

Vanessa M. Ruggles, Esq. (#254031)
Gregg Lander, Esq. (#194018)
VANESSA M. RUGGLES, ESQ.
1717 E. Vista Chino, Suite A7, PMB 117
Palm Springs, CA 92262-3569
Tel.: (760) 699-7215 / Fax: (866) 606-6593
Email: VMRuggles@gmail.com
Email: GreggLander@gmail.com

Raphael A. Katri, Esq. (#221941)
LAW OFFICES OF RAPHAEL A. KATRI
8549 Wilshire Boulevard, Suite 200
Beverly Hills, CA 90211-3104
Tel.: (310) 940-2034 / Fax: (310) 733-5644
Email: RKatri@socalaborlawyers.com

Kevin T. Barnes, Esq. (#138477)
LAW OFFICES OF KEVIN T. BARNES
1635 Pontius Avenue, Second Floor
Los Angeles, CA 90025-3361
Tel.: (323) 549-9100 / Fax: (323) 549-0101
Email: Barnes@kbarnes.com

Attorneys for Plaintiff RONALD G. HAYES,
on behalf of himself and all others similarly situated

ADDITONAL COUNSEL LISTED ON PAGE 2

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES- SPRING STREET

RONALD G. HAYES on behalf of all himself
and all others similarly situated.

Plaintiffs.

v.

AVIS RENT A CAR SYSTEM, LLC, a
Delaware Limited Liability Corporation; and
DOES 1-10, inclusive.

Defendant.

JORGE A. SALGADO MENDEZ, on behalf of
himself and others similarly situation.

Plaintiffs

v.

AVIS RENT A CAR SYSTEM, LLC, a
Delaware Limited Liability Corporation, and
DOES 1-10, inclusive.

Case No.: 22STCV26153; Case No. 22STCV40124

ASSIGNED FOR ALL PURPOSES
TO JUDGE MAREN E. NELSON

**JOINT STIPULATION OF CLASS
ACTION/PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Trial Date: None Set
Complaints Filed: August 12, 2022; and
December 23, 2022

Defendants

Joseph Lavi, Esq. (SBN 209776)
Vincent C. Granberry, Esq. (SBN 276483)
Danielle E. Montero, Esq. (SBN 333945)

LAVI & EBRAHIMIAN, LLP

8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211

Telephone: (310) 432-0000

Facsimile: (310) 432-0001

Email: jlavi@lelawfirm.com

vgranberry@lelawfirm.com

dmontero@lelawfirm.com

wht2@lelawfirm.com

Attorneys for Plaintiff JORGE A. SALGADO MENDEZ.
on behalf of himself and all others similarly situated

JODY A. LANDRY, Bar No. 125743
jlandry@littler.com

LITTLER MENDELSON, P.C.

501 W. Broadway, Suite 900

San Diego, CA 92101.3577

Telephone: 619.232.0441

Fax No.: 619.232.4302

Attorneys for Defendant
AVIS RENT A CAR SYSTEM, LLC

1 Subject to the approval of the Court, this Joint Stipulation of Class Action and Private Attorney
2 General Act ("PAGA") Settlement and Release ("Settlement") is made and entered into by and
3 between Plaintiffs Ronald G. Hayes and Jorge A. Salgado-Mendez ("Plaintiffs"), individually and as
4 representatives of the Participating Class Members, as defined below, on the one hand, and Defendant
5 Avis Rent A Car System, LLC ("Defendant"), on the other hand. The Class (as defined below) and
6 Defendant are jointly referred to herein as the "Settling Parties" and individually referred to herein as
7 a "Settling Party."

8 DEFINITIONS

9 In addition to the other terms defined elsewhere in this Settlement, the terms below have the
10 following meanings in this Settlement:

11 I. DEFINITIONS

12 A. "Action" means the civil actions, which will be consolidated, entitled *Ronald G. Hayes*
13 *v. Avis Rent A Car System, LLC*, Los Angeles Superior Court Case Number 22STCV26153, and *Jorge*
14 *A. Salgado-Mendez v. Avis Rent A Car System, LLC*, Los Angeles Superior Court Case No.
15 22STCV40124.

16 B. "Class Counsel" means Vanessa M. Ruggles and Gregg Lander of VANESSA M.
17 RUGGLES, ESQ., Raphael A. Katri of LAW OFFICES OF RAPHAEL A. KATRI; Kevin T. Barnes
18 of LAW OFFICES OF KEVIN T. BARNES, and Joseph Lavi, Vincent C. Granberry, and Danielle E.
19 Montero of LAVI & EBRAHIMIAN, LLP.

20 C. "Class Counsel Fees and Expenses" means the total amount of attorneys' fees,
21 litigation costs, and expenses awarded to Class Counsel by the Court to compensate Class Counsel for
22 their representation of the Class in the Action, including pre-filing investigation, filing of the Action,
23 all related litigation activities including discovery, mediation, the motion for class certification, this
24 Settlement, and all post-Settlement compliance procedures, including, but not limited to, any counsel
25 costs and fees associated with any objections or appeals regarding the Settlement.

26 D. "Class" or "Class Member(s)" means all current and former non-exempt employees
27 of Defendant during the Class Period.

28 ///

1 **E.** “Class Period” means from August 12, 2018, through August 31, 2023, unless
2 amended as provided in Section III(P)(3).

3 **F.** “Class Representatives Service Award” means the amount awarded by the Court to
4 the Class Representatives pursuant to Section III (D).

5 **G.** “Class Representatives” or “Plaintiffs” mean Ronald G. Hayes and Jorge A. Salgado
6 Mendez.

7 **H.** “Court” means the Superior Court of California for the County of Los Angeles.

8 **I.** “Defendant’s Counsel” means Jody A. Landry of Littler Mendelson, PC.

9 **J.** “Effective Date” means the date by which all of the following have occurred: the
10 Court has finally approved the Settlement and entered Judgment thereon pursuant to California Rules
11 of Court 3.769(h); and the Judgment has become Final, as defined herein below.

12 **K.** “Final” means that the Settlement has been finally approved by the Court without
13 material modification and either: (i) if there are no objections, on the date the order for final approval
14 is issued; (ii) if an objection(s) is made and overruled, 60 days from the date the order for final approval
15 is issued; or (iii) if objections are made, and an appeal is filed, the day after the Judgment is affirmed
16 or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further
17 judicial review.

18 **L.** “Final Approval Hearing” means the hearing to be conducted by the Court to
19 determine whether to finally approve and implement the terms of this Settlement.

20 **M.** “Judgment” means the judgment entered by the Court after it grants final approval of
21 this Settlement.

22 **N.** “Maximum Settlement Amount” means the maximum amount, Defendant can be
23 required to pay under this Settlement, which is Three Million and Two Hundred Fifty Thousand
24 Dollars (\$3,250,000.00), and covers all of the following: (1) Payments to the Class Members for their
25 share of the Net Settlement Amount (defined below); (2) Payments to the PAGA Employees of their
26 share of the PAGA Employee Fund; (3) Class Counsel Fees and Expenses; (4) Settlement
27 Administration Costs; (5) payment of the Class Representatives Service Awards to Plaintiffs; (6) the
28 payment to the LWDA of its share of Net Settlement Amount; and (7) all employment taxes for

1 employee side wages. All employer side taxes will be paid separate and apart from the Maximum
2 Settlement Amount.

