose of administering the Settlement. Plaintiffs, Plaintiffs' Counsel, Defendant, and Defendant's Counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients of settlement payments.

**TERMS OF AGREEMENT**

28. Plaintiffs, on behalf of themselves and the Covered Employees, and Defendant, agree as follows:

a. **Monetary Terms of Settlement:** The Gross Settlement Amount is Two Million Three Hundred Eighty Thousand Dollars ($2,380,000) subject to the terms and conditions as set forth in this Settlement Agreement. Under no circumstances shall Defendant be obligated to pay more than the Gross Settlement Amount except as provided in Paragraph 31. Each Covered Employee shall be responsible for paying their share of taxes due on their portion of the Gross Settlement Amount. This is a non-reversionary settlement, and all of the Gross Settlement Amount will be distributed. Defendant maintains no reversionary right to any portion of the Gross Settlement Amount. This Settlement does not require Covered Employees to submit a claim form to participate in the Settlement. Covered Employees will not be permitted to opt out of the settlement.

**b. Division of Settlement Amounts:**

i. **Representative Enhancement Payments:** Representative Enhancement Payments will be taken out of the Gross Settlement Amount and made as described above in the "DEFINITIONS" Section of this Agreement. Plaintiffs shall be solely and exclusively liable and responsible for all applicable tax obligations relating to or arising out of the Representative Enhancement Payments. Defendant will have no tax obligations or payments due relating to or arising out of their respective Representative Enhancement Payments.

ii. **Attorneys' Fees and Costs:** An award of Attorneys' Fees and Attorneys' Costs will be taken out of the Gross Settlement Amount and made as described above in the "DEFINITIONS" Section of this Agreement. The Attorneys' Fees shall be one-third of the Gross Settlement Amount, which is currently estimated to be $793,333, and shall be allocated among PAGA Counsel as follows: 60% to BNBD and Gomez Law Firm ("GLF") [split 75% to BNBD, and 25% to GLF]; 25% to LE; 7.5% to CL; and 7.5% to MLF and UELG [split 50% to MLF, and 50% to UELG]. Attorneys' Costs shall be documented in Plaintiffs' Counsel's billing statement and shall not exceed $68,000. Plaintiffs' Counsel will be solely and exclusively liable and responsible for all tax obligations relating to or arising out of such payments.

iii. **Gross PAGA Fund**: The Gross PAGA Fund will be taken out of the Gross Settlement Amount in an amount of not less than $1,382,922, with 75% (no less than $1,037,191.50

allocated to the LWDA Payment and 25% (no less than $345,730.50) allocated to the Net PAGA Fund as Individual PAGA Payments

a) **Individual PAGA Payments:** Each Covered Employee's Individual PAGA Payment will be calculated by assigning a proportionate share of the Net PAGA Fund. Specifically, the Settlement Administrator will calculate each Covered Employee's proportionate share as follows: *[Individual PAGA Payment] = [(Covered Employee's Relevant Workweeks ) / (Total Relevant Workweeks for all Covered Employees)] * [Net PAGA Fund]*. The Individual PAGA Payments from the Net PAGA Fund shall be treated as miscellaneous income which shall be reported on an IRS Form 1099 without withholdings.

iv. **Administration Fees and Costs:** Administration Fees and Costs will be taken out of the Gross Settlement Amount in an amount not to exceed $85,745 except for a showing of good cause and as approved by the Court. To the extent the Administration Fees and Costs are less, or the Court approves payment less than $85,745, the Administrator will retain the remainder in the Gross PAGA Fund.

c. **Funding of Gross Settlement Amount:** The Gross Settlement Amount will be funded by a one-time deposit of Two Million Three Hundred Eighty Thousand Dollars ($2,380,000) into a qualified settlement fund account (to be established by the Settlement Administrator). That amount will be deposited within fourteen (14) calendar days of the Effective Date. Settlement funds will not be disbursed until after the Effective Date.

d. **Tax Allocation:** All taxes and tax obligations shall be allocated and handled as described above. All payments under this Settlement will be treated as miscellaneous income which shall be reported on an IRS 1099 without withholdings.