3 **O.** “Net Settlement Amount” means the Maximum Settlement Amount *minus* the sum
4 of: (1) Class Counsel Fees and Expenses; (2) the Settlement Administration Costs; and (3) Plaintiffs’
5 Class Representatives Service Awards. Out of the Net Settlement Amount, \$75,000 is designated as
6 the PAGA Payment, the LWDA will be paid 75% of the PAGA Payment and the remaining 25% of
7 the PAGA Payment (“PAGA Employee Fund”) will be paid to PAGA Employees as set forth below
8 in Section III(F)(3). The remainder of the Net Settlement Amount, the “Class Employee Fund,” will
9 be paid to the Participating Class Members as outlined below in Section III(F)(1).

10 **P.** “Participating Class Member(s)” means Class Members who do not submit a timely
11 and valid request to opt-out of the Settlement.

12 **Q.** “Parties” means the Plaintiffs and Defendant.

13 **R.** “PAGA Employees” means all current and former non-exempt employees of
14 Defendant, during the PAGA Period.

15 **S.** “PAGA Period” is the time period from August 12, 2021, through August 31, 2023,
16 unless amended as provided in Section III(P)(3).

17 **T.** “Pay Periods” means for the Class Period, the total number of pay periods actually
18 worked by a Class Member for Defendant during the Class Period. For the PAGA Period, it means
19 the total number of pay periods actually worked by the PAGA Employee during the PAGA Period.

20 **U.** “Pay Period Value” is established by dividing the Net Settlement Amount by all Pay
21 Periods for the Settlement Class Members and PAGA Employees as explained in Section III(F).

22 **V.** “Preliminary Approval” means the Court’s order granting preliminary approval of the
23 Settlement.

24 **W.** “Released Parties” means Defendant, its members, its parent, affiliates and
25 subsidiaries, and each of their company-sponsored employee benefit plans, and their respective
26 successors and predecessors in interest, all of their respective officers, directors, employees,
27 administrators, fiduciaries, trustees and agents, and each of their past, present and future officers,
28 directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,

consultants, and attorneys.

X. "Settlement Administrator" means the third-party administrator appointed by the Court to administer the settlement of this Action under the terms of this Settlement. Rust Consulting, Inc. shall serve as the Settlement Administrator, subject to the Court's approval.

Y. "Settlement Administration Costs" means all fees and costs owed to the Settlement Administrator in connection with administering the settlement in this Action under the terms of this Settlement.

Z. "Settlement Share" means each Class Member's pro rata share of the Net Settlement Amount which is determined by converting the Net Settlement Amount into a bi-weekly/pay period value as described below in Section III(F).

II. RECITALS

A. On August 12, 2022, Plaintiff Ronald G. Hayes ("Hayes") filed his initial class complaint commencing the Action in the Court. Hayes' counsel sent a letter to the LWDA prior to that time to exhaust his remedies under PAGA. On October 25, 2022, Hayes filed a First Amended Complaint adding a PAGA claim. On December 23, 2022, Plaintiff Jorge G. Salgado-Mendez ("Mendez") filed a PAGA only lawsuit. Prior to that, Mendez filed a class action complaint that was dismissed without prejudice on November 7, 2022. The Parties agree that the two active lawsuits will be consolidated by stipulation before the Honorable Judge Maren E. Nelson, and that Plaintiffs will file a Consolidated Amended Complaint. Prior to filing the Consolidated Amended Complaint Plaintiffs will provide Consolidated Amended Complaint to Defendant's counsel for review and approval. The Parties agree that the Consolidated Amended Complaint will include all claims already plead in Hayes' First Amended Complaint, Mendez's PAGA complaint, and add new class claims based on Salgado-Mendez's PAGA claims, and that the new class claims will be alleged to go back to August 12, 2018. Once filed, said Consolidated Amended Complaint will be referred as the "Operative Complaint." Plaintiffs contend, by way of the Action, that Defendant violated California's wage and hour laws with respect to Plaintiffs and Class Members by, *inter alia*, failure to pay the required minimum wage and overtime for all time worked, failing to properly provide meal periods or pay a premium in lieu thereof, failing to properly authorize and permit rest breaks or pay a premium in lieu

1 thereof, failure to timely pay wages at termination or during employment, failing to provide compliant
2 wage statements, failure to reimburse expenses, failure to pay out vacation, failure to provide
3 uniforms, thereby also violated California Business & Professions Code section 17200, et seq. and
4 seeks penalties under PAGA.

5 **B.** On May 2, 2023, the Settling Parties attended mediation with Mark Rudy, an
6 experienced wage and hour class action and PAGA mediator. After lengthy negotiations that occurred
7 during and after the mediation, during which the Settling Parties, through their counsel, recognized
8 the burdens and risk of continuing with the litigation, the Settling Parties reached an agreement to
9 settle and resolve the Action and Released Claims (as defined in Section III(I)).

10 **C.** The Settlement represents a compromise and settlement of highly disputed claims.
11 Nothing in the Settlement is intended, or may be construed, as an admission by Defendant that any of
12 the claims alleged in the Action have merit, or that Defendant bears any liability to the Class Members
13 on those claims, nor as an admission by the Class Members that Defendant's defenses in the Action
14 have merit.

15 Based on these Recitals, the Settling Parties hereby agree as follows.

16 **III. SETTLEMENT TERMS AND CONDITIONS**

17 **A. Maximum Settlement Amount.** In order to settle the Action and Released Claims,
18 Defendant agrees to pay the Maximum Settlement Amount of \$3,250,000.00. This Maximum
19 Settlement Amount is inclusive of all payments described in Section I(N). Under no circumstances
20 shall Defendant be required to pay more than the Maximum Settlement Amount, other than the amount
21 of employer-side payroll taxes owed on the wage portion of the Settlement Shares ("Employer
22 Taxes"), unless the provisions of section III(P)(3) are triggered. If that occurs then it will be
23 Defendant's choice to increase the Maximum Settlement amount as outlined or shorten the Class
24 Period and Release period. Defendant shall pay the Employer Taxes separately and in addition to the
25 Maximum Settlement Amount.

26 **B. Class Counsel Fees And Expenses.** Defendant and its counsel shall not oppose the
27 application to the Court for an attorney's fees award of up to \$1,137,500, which is 35% of the
28 Maximum Settlement Amount and reimbursement of litigation costs and expenses of up to Thirty

1 Thousand Dollars and No Cents (\$30,000). The Settlement Administrator shall issue an IRS Form
2 1099 to Class Counsel with respect to the attorneys' fees and costs awarded to them. Defendant's
3 agreement not to oppose a motion for attorneys' fees or a bill of costs for the aforementioned amounts
4 should not be construed as approval or endorsement by Defendant of the amount sought. Whatever
5 amount of Class Counsel Fees and Expenses that the Court approves shall be paid from the Maximum
6 Settlement Amount. Should the Court approve and award less than the amount provided for herein,
7 the difference shall be included in the Net Settlement Amount.

8 **C. LWDA Payment.** Settling Parties agree that the amount of \$75,000 of the Maximum
9 Settlement Amount is deemed payment for penalties under PAGA ("PAGA Penalties"), of which 75%
10 shall be paid to the Labor and Workforce Development Agency ("LWDA Payment") and the
11 remaining 25% shall be distributed to the PAGA Employees pursuant to the formula in Section
12 III(F)(3).

13 **D. Class Representatives Service Award.**

14 1. Plaintiffs shall request, and Defendant shall not oppose, incentive payments not
15 to exceed \$10,000 for each of the Class Representatives. Each Class Representative's Service Award
16 is intended as reasonable compensation for the time and effort expended by them as Class
17 Representative and in connection with the initiation and maintenance of this Action. The Class
18 Representatives' Service Awards shall be paid from the Maximum Settlement Amount, and shall be
19 paid in addition to whatever payment Plaintiffs are otherwise entitled to as a Participating Class
20 Member. The Class Representatives' Service Awards shall be reported to the taxing authorities by
21 means of an IRS Form 1099. The amount of the Class Representatives' Service Awards is left to and
22 within the Court's sole discretion. Should the Court approve and award less than the amount provided
23 for herein, or not at all, the difference shall be included in the Net Settlement Amount. The Settling
24 Parties agree that the approval, and amount, of any Class Representatives' Incentive Award in this
25 Action shall be in the Court's sole discretion and not subject to any appeal by Plaintiffs. The Class
26 Representatives will provide a full release, with a Section 1542 waiver, in exchange for this payment
27 as further discussed below. This Settlement is not contingent on Plaintiffs' receipt of any Service
28 Award out of the Maximum Settlement Amount.

2. Plaintiffs acknowledge and agree that Defendant and its attorneys have made no representations or warranties regarding the tax consequences of payment of the Class Representatives' Service Award, and Plaintiffs have not relied on any such representations or warranties. Plaintiffs further agree to pay and bear sole responsibility for all taxes, liens, levies, encumbrances, interest, and penalties that may be due or payable to any taxing authority as a result of payment of any Class Representatives' Service Award. Furthermore, Plaintiffs agree to defend and indemnify Defendant and the other Released Parties in connection with any taxes, fines, interest or penalties incurred as a result of any failure by Plaintiffs to pay taxes due, if any, on the Class Representatives' Service Award paid pursuant to this Agreement.

E. Settlement Administration Costs. Settling Parties selected Rust Consulting, Inc. to act as the Settlement Administrator and it is estimated that the fees, expenses, and costs for administration of the terms of this Settlement shall not exceed \$13,500. All of the Settlement Administration Costs shall be paid from the Maximum Settlement Amount upon completion of all duties required to be performed by the Claims Administrator under the terms of this Settlement, or as otherwise required by the Court, subject to the "not to exceed" quote from the agreed upon Settlement Administrator. Should the Court approve and award less than the amount provided for herein, or not at all, the difference shall be included in the Net Settlement Amount.

F. Settlement Shares to Class Members.

1. Under the Settlement, each Participating Class Member shall be entitled to payment of a pro rata portion of the Net Settlement Amount (i.e., his or her Settlement Share). The amount that each Class Member shall be eligible to receive under the Settlement shall be determined by converting the Class Employee Fund into a Pay Period Value. The Pay Period Value will be established by dividing the Class Employee Fund by all Pay Periods for the Participating Class Members during the Class Period based on Defendant's time records. The Individual Settlement Share for each Participating Class Member will be determined by multiplying the Pay Period Value by each Participating Class Member's individual Pay Period value.

2. Each Settlement Share of the Class Employee Fund shall be apportioned as follows: 20% as wages (the "Wage Component") and 80% for interest, penalties, and other non-wage

1 damages (the "Non-Wage Component"). Each Settlement Share shall be subject to reduction for all
2 employee's share of taxes and withholdings on the Wage Component and shall be reported on IRS W-
3 2 forms, and the net payment will be referred to as "Individual Settlement Payment(s)." No reductions
4 will be made to Settlement Shares for any taxes or withholding in connection with the Non-Wage
5 Component, and the Non-Wage Component shall be reported on IRS 1099 forms. All Class Members
6 covered by this Settlement agree that they are not relying on any representations regarding the tax
7 allocation or treatment of any amounts paid to them under the terms of this Settlement and agree to
8 hold Defendant and the other Released Parties harmless for any and all tax consequences relating to
9 the allocation of the payments made under this Settlement.

10 3. Each PAGA Employees' pro rata share of the PAGA Employee Fund
11 ("Individual PAGA Settlement Share") will be determined by converting the portion of the PAGA
12 Employee Fund payable to the PAGA Employees into a Pay Period Value. The pay periods actually
13 worked by PAGA Employees during the PAGA Period will be used to make this calculation. The
14 Individual PAGA Settlement Share for each PAGA Employee will be determined by multiplying the
15 Pay Period Value by each PAGA Employee's individual pay periods. All payments are for penalties
16 and will be reported to the PAGA Employees on IRS Form 1099.

17 **G. Distributions.**

18 1. Within ten business days of the Effective Date, the Settlement Administrator
19 shall provide Class Counsel and Defendant's Counsel with the account information so that Defendant
20 can wire the Maximum Settlement Amount and the Employer Taxes, and Defendant shall wire said
21 amounts within thirty (30) business days of the Effective Date.

22 2. The Settlement Administrator shall distribute Individual Settlement Payments
23 to Participating Class Members, the payment to the Labor and Workforce Development Agency, the
24 Court-approved Class Representatives' Service Awards to Plaintiffs, and Court-approved Class
25 Counsel Fees and Expenses to Class Counsel, within ten (10) business days of receipt of payment from
26 Defendant pursuant to this Paragraph.

27 3. Individual Settlement Payment checks issued to Participating Class Members
28 shall remain valid for a period of 120 calendar days after they issue, and shall be cancelled thereafter.

1 Uncashed checks will be sent to the Controller of the State of California to be held pursuant to the
2 Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. in the name of the
3 individual to whom the uncashed check was addressed, for the benefit of those individuals who did
4 not cash their checks until such time as they claim their property.

5 **H. Payments To Class Do Not Trigger Additional or Derivative Payments.** It is
6 expressly understood and agreed that the receipt of payments under the Settlement shall not entitle
7 Plaintiffs or any Participating Class Member to additional or derivative compensation or benefits under
8 any of Defendant's compensation or benefit plans or agreement in place during the period covered by
9 the Settlement, nor shall it entitle Plaintiffs or any Class Member to any increased retirement, 401k
10 benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that
11 the payments provided for in this Agreement are the sole payments to be made by Defendant to
12 Plaintiffs and Participating Class Members, and that Plaintiffs and Participating Class Members are
13 not entitled to any additional or derivative compensation or benefits as a result of having received said
14 payments (notwithstanding any contrary language or agreement in any benefit or compensation plan
15 document that might have been in effect during the period covered by this Settlement).