e. **Cashing of Checks:** Covered Employees who are sent Individual PAGA Payments will have 180 calendar days after the date of mailing to cash their settlement checks and will be so advised of such deadline. Ninety calendar days after the checks are mailed, the Settlement Administrator will mail reminder postcards to Covered Employees whose checks remain uncashed. If Covered Employees do not cash their checks within that period, or a check is undeliverable, those checks will become void, and the settlement payment amounts will be paid out to a mutually agreed-

upon *cy pres* recipient(s) pursuant to Code of Civil Procedure section 384. Any failure of a Covered Employee to deposit a check shall not affect the enforceability of the release of claims as stated in this Settlement Agreement, as the Parties jointly agree that valid consideration for same is the offer of monetary consideration by means of the offer of settlement and mailing of settlement checks.

f. **No Credit Toward Benefits Plan:** Any payments made pursuant to this Settlement shall not be utilized to calculate any additional benefits under any benefit plans to which any Covered Employees may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement shall not affect any rights, contributions, or amounts to which any Covered Employees may be entitled under any benefit plans.

29. **Non-Monetary Terms of Settlement:**

a. In connection with this Settlement, the Parties stipulated to file the FAC in the *Shamsuddoha* Action to add the parties and claims in the *Lewis* Action and the *Starks* Action, and to: (1) add Plaintiffs Miravete, Starks, Shamsuddoha, and Hernandez as named plaintiffs and PAGA representatives; (2) add all representative claims alleged in all of the Actions; and (3) add all claims included in the definition of Released PAGA Claims. The FAC is the operative complaint in the Action (the "Operative Complaint"), a copy of which will be submitted to the Court as an exhibit to Plaintiffs' Motion for Approval of the Settlement. After the FAC is filed, the Parties will submit a stipulation to stay the *Lewis* Action and *Starks* Action until the date of issuance of an order granting final approval of this Settlement. Upon final approval of this Settlement, Plaintiffs will dismiss the *Lewis* Action and *Starks* Action with prejudice. Once Approval is granted, the Parties will dismiss with prejudice: (1) *Zachary Lewis and Rafael Miravete vs. Autozoners*, LLC, Orange County Superior Court PAGA Case No. 30-2023-01326556-CU-OE-CXC; PAGA letter date March 8, 2023, Honorable Melissa R. McCormick; (2) *Devon Starks v. AutoZoners, LLC*, North Butte County Superior Court Case No. 25CV01813; and North Butte County Superior Court Case No. 25CV02748; and (3) *Syed Shamsuddoha and Miriam Hernandez vs. AutoZo*ners*, LLC*, San Francisco Superior Court Case No. CGC-16-550266 and abandon their rights to prosecute those actions.

b. The Court must grant Approval of the Settlement and accept the FAC as the Operative Complaint for this Settlement to be binding. If either of these do not occur, the FAC will be deemed withdrawn without prejudice to Plaintiffs seeking leave to amend their complaints. By stipulating to the filing of the FAC for the purpose of Settlement, Defendant is in no way agreeing that an amendment would be appropriate outside the context of this Settlement. Plaintiffs do not agree that the matter is or would be removable to federal court or that federal jurisdiction is proper.

i. Within ten calendar days after either (1) Approval if the Settlement is approved or (2) entry of order denying the Settlement if the Court does not approve the Settlement, Plaintiffs' Counsel will provide a copy of the Superior Court's judgment or order to the LWDA pursuant to Labor Code section 2699(*l*)(3) for each of the Actions.

30. **Settlement Administration Process:**

a. **Appointment of Settlement Administrator:** The Parties agree, subject to Court approval, that Plaintiffs will select a Settlement Administrator. The cost of settlement administration shall be paid out of the Gross Settlement Amount prior to distribution to the Covered Employees.

i. **Delivery of Covered Employee List and Data:** The Covered Employee List and Data will be provided to the Settlement Administrator as described above in the "DEFINITIONS" section of this Agreement. Within seven calendar days of receipt of the Covered Employee List and Data by the Settlement Administrator, the Settlement Administrator shall provide to Plaintiffs' Counsel the number of unique Covered Employees along with the number of Relevant Workweeks for each Covered Employee. All information provided to the Settlement Administrator shall be considered confidential and also subject to the Parties' stipulated protective orders. The Covered Employee List and Data shall be treated as confidential by the Settlement Administrator and will not be disclosed to Plaintiffs or Plaintiffs' Counsel absent approval from Defendant's Counsel, Court order, or if the disclosure of a specific Covered Employee's information is necessary to resolve

objections or disputes relating to the settlement or the individual's assigned Relevant Workweeks.