16 **I. Release of Claims.**

17 1. Release of Class Claims By Participating Class Members. Upon the Effective
18 Date and Defendant's full funding of the Maximum Settlement Amount, Defendant and the other
19 Released Parties shall be entitled to a release from the Plaintiffs and the Class Members who do not
20 opt, for all of the Released Claims which occurred during the Class Period. "Released Claims" means
21 all claims for violations of the following Labor Code sections, that were actually alleged or that could
22 have been alleged in the Action based on the facts alleged therein, including all Complaints and the
23 Operative Complaint, on behalf of the Class Member for the entire Class Period, as well as any and
24 all wage and hour claims and that were asserted or could have been asserted based on the factual or
25 legal allegations contained in Plaintiffs Operative Complaint in the consolidated actions, arising at any
26 time during the Class Period, including: (a) failure to pay wages including overtime and minimum
27 wage for all hours worked; (b) failure to provide meal periods or pay a premium in lieu thereof; (c)
28 failure to provide rest periods or pay a premium in lieu thereof; (d) failure to timely pay wages during

1 employment and at termination; (e) failure to provide accurate wage statements; (f) failure to
2 indemnify for necessary business expenses; (g) failure to pay out vacation pay; (h) failure to provide
3 required uniforms; (i) unfair business practices (Business and Professions Code section 17200 et seq.)
4 related to the above labor code claims; (j) claims for violation of the provisions of Wage Order 9
5 related to the above labor code claims; (k) claims for the attorney's fees and costs incurred in the
6 prosecution of this Action on behalf of the Class Members; (l) any other claims, remedies, penalties,
7 or interest that could have been plead based on the facts alleged in the Complaints filed in the Action;
8 and (m) all claims that Plaintiffs, the Class Members may have against the Released Parties relating
9 to: (i) the payment, taxation, and allocation of attorney's fees and costs to Plaintiffs' Counsel pursuant
10 to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiffs' Payment
11 pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the
12 entire Class Period; and expressly excludes all other claims, including claims for vested benefits,
13 wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance,
14 disability, social security, workers' compensation, and California class claims outside of the Class
15 Period. Participating Class Members may discover facts in addition to those they now know or believe
16 to be true with respect to the subject matter of the Released Claims, but upon the Effective Date and
17 Defendant's full funding of the Maximum Settlement Amount, Participating Class Members shall be
18 deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and
19 released any and all of the Released Claims, without regard to the subsequent discovery or existence
20 of such different or additional facts. Participating Class Members agree not to sue or otherwise make
21 a claim against any of the Released Parties that seeks recovery for any of the Released Claims. It is
22 the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and
23 be final and binding upon Participating Class Members regarding the Released Claims.

24 2. Complete And General Release By Class Representatives. Plaintiffs Hayes and
25 Mendez understand that they may hereafter discover facts in addition to or different from those
26 Plaintiffs now know or believe to be true with respect to the subject matter of the Released Claims,
27 but upon the Effective Date and Defendant's full funding of the Maximum Settlement Amount, shall
28 be deemed to have, and by operation of the contemplated final judgment shall have, fully, finally, and

1 forever settled and released any and all of the Released Claims. as well as any other known or
2 unknown, suspected or unsuspected, contingent or non-contingent claims, which now exist, or
3 heretofore have existed, upon any theory of law or equity now existing, including, but not limited to,
4 conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
5 without regard to the subsequent discovery or existence of such different or additional facts. In
6 exchange for the consideration provided to Plaintiffs Hayes and Mendez under the Settlement, they
7 shall waive any and all rights Plaintiffs may have under Civil Code section 1542. Section 1542 reads
8 as follows: "A general release does not extend to claims that the creditor or releasing party does not
9 know or suspect to exist in his or her favor at the time of executing the release and that, if known by
10 him or her, would have materially affected his or her settlement with the debtor or released party."
11 Plaintiffs Hayes and Mendez understand that they are providing a general release of known and
12 unknown claims to Defendant that is effective when the Court grants final approval of the Settlement
13 and Defendant funds the Settlement.

14 3. Release of PAGA Claims By State of California and PAGA Employees. Upon
15 the Effective Date and Defendant's full funding of the Maximum Settlement Amount, Defendant and
16 the other Released Parties shall be entitled to a release from the Plaintiffs, the State of California, and
17 all PAGA Employees with respect to the PAGA Released Claims which occurred during the PAGA
18 Period. "PAGA Released Claims" means all claims for the recovery of civil money penalties for
19 violations of the following Labor Code sections alleged in the Operative Complaint, and/or Plaintiffs'
20 PAGA letters: 201-203, 204, 204b, 204.1, 204.2, 205, 205.5, 210, 226, 226.3, 226.7, 227.3, 450, 510,
21 512, 516, 558, 1194, 1197, 1197.1, 1197.5, 1198, 2699 et. seq., 2802, sections 3, 4, 8, 10 and 14 of
22 Wage Order 9. The release of the PAGA Released Claims shall be effective as to the entire PAGA
23 Period. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata*
24 effect and be final and binding upon Plaintiffs, the state of California and the PAGA Employees
25 regarding the PAGA Released Claims.

26 **J. Motion For Preliminary Approval.**

27 1. Class Counsel will file an unopposed motion with the Court (the "Preliminary
28 Approval Motion") seeking an order approving the Settlement: setting a date for the Final Approval

1 Hearing: approving the distribution of the Notice of Class Action Settlement (the "Class Notice") in
2 substantively the form attached hereto as "Exhibit A" (which will be translated into Spanish); and
3 approving the procedures and deadlines for disputing Pay Periods, opting-out of the Settlement, and
4 objecting to the Settlement. Defendant's Counsel will either not respond or will file a notice of non-
5 opposition to the motion.

6 2. At the hearing on the Preliminary Approval Motion, the Settling Parties will
7 jointly appear, and support the granting of the motion, and submit a proposed order granting
8 preliminary approval of the Settlement, approving the Class Notice, and setting a Final Approval
9 Hearing (the "Proposed Order"). The Proposed Order to be submitted to the Court in substantially the
10 form that is attached hereto as "Exhibit B."

11 3. Should the Court, after a reasonable opportunity to cure and remedy any stated
12 deficiencies, ultimately decline to grant preliminary approval of the Settlement as proposed by the
13 Settling Parties, then the Settlement is void for lack of a condition precedent of the Settlement and the
14 Settling Parties will revert to their respective positions.