ii. **Settlement Packet**: No later than seven (7) calendar days after the Settlement Administrator receives the Covered Employee List and Data, the Settlement Administrator shall mail a mutually agreed-upon (by all Parties) cover letter and Individual PAGA Payment checks (together the "Settlement Packet") to all Covered Employees by First-Class United States mail. For each Settlement Packet that is returned undeliverable within thirty (30) calendar days of the initial mailing, the Settlement Administrator shall promptly attempt to locate an alternative, updated address for the Covered Employee at issue by using a skip-trace search and shall attempt one (1) re-mailing of the Settlement Packet.

iii. **Issuance of Payments**: Distribution of the Gross Settlement Amount to its various recipients will be made no later than thirty (30) calendar days after the Effective Date.

iv. **Certification of Completion**: Upon completion of administration of the Settlement, the Settlement Administrator shall provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

31. **Escalator Provision**: At the mediation, Defendant estimated that between October 5, 2022, and March 3, 2025 (the "Mediation Data Period"), there were approximately 1,426,230 Relevant Workweeks (i.e., workweeks in which Covered Employees recorded as performing work as non-exempt, hourly employees in California). Extrapolating that forward to January 10, 2026 (the "Extrapolated Period"), Defendant estimated that during that period there would be approximately 1,919,313 Relevant Workweeks. Defendant shall disclose the actual number of Relevant Workweeks prior to the filing of the motion for settlement approval. If, prior to the date of an order granting settlement approval, the Parties agree or the Court finds that the actual number of Relevant Workweeks during the Covered Period is

more than ten percent (10%) above 1,919,313 (i.e., more than 2,111,245), Defendant will have the option to either: (a) increase the Gross Settlement Amount by the percentage that the actual number of Relevant Workweeks exceeds 10% of the original estimate (e.g., if the total number of Relevant Workweeks is 11% above the original estimate, the Gross Settlement Amount would be increased by 1%); or, (b) shorten the Covered Period so that there is no increase above the 10% threshold.

32. **Circular 230 Disclaimer:** EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

**33. No Prior Assignments:** The Parties and their counsel represent, covenant, and warrant that

they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right in this Settlement Agreement released and discharged.

**34. Release of PAGA Claims:** Upon the Effective Date, the Plaintiffs, the Covered Employees, the LWDA and the State of California (the "PAGA Releasing Parties") will fully and finally release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all Released PAGA Claims, whether known or unknown that occurred during the Covered Period. However, to be clear, the scope of the release is limited to the Released PAGA Claims. Plaintiffs and the Covered Employees may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims, causes of action, and legal theories of recovery in the Actions. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released PAGA Claims and, by virtue of this Agreement, the PAGA Releasing Parties shall be deemed to have, and by operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled and released all of the Released PAGA Claims. The Parties understand and specifically agree that the scope of this Release is a material part of the consideration for this Agreement, was critical in justifying the agreed upon economic value of this Settlement, without it Defendant would not have agreed to the consideration provided, and is narrowly drafted and necessary to ensure Defendant is obtaining peace of mind regarding the resolution of claims that were or could have been alleged based on the facts, causes of action, and legal theories contained in the Actions. Each Covered Employee will be deemed to have made the foregoing release of Released PAGA Claims as if by manually signing it. In light of the method of notice set forth by this Settlement Agreement, the above release provisions shall apply even if a Covered Employee never receives mailed notice of the Actions or this Settlement.

35. **General Release by Plaintiffs:** Pursuant to separate confidential settlement agreements, in addition to the Gross Settlement Amount, Defendant has agreed to separately pay Plaintiffs each an individual settlement to resolve all of their individual non-PAGA claims. The individual settlements are made in exchange for general releases of all of Plaintiffs' individual non-PAGA claims arising

out of their respective employment with Defendant, including a waiver of any unknown claims pursuant to California Civil Code § 1542, which will be detailed in separate confidential settlement agreements. This Settlement Agreement shall not become effective or enforceable unless/until all Plaintiffs execute the General Release and the time for revocation of the General Release has expired.