15 **K. Mailing Of Class Notice To Class Members.**

16 After the Court enters its order granting preliminary approval of the Settlement, all Class
17 Members will be provided with the Class Notice by the Settlement Administrator as follows:

18 1. Within ten (10) business days after the Court grants preliminary approval of the
19 Settlement, Defendant shall provide to the Settlement Administrator the last-known contact
20 information that it has for the Class Members, including their full name, mailing addresses, telephone
21 numbers, Social Security numbers, start and end dates of employment, and the number of Pay Periods
22 actually worked during the Class Period and during the PAGA Period ("Class Data List"). A redacted
23 version of the Class Data List, without any personal contact information or Social Security numbers,
24 shall be provided to Class Counsel, and this list shall be used for no purpose other than to monitor the
25 administration of the Settlement. All data and information provided to the Settlement Administrator
26 and Class Counsel by way of the Class Data List shall be treated as confidential and shall not be
27 disclosed to anyone, except as may be required to applicable tax authorities, pursuant to Defendant's
28 express written consent, by order of the Court, or to carry out the reasonable steps described in this

1 Settlement to locate missing Class Members.

2 2. Within fourteen (14) calendar days after receiving the Class Data List from
3 Defendant, the Settlement Administrator shall mail the Class Notice to all identified Class Members
4 via first-class U.S. Mail, using the last known address information provided by Defendant, unless such
5 address is modified by any updated address information that the Settlement Administrator obtains in
6 the course of administration of the Settlement. Prior to completing this mailing, the Settlement
7 Administrator shall perform a National Change of Address ("NCOA") search to confirm the validity
8 of and update Class Members' mailing addresses.

9 3. If any Class Notice is returned as undeliverable with a forwarding address
10 within thirty (30) calendar days of the mailing of the Class Notice, the Settlement Administrator shall
11 have five (5) calendar days to re-mail the Class Notice to the forwarding address. If any Class Notice
12 is returned as undeliverable without a forwarding address within thirty (30) calendar days of the
13 mailing of the Class Notice, the Settlement Administrator shall have five (5) calendar days from receipt
14 of the returned Class Notice to search for a more current address for the Class Member and to re-mail
15 the Class Notice to the Class Member. This inquiry shall include a skip-trace search. The Settlement
16 Administrator shall be responsible for taking all reasonable steps, consistent with its agreed upon job
17 parameters, Court orders and fee, according to the deadlines set forth in this Settlement, to administer
18 the Settlement, including, *inter alia*, to tracking all undelivered mail, performing an address search for
19 all mail returned without a forwarding address, and promptly re-mailing the Class Notice to Class
20 Members as set forth herein. If the Class Notice is re-mailed, the Claims Administrator shall note for
21 its own records the date and address of each such re-mailing and so notify Class Counsel and
22 Defendants' counsel. The obligation to trace and resend returned Class Notices shall cease after two
23 mailings or thirty (30) calendar days after the initial mailing, whichever occurs first. The Response
24 Deadline shall be either the original Response Deadline or fifteen (15) calendar days after the
25 remailing of a Class Notice in accordance with the Agreement, whichever is later.

26 4. The Settlement Administrator shall provide weekly status reports to counsel for
27 the Settling Parties, including: (a) the number of Class Notices that it has mailed; (b) the number of
28 objections, if any are received; (c) the number of disputes of pay periods, if any are received; and (c)

1 the number of requests to opt-out of the Settlement, if any are received.

2 5. No later than ten (10) business days after the Response Deadline, the Settlement
3 Administrator shall provide Class Counsel and Defendant' counsel, a declaration for filing with the
4 Court in support of Plaintiffs' motion for final approval of the Settlement, setting forth its due diligence
5 and compliance with its obligations under this Settlement.

6 **L. Opt-Outs and Objections To Settlement.**

7 Class Members are not required to sign a claim form to participate in the Settlement. Class
8 Members may opt out of the Settlement or submit objections to the Settlement pursuant to the
9 following procedures:

10 1. The Class Notice shall provide that Class Members who do not want to
11 participate in the Settlement may exclude themselves by submitting a written request seeking to opt-
12 out of the Settlement ("Opt-Out Notice") to the Settlement Administrator not later than forty-five (45)
13 calendar days after the date that the Settlement Administrator first mails the Class Notice ("Response
14 Deadline"). An Opt-Out Notice must: (a) contain the full name, address, and last four digits of the
15 Social Security number of the person requesting to opt-out; (b) be signed by the person requesting to
16 opt-out; (c) reference the Action by its name; and (d) contain a statement clearly indicating that the
17 person submitting the request seeks to be excluded from the Settlement. If the Opt-Out Notice does
18 not contain the information listed in (a)-(d) or is not returned to the Settlement Administrator
19 postmarked by the Response Deadline, it shall not be deemed timely and valid. The date of the
20 postmark on the return mailing envelope shall be the exclusive means used to determine whether the
21 Opt-Out Notice has been timely submitted. Any Class Member who submits a timely and valid Opt-
22 Out Notice shall not be entitled to any recovery under the Settlement and shall not be bound by the
23 terms of the Settlement, and shall not have any right to object, appeal, or comment thereon. The
24 submission of an Opt-Out Notice shall not impact a PAGA Employee's entitlement to their Individual
25 PAGA Settlement Share. Class Members who fail to submit a timely and valid Opt-Out Notice shall
26 be Class Members bound by all terms of the Settlement and the contemplated Judgment if the
27 Settlement is granted final approval by the Court. No later than ten (10) business days after the
28 Response Deadline, the Settlement Administrator shall provide Class Counsel and Defendant's

1 Counsel with a complete list of all Class Members who have submitted timely and valid Opt-Out
2 Notices, including their full names.

3 2. The Class Notice shall provide that Participating Class Members (i.e., Class
4 Members who are not seeking to opt out of the Settlement) who wish to object to the Settlement must
5 submit to the Settlement Administrator a written statement explaining their objection to the Settlement
6 no later than the Response Deadline. Alternatively, or in addition to a written objection, Class
7 Members may appear at the Final Approval Hearing to make an oral objection. If a Class Member
8 opts out of the Settlement, s/he cannot object to the Settlement.

9 3. A Class Member who does not make an oral objection at the Final Approval
10 Hearing or does not submit a written objection in the manner and by the Response Deadline specified
11 above shall be deemed to have waived all objections and shall be foreclosed from making any
12 objections to the Settlement, whether by appeal or otherwise.

13 4. If a Class Member who has timely filed an objection to the Settlement files a
14 Notice of Appeal of the contemplated Judgment within the time period prescribed by law, Defendant
15 shall not be required to fund any portion of the Maximum Settlement Amount, and the Settlement
16 Administrator shall not distribute or pay any monies until the appeal(s) are finally resolved in favor of
17 the Settlement or dismissed with prejudice.

18 5. The Parties agree that there is no statutory right for any PAGA Employee to
19 object, opt out or otherwise exclude himself or herself from the PAGA part of the Settlement. If a
20 Class Member Opts Out, and is also a PAGA Employee, s/he is still covered by the PAGA portion of
21 the Settlement. Except as otherwise stated, Plaintiffs shall vigorously defend against any attempt by
22 any PAGA Employee or by any entity or agency to intervene in this matter or object to/opt-out of this
23 settlement. Further, there is no right or opportunity for any PAGA Employee to appeal the approval
24 of the Settlement by the Court. The Parties shall jointly defend against any appeal filed with respect
25 to the Final Order as it pertains to the PAGA part of the Settlement.

26 **M. Resolution of Class Member Disputes Over Pay Periods.**

27 1. If a Class Member disputes the number of Pay Periods credited to him or her,
28 which will be stated in the Class Notice, the Class Member must submit a written dispute to the

1 Settlement Administrator, postmarked no later than the Response Deadline. The dispute must: (a)
2 contain the full name, address, and last four digits of the Social Security number of the Class Member;
3 (b) be signed by the Class Member; (c) reference the Action by its name and case number; (d) contain
4 a statement clearly indicating that the Class Member disputes the number of Work Weeks and/or Pay
5 Periods that are credited to him or her and the number of Work Weeks and/or Pay Periods that the
6 Class Member claims should be credited to him or her; and (e) attach supporting documentation, if
7 any, that they may have. If such a dispute arises with respect to a Class Member, the Settlement
8 Administrator shall inform Class Counsel and Defendant's Counsel. Defendant shall manually review
9 its payroll and personnel records to verify the correct number of Pay Periods for the disputing Class
10 Member. Defendant's records shall have a rebuttable presumption of correctness, and Defendant's
11 Counsel shall determine how the dispute should be resolved. Defendant's Counsel's decision on the
12 dispute shall be non-appealable.

13 **N. No Solicitation of Objections or Opt-Outs.** Neither the Settling Parties nor their
14 respective counsel or management shall solicit or otherwise encourage any Class Member, directly or
15 indirectly, to seek to opt-out from the Settlement, object to the Settlement, and/or appeal from the
16 Judgment.

17 **O. Additional Briefing and Final Approval.**

18 1. As soon as practicable following the Response Deadline, Plaintiffs shall move
19 the Court for final approval of the Settlement. Defendant agrees it shall not oppose so long as the
20 motion is in all respects consistent with the terms of this Settlement. Not later than five (5) court days
21 before the Final Approval Hearing, the Settling Parties may file, jointly or separately, a reply in support
22 of the motion or such other papers as may be necessary or helpful to the Court regarding the subject
23 matter of the motion.

24 2. Upon final approval of the Settlement by the Court at or after the Final Approval
25 Hearing, the Settling Parties shall present a Judgment for the Court's approval and entry, which shall
26 provide that the Court shall have continuing jurisdiction over the Action and the Settlement solely for
27 purposes of: (i) enforcing this Settlement, (ii) addressing any claims administration matters that may
28

1 arise: and (iii) addressing such post-Judgment matters as may be appropriate under court rules or
2 applicable law.

3 **P. Options to Terminate Settlement/Revision to Maximum Settlement Amount or**
4 **Class Period and PAGA Period.**

5 1. Any reduction in the Class Counsel Fees and Expenses, and/or any reduction to
6 the requested Class Representatives' Service Awards, does not constitute grounds to terminate or void
7 the Settlement.

8 2. Defendant has the right to cancel the Settlement if more than ten percent (10%)
9 of the Class Members submit timely and valid Opt-Out Notices from the Settlement. This option to
10 cancel the Settlement must be exercised by Defendant by providing written notice to Class Counsel
11 within ten (10) business days of Defendant's Counsel receiving notification from the Settlement
12 Administrator that more than ten percent (10%) of the Class Members have submitted timely and valid
13 Opt-Out Notices from the Settlement. If Defendant exercises the option to terminate the Settlement,
14 then Defendant shall be responsible for paying all Settlement Administration Costs.

15 3. Defendant represented at the mediation that there were 105,598 workweeks as
16 of March 3, 2023 based on time records. Class Counsel estimated that as of August 31, 2023 there
17 will be 116,500 work weeks. If there is a 10% increase in the number of workweeks over the 116,500
18 estimate it will trigger an escalator provision where the Maximum Settlement Amount would increase
19 by 1% for every 1% increase in work weeks over the 10% threshold or Defendant, at its option, can
20 shorten the Class Period through the date of the 10% increase. This means that the number of work
21 weeks as of August 31, 2023 must exceed 128,150 to trigger the escalator, or shorter Class Period and
22 PAGA Period. Defendant will make the choice in the event this section of the Agreement comes into
23 play.

24 4. Either Settling Party may terminate this Settlement by giving written notice to
25 the other Settling Party (through its counsel) no later than twenty (20) calendar days after receiving
26 notice that one of the following has occurred: (i) the Court declines to enter the Preliminary Approval
27 Order or the Final Approval Order in substantially the form submitted by the Parties; (ii) the Settlement
28 does not become final because of any appellate court action; or (iii) the Court's final approval of the

1 Settlement is reversed or materially modified on appellate review.

2 5. In the event of termination of this Settlement as provided above, this Settlement
3 shall become and be considered null and void, and it shall have the following effects: (i) the Settling
4 Parties shall have no further obligations under the Settlement; (ii) Defendant shall have no obligation
5 to make any payments to any person, party, Class Member or attorney that otherwise would have been
6 owed under this Settlement, except that in case of termination under Section III (P)(2), Defendant shall
7 pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the
8 Settlement is terminated; (iii) in case of termination under Section III (P)(4), the Parties shall split the
9 Settlement Administrator's reasonable fees and expenses incurred as of the date that the Settlement is
10 terminated; (iv) the Settlement and all negotiations, statements and proceedings relating thereto shall
11 be without prejudice to the rights of any of the Settling Parties, all of whom shall be restored to their
12 respective positions in the Action prior to the Settlement; and (v) neither this Settlement nor any
13 ancillary documents, actions, statements or filings in furtherance of settlement (including all matters
14 associated with the mediation) shall be admissible or offered into evidence in the Action or any other
15 case or proceeding for any purpose whatsoever.

16 6. Notice of the termination of the Settlement by a Settling Party must be provided
17 to counsel for the other Settling Party in writing.

18 **Q. Dispute Resolution.** Any disputes not resolved by the Settlement Administrator or the
19 Settling Parties shall be resolved by the Court. Before any such resort to the Court, counsel for the
20 Settling Parties shall confer in good faith in an attempt to resolve the dispute.

21 **R. Waiver of Right To Appeal.** Plaintiffs and Class Counsel waive all appeals from the
22 Court's Final Approval of this Settlement.

23 **S. Publicity.** Neither Plaintiffs nor Class Counsel will publicize this Settlement by
24 Defendant's name or location, through a press release, posting on the website of Class Counsel, in
25 social media or by any other public means, other than in necessary Court filings and proceedings
26 associated with the Settlement. Nothing in this provision is intended to prohibit (i) Plaintiffs from
27 discussing this Settlement with their respective spouse or partner, attorneys or tax advisor; or (ii) Class
28 Counsel from communicating with putative class members in this case or with the Court in which the

1 Action is pending or the LWDA.

2 **T. Fair, Adequate, And Reasonable Settlement.** This Settlement was reached after
3 extensive negotiations. The Settling Parties believe and agree that this Settlement is a fair, adequate,
4 and reasonable resolution of the Action and have arrived at this Settlement in arms-length negotiations,
5 considering all relevant factors, present and potential, and shall so represent it to the Court.