36. **Acknowledgments Regarding Released Claims.** Plaintiffs acknowledge and agree that they (i) are not waiving any rights or claims that may arise after the date that Plaintiffs execute this Agreement, except with respect to any other signed Agreements such as the General Release of individual claims; (ii) Plaintiffs have received consideration beyond that to which Plaintiffs were previously entitled; (iii) Plaintiffs have been advised to consult with an attorney before signing this Agreement and Plaintiffs have thoroughly discussed all aspects of this Agreement with an attorney of Plaintiffs' choice to the extent Plaintiffs wish to do so; (iv) Plaintiffs have not received or relied on any tax advice from Defendant or Defendant's Counsel.

**37. Settlement Documentation and Approval.** The Settlement Agreement is contingent upon judicial Approval. If the Court does not approve this Settlement, the Settlement shall be null and void and shall not be admissible in any other proceeding or action. Notwithstanding the above, if the Court grants Approval of the Settlement but denies or reduces Plaintiffs' requests for Attorneys' Fees, Attorneys' Costs, Representative Enhancement Payments, Individual Plaintiff Release Payments, or Administration Fees and Costs, the Settlement shall remain binding and enforceable and shall not be terminated or determined null and void.

**38. Approval Motion.** Plaintiffs' Counsel shall draft and file a motion for Approval of the Settlement within thirty (30) days of the execution of this Agreement. The Parties agree that they will work collaboratively and exercise reasonable best efforts to defeat any objections or challenges to the Approval of the Settlement.

**39. Preview of Filings.** Plaintiffs will not file any documents with the Court relating to the Settlement without first providing Defendant's Counsel an opportunity to review the documents except as provided in this Paragraph. Specifically, Plaintiffs will provide Defendant's Counsel with draft documents no less than five business days before Plaintiffs plan to file such documents.

**40. Joint Recitals.** Neither Plaintiffs nor Plaintiffs' Counsel are currently aware (as of the date

of the execution of this Settlement) of: (a) any unalleged wage/hour claims in addition to or different from those released by this Settlement; (b) unalleged facts or legal theories supporting wage/hour claims different from those alleged in FAC, and (c) the identity of any specific persons who have expressed any interest in pursuing wage/hour claims against Defendant.

**41. Judgment and Continued Jurisdiction.** Upon Approval of the Settlement by the Court, the Parties shall present the judgment to the Court for its approval. After entry of the judgment, the Court shall have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) Settlement administration matters; and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement. Within ten calendar days of either the entry of judgment or the entry of order denying or granting the Settlement, Plaintiffs' Counsel shall provide a copy of the superior court's judgment or order to the LWDA in all Actions pursuant to Labor Code section 2699(*l*)(3).

**42. Exhibits Incorporated by Reference.** This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' Settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

**43. Binding on Successors and Assigns.** This Settlement Agreement shall be binding upon, and inure to the benefit of, the successor or assigns of the Parties, as previously defined.

44. **No Admission/Denial of Liability.** The Parties enter into this Settlement in order to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be offered or received as evidence in any

action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

45. **No Publicity.** Plaintiffs and Plaintiffs' Counsel agree not to disclose or publicize the Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential Covered Employees and as shall be contractually required to effectuate the terms of the Settlement. For the avoidance of doubt, this Paragraph means Plaintiffs and Plaintiffs' Counsel agree to not issue press releases, communicate with, or respond to any media or publication entities, publish information in any manner or form, whether printed or electronic, on any medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement. The Parties may, however, discuss the terms of this Settlement with their spouses, attorneys, financial advisors, tax advisors, and accountants, or upon a valid court order, at which time the individual receiving information about the terms of this Settlement shall be informed that the terms of this Settlement are confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement. Further, for the limited purpose of allowing Plaintiffs' Counsel to prove adequacy as class counsel in other actions, or to seek approval of unrelated settlements, Plaintiffs' Counsel may disclose in court filings the name of the Parties in the action and the venue/case number of this action, and other information in the public record (but not any other settlement details) for such purposes.