6 **U. No Admission Of Liability.** Defendant and the Released Parties deny any and all
7 alleged wrongdoing or the violation of any rights of the Plaintiffs and/or Class Members. By entering
8 into this Settlement, Defendant does not admit, and in fact specifically disclaims, the violation of any
9 law or regulation. This Settlement is entered into solely for the purpose of compromising highly
10 disputed claims. Nothing in this Settlement is intended or shall be construed as an admission of any
11 liability or wrongdoing by Defendant, or as an admission by the Class Members that any of their claims
12 were non-meritorious or that any defense asserted by Defendant was meritorious. This Settlement and
13 the fact that the Settling Parties are willing to settle the Action and have entered into this Settlement
14 shall have no bearing on, and shall not be admissible in connection with, any litigation, other than as
15 is necessary to enforce the terms of this Settlement.

16 **V. Miscellaneous Terms.**

17 1. Integrated Agreement. After it is signed and delivered by all Settling Parties
18 and their counsel, this Settlement and its exhibits shall constitute the entire agreement between the
19 Settling Parties relating to the terms of Settlement, and shall supersede any prior or contemporaneous
20 oral representations, warranties, covenants, or inducements made to any Settling Party concerning this
21 Settlement or its exhibits, including the Settlement Terms.

22 2. Execution in Counterparts. This Settlement may be executed in one or more
23 counterparts and by facsimile or PDF version. All executed counterparts, and each of them, shall be
24 deemed to be one and the same instrument, provided that counsel for the Settling Parties shall
25 exchange between themselves original signed counterparts. Any executed counterpart shall be
26 admissible in evidence to prove the existence and contents of this Settlement.

27 3. Modification of Settlement. This Settlement, and any and all parts of it, may
28 be amended, modified, changed, or waived only by an express written instrument signed by all Settling

1 Parties or their successors-in-interest, subject to approval by the Court.

2 4. Settlement Binding on Successors. This Settlement shall be binding upon, and
3 inure to the benefit of, the successors of each of the Settling Parties and Participating Class Members.

4 5. Applicable Law. All terms and conditions of this Settlement and its exhibits
5 shall be governed by and interpreted according to the laws of the State of California, without giving
6 effect to any conflict of law or choice of law principles.

7 6. Interim Stay of Proceedings. The Parties shall stay all proceedings in the
8 Action, subject to necessary compliance with the Court's orders, except such proceedings necessary
9 to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by
10 the Court.

11 7. Authorization to Enter Into Settlement Agreement. Counsel for all Settling
12 Parties warrant and represent they are expressly authorized by the Settling Parties whom they represent
13 to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
14 such Settling Parties pursuant to this Agreement to effectuate its terms, and to execute any other
15 documents required to effectuate the terms of this Agreement. The Settling Parties and their counsel
16 shall cooperate with each other and use their best effort to effectuate the implementation of the
17 Settlement. In the event the Settling Parties are unable to reach agreement on the form or content of
18 any document needed to implement the Settlement, or on any supplemental provisions that may
19 become necessary to effectuate the terms of this Settlement, the Settling Parties may seek the
20 assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf
21 of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of
22 Defendant. The Class Representatives represent and warrant that they are authorized to sign this
23 Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement
24 to a third-party.

25 8. Notices. Unless otherwise specifically provided herein, all notices, demands or
26 other communications given hereunder shall be in writing and shall be deemed to have been duly given
27 as of the third business day after mailing by United States registered or certified mail, return receipt
28 requested, addressed as follows:

To Class Counsel:

Vanessa M. Ruggles, Esq. (#254031)
Gregg Lander, Esq. (#194018)
VANESSA M. RUGGLES, ESQ.
1717 E. Vista Chino, Suite A7, PMB 117
Palm Springs, CA 92262-3569
Tel.: (760) 699-7215 / Fax: (866) 606-6593
Email: VMRuggles@gmail.com
Email: GreggLander@gmail.com

Raphael A. Katri, Esq. (#221941)
LAW OFFICES OF RAPHAEL A. KATRI
8549 Wilshire Boulevard, Suite 200
Beverly Hills, CA 90211-3104
Tel.: (310) 940-2034 / Fax: (310) 733-5644
Email: RKatri@socallaborlawyers.com

Kevin T. Barnes, Esq. (#138477)
LAW OFFICES OF KEVIN T. BARNES
1041 Parkside Commons, Suite 101
Greensboro, GA 30642-4519
Tel.: (323) 549-9100
Email: Barnes@kbarnes.com

Joseph Lavi, Esq. (SBN 209776)
Vincent C. Granberry, Esq. (SBN 276483)
Danielle E. Montero, Esq. (SBN 333945)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
dmontero@lelawfirm.com

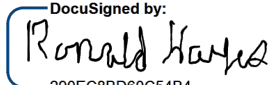
To Defendant:

Jody A. Landry, Esq.
jlandry@littler.com
LITTLER MENDELSON, P.C.
501 West Broadway, Suite 900
San Diego, California 92101

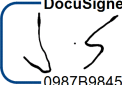
9. Cooperation in Drafting. The Settling Parties have cooperated in the drafting and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

1 **IT IS SO AGREED.**

2 Dated: 7/8/2023
3 _____

DocuSigned by:

290EC8BD60C54B4...
Ronald G. Hayes
Plaintiff

4
5 Dated: July 11, 2023
6 _____

DocuSigned by:

0987B984529E4BF...
Jorge A. Salgado-Mendez
Plaintiff

7
8 Avis Rent A Car System, LLC
9

10 Dated: _____

11 Approved as to form:

12 Dated: 7/8/23
13 _____


Vanessa M. Ruggles
Attorneys for Plaintiffs and the Settlement Class

14 Dated: _____
15

Jody A. Landry
Attorney for Defendant

16 4888-7851-5818.1 / 088152-1014
17
18
19
20
21
22
23
24
25
26
27
28

1 IT IS SO AGREED.

2 Dated: _____

3 Ronald G. Hayes
4 Plaintiff

5 Dated: _____

6 Jorge A. Salgado-Mendez
7 Plaintiff

8 Avis Rent A Car System, LLC

9
10 Dated: 7.14.23

11 Approved as to form:

Jean Sera
12 SUP & General Counsel

13 Dated: _____

14 Vanessa M. Ruggles
Attorneys for Plaintiffs and the Settlement Class

15 Dated: 7/17/23

Jody A. Landry
16 Attorney for Defendant

17 4888-7851-5818.1 / 088152-1014

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA – COUNTY OF LOS ANGELES

*Ronald G. Hayes v. Avis Rent A Car System, LLC,
Jorge A. Salgado-Mendez v. Avis Rent A Car System, LLC*
Case Nos.: 22STCV26153, 22STCV40124

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

XX - XX - _ _ _ _

Indicate Name/Address Changes, if any:

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.

THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

A California court authorized this notice. This is not a solicitation from a lawyer.