**46. Integration.** Each Party warrants that no promise or inducement has been offered or made to that Party except as set forth in this Settlement Agreement. It is understood and agreed by each Party that this Settlement Agreement specifically supersedes any and all prior agreements and understandings, written or oral, express or implied, between Defendant, Plaintiffs' Counsel, and/or Covered Employees.

**47. Governing Law.** This Settlement Agreement is made under the laws of the State of California, without regard to otherwise applicable principles of conflicts of laws, whether of the State

of California or any other jurisdiction.

**48. Authority to Sign.** The signatories to this Settlement Agreement represent and warrant that they each have the authority to sign on behalf of their designated Parties. This Settlement Agreement may be executed in counterparts and each counterpart, when executed, shall have the efficacy of a second original. Photographic or facsimile copies of any such signed counterparts may be used in lieu of a second original. Photographic or facsimile copies of any such signed counterparts may be used in lieu of the original for any said purpose.

49. **Acknowledgment that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel of their choice and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

50. **Invalidity of Any Provision:** Before declaring any provision of this Settlement Agreement invalid, the Court must first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to render all provisions of this Settlement Agreement valid and enforceable.

51. **Waiver of Certain Appeals:** The Parties agree to waive appeals except, however, Plaintiffs' Counsel may appeal any reduction in the Attorneys' Fees and Attorneys' Costs below the amount they request from the Court.

52. **Captions:** The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

53. **Waiver:** No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties shall be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

54. **Enforcement Action:** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or

to declare rights and/or obligations under this Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

55. **Mutual Preparation:** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

56. **Cooperation and Execution of Necessary Documents:** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

57. **All Terms Subject to Final Court Approval:** All amounts and procedures described in this Settlement Agreement shall be subject to final Court approval.

58. **Conditions Precedent**: This Settlement will become final and effective only upon the occurrence of the following events: (i) the Court enters an order granting Approval of the Settlement and a final judgment; (ii) all of the conditions described above are satisfied; and (iii) the Effective Date occurs.

59. **Nullification of Settlement Agreement:** In the event that this Settlement Agreement is not finally approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court without approval by the Parties, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the claims as described herein: (i) this Settlement Agreement shall be void ab initio and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and (ii) none of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Actions.

60. 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 Plaintiffs**:

Norman Blumenthal
norm@bamlawca.com
Kyle R. Nordrehaug
kyle@bamlawca.com
Blumenthal Nordrehaug Bhowmik De Blouw LLP
2255 Calle Clara
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Telephone: (858) 551-1223

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Telephone: (310) 432-0000

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David R. Markham
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Lisa Brevard
lbrevard@markham-law.com
The Markham Law Firm
888 Prospect Street, Suite 200La Jolla, CA 92037
Telephone: (619) 399-3995

**To Defendant**:

Evan R. Moses
evan.moses@ogletree.com
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071
Telephone: (213) 239-9800

**61. Interim Stay of Proceedings:** The Parties agree to stay all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement, pending the Approval to be conducted by the Court.

Dated: 9/22/26, 2026

ZACHARY LEWIS

zachary lewis

zachary lewis (Sep 22, 2026 17:57:46 PDT)

Dated: 9/22/26, 2026

RAFAEL MIRAVETE

Rafael Miravete (Sep 22, 2026 14:31:05 PDT)

Dated: _____, 2026

DEVON STARKS

_____

Dated: _____, 2026

SEYED SHAMSUDDOHA

_____

Dated: _____, 2026

MIRIAM HERNANDEZ

_____

Dated: September 22, 2026

AUTOZONERS, LLC

_____

Name: Jennifer Bedsole

Title SVP, General Counsel & Secy

Dated: September 22, 2026

AUTOZONERS, LLC

_____

Name: Jamere Jackson

Title Chief Financial Officer

Approved by counsel as to form:

Dated: October 30, 2026

BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP

By: _____

Kyle Nordrehaug

Attorneys for Plaintiffs

Dated: _____, 2026

ZACHARY LEWIS

_____

Dated: _____, 2026

RAFAEL MIRAVETE

_____

Dated: _____, 2026

DEVON STARKS

_____

Dated: Oct 29, 2026, 2026

SYED SHAMSUDDOHA

Syed Shamsuddoha

Syed Shamsuddoha (Oct 29, 2026 17:38:15 EDT)

Dated: _____, 2026

MIRIAM HERNANDEZ

_____

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Approved by counsel as to form:

Dated: _____, 2026

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP
By:

_____

Kyle R. Nordrehaug

Attorneys for Plaintiffs

Dated: _____, 2026

ZACHARY LEWIS

_____

Dated: _____, 2026

RAFAEL MIRAVETE

_____

Dated: _____, 2026

DEVON STARKS

_____

Dated: _____, 2026

SEYED SHAMSUDDOHA

_____

Dated: Oct 29, 2026, 2026

MIRIAM HERNANDEZ

M[redacted]ernandez (Oct 29, 2026 15:09:39 PDT)

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Approved by counsel as to form:

Dated: _____, 2026

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP
By:

_____

Kyle R. Nordrehaug

Attorneys for Plaintiffs

Dated: September 23, 2026

LAVI & EBRAHIMIAN, LLP
By: Joseph Lavi

Joseph Lavi
Vincent Granberry

Attorneys for Plaintiffs

Dated: _____, 2026

CAPSTONE LAW APC
By: _____

Robert Drexler

Attorneys for Plaintiffs

Dated: _____, 2026

THE MARKHAM LAW FIRM
By: _____

David R. Markham

Attorneys for Plaintiffs

Dated: _____, 2026

UNITED EMPLOYEES LAW GROUP

By: _____

Walter Haines

Attorneys for Plaintiffs

Dated: _____, 2026

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

By: _____

Evan R. Moses

Attorneys for Defendant
AUTOZONERS, LLC

Dated: _____, 2026

LAVI & EBRAHIMIAN, LLP
By: _____

Joseph Lavi
Vincent Granberry

Attorneys for Plaintiffs

Dated: October 29, 2026

CAPSTONE LAW APC
By: _____

Robert Drexler

Attorneys for Plaintiffs

Dated: _____, 2026

THE MARKHAM LAW FIRM
By: _____

David R. Markham

Attorneys for Plaintiffs

Dated: October 30, 2026

UNITED EMPLOYEES LAW GROUP

By: _____

Walter Haines

Attorneys for Plaintiffs

Dated: _____, 2026

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

By: _____

Evan R. Moses

Attorneys for Defendant
AUTOZONERS, LLC

Dated: _____, 2026

LAVI & EBRAHIMIAN, LLP
By: _____
Joseph Lavi
Vincent Granberry

Attorneys for Plaintiffs

Dated: _____, 2026

CAPSTONE LAW APC
By: _____
Robert Drexler

Attorneys for Plaintiffs

Dated: 10/30/2026, 2026

THE MARKHAM LAW FIRM
By: _____
David R. Markham

Attorneys for Plaintiffs

Dated: _____, 2026

UNITED EMPLOYEES LAW GROUP

By: _____
Walter Haines

Attorneys for Plaintiffs

Dated: _____, 2026

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

By: _____
Evan R. Moses

Attorneys for Defendant
AUTOZONERS, LLC

Dated: _____, 2026

LAVI & EBRAHIMIAN, LLP
By: _____
Joseph Lavi
Vincent Granberry
Attorneys for Plaintiffs

Dated: _____, 2026

CAPSTONE LAW APC
By: _____
Robert Drexler
Attorneys for Plaintiffs

Dated: _____, 2026

THE MARKHAM LAW FIRM
By: _____
David R. Markham
Attorneys for Plaintiffs

Dated: _____, 2026

UNITED EMPLOYEES LAW GROUP
By: _____
Walter Haines
Attorneys for Plaintiffs

Dated: October 5, 2026

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
By: 
Evan R. Moses
Attorneys for Defendant
AUTOZONERS, LLC

Dated: _____, 2026

ZACHARY LEWIS

_____

Dated: _____, 2026

RAFAEL MIRAVETE

_____

Dated: November 2nd, 2026

DEVON STARK

Devon Stark

Dated: _____, 2026

SEYED SHAMSUDDOHA

_____

Dated: _____, 2026

MIRIAM HERNANDEZ

_____

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Dated: _____, 2026

AUTOZONERS, LLC

_____

Name:
Title

Approved by counsel as to form:

Dated: _____, 2026

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP
By:

_____

Kyle R. Nordrehaug

Attorneys for Plaintiffs