**YOU WILL NOT BE RETALIATED AGAINST FOR PARTICIPATING IN THIS
SETTLEMENT.**

YOU ARE HEREBY NOTIFIED that a proposed settlement (“the Settlement”) of the above class and representative actions (hereinafter referred to as “the Actions”) filed in Los Angeles County Superior Court has been reached between Plaintiffs Ronald G. Hayes and Jorge A. Salgado-Mendez, each in his individual capacity, as class representative, and as private attorneys general (referred to as “Plaintiffs”) on one hand, and Defendant Avis Rent A Car System, LLC (“Defendant”) on the other. The Settlement has been granted Preliminary Approval by the Court supervising the Action. The Los Angeles County Superior Court has ordered that this Class Notice be sent to you because you may be a Class Member and potentially also a PAGA Member (as defined below). The purpose of this Class Notice is to inform you of the Settlement of the Action and your legal rights under the Settlement as follows:

- The “Class” is defined as all current and former non-exempt employees of Defendant during the Class Period (defined below). “PAGA Member” means all current and former non-exempt employees of Defendant, during the PAGA Period (also defined below).
- The proposed Settlement generally resolves claims regarding (i) minimum and overtime wages, (ii) meal periods, (iii) rest periods, (iv) final wages, (v) wage statements, (vi) reimbursement of expenses, (vii) vacation pay, (viii) uniforms, (ix) unfair competition, and (x) civil penalties under PAGA based on the underlying Labor Code violations alleged in the Action. Please see Section E below for further information regarding the claims you are releasing by participating in this Settlement.
- The Settlement avoids costs and risks to you from continuing the lawsuit: pays money to employees; and releases Defendant from liability for these claims.
- The two sides disagree on whether Defendant is liable for the allegations raised in this case and how much money could have been won if the employees won at trial.
- **Your legal rights may be affected. Read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Get a Payment	If you are a Class Member, you will automatically receive a payment, unless you exclude yourself from the Settlement as described below. If you are a PAGA Member, you will also automatically receive your PAGA Member Portion and cannot exclude yourself from the portion of the Settlement allocated to PAGA. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below.
Exclude Yourself	If you are a Class Member and want to exclude yourself from the Class portion of the Settlement, you must submit a written request seeking to opt-out of the Class portion of the Settlement to the Settlement Administrator no later than _____ (45 calendar days after the date that the Settlement Administrator first mails the Class Notice). The opt-out request must: (a) contain your full name, address, and last four digits of your Social Security number; (b) be signed by you; (c) reference the Action by its name; and (d) contain a statement clearly indicating that you seek to be excluded from the Class portion of the Settlement. This is the only option that allows you to bring your own claims against Defendant regarding the class claims in the Action. You will not be bound by the terms of the Settlement as it pertains to the class claims if you opt out, nor will you receive a payment.
Object	If you are a Class Member, and do not opt-out, you can object to the Class portion of the Settlement, if you so wish. This allows you to object to the terms of the Settlement but still participate in the Settlement that is finally approved and receive a settlement payment. If you wish to object to the Class portion of the Settlement, you must submit to the Settlement Administrator a written statement explaining your objection to the Settlement no later than _____. Alternatively, or in addition to a written objection, Class Members may appear at the Final Approval Hearing to make an oral objection.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains the proposed Settlement of the lawsuit and informs you of your legal rights under that proposed Settlement. You are receiving this notice because you may be a member of the Class or PAGA group on whose behalf this lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

Plaintiffs filed lawsuits, entitled *Ronald G. Hayes v. Avis Rent A Car System, LLC* and *Jorge A. Salgado-Mendez v. Avis Rent A Car System, LLC*. The Actions allege claims against Defendant for: (1) failure to pay minimum wages and overtime for all hours worked; (2) failure to provide all meal periods; (3) failure to authorize and permit legally-compliant rest periods; (4) failure to indemnify employees for business expenses; (6) failure to pay vested vacation pay; (7) illegal uniform policies; (8) failure to timely furnish accurate itemized wage statements; (9) failure to timely pay final wages; (11) violations of the Private Attorneys General Act; and (10) unfair competition. The Action alleges Defendant violated the following provisions of the Labor Code: sections 201-203, 204, 204b, 204.1, 204.2, 205, 205.5, 210, 226, 226.3, 226.7, 227.3, 450, 510, 512, 516, 558, 1194, 1197, 1197.1, 1197.5, 1198, 2699 et. seq., 2802, and

claims deriving from the applicable Wage Orders promulgated by the Industrial Welfare Commission. The lawsuit seeks recovery of wages, restitution, statutory and civil penalties, interest, attorneys' fees, and costs.

Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Actions and further denies that, for any purpose other than that of settling this lawsuit, the Actions are appropriate for class or representative treatment. Defendant contends, among other things, that it complied at all times with the California Labor Code, the California Business and Professions Code, and all other applicable laws. The Court has made no ruling and will make no ruling on the merits of the Actions.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did **not** decide in favor of Plaintiffs or Defendant. There was no trial. Instead, both sides agreed to a settlement. That way, they avoid the costs, risks, and uncertainty of a trial, and the Class Members and PAGA Members will get compensation. Plaintiffs and Plaintiffs' attorneys believe the Settlement is fair, reasonable, and adequate and in the best interests of all Class Members. Thus far, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable. The Court will make a final determination of whether the proposed Settlement is fair, adequate, and reasonable at the Final Approval Hearing.

C. What is the Class Period and the PAGA Period?

The term "Class Period" means the period from August 12, 2018, through August 31, 2023. The "PAGA Period" means the period from August 12, 2021, through August 31, 2023.

D. What does the Settlement provide?

1. Gross Settlement Amount.

Defendants will pay a total of Three Million and Two Hundred Fifty Thousand Dollars (\$3,250,000.00) (the "Maximum Settlement Amount") to settle the Action. This amount includes \$3,175,000 to settle the class claims and \$75,000 to settle the PAGA claims. It is proposed that the following payments will be made from the Gross Settlement Amount.

- a. Distribution to Participating Class Members. Approximately \$1,974,000 ("Class Distribution") will be distributed to Class Members who do not opt out of the Class portion of the Settlement based upon the number of weeks that they worked during the Class Period.
- b. Distribution to PAGA Members. Approximately \$18,750 will be distributed pro rata to PAGA Members based upon the number of pay periods that they worked during the PAGA Period.
- c. Attorneys' Fees and Expenses. Class Counsel has worked on this lawsuit without compensation and has advanced funds to pay for expenses necessary to prosecute the action. Under the Settlement, Class Counsel will request an award of fees of no more than \$1,137,500, which is 35% of the Gross Settlement Amount, and an award of expenses not to exceed \$30,000.

- d. Class Representative Service Award. Plaintiffs are requesting a class representative service award of \$10,000 to each of the two Class Representatives, Ronald G. Hayes and Jorge A. Salgado-Mendez, in addition to the amounts that they will receive as members of the Class, to compensate them for undergoing the burden and expense of prosecuting the Action and for the broader release of claims they are required to provide to Defendant.
- e. Settlement Administration Costs. The Settlement Administrator, Rust Consulting, Inc. has advised the parties that the settlement administration costs will not exceed \$13,500.
- f. Payment to State of California. Approximately \$56,250 of the Gross Settlement Amount will be paid to the state of California in settlement of allegations that Defendant owes civil penalties to the state for alleged Labor Code violations.

The funds used for the Maximum Settlement Amount shall be paid to the Settlement Administrator. The Settlement Administrator shall distribute the Court-approved Class Representative Service Awards to the Plaintiffs, the Court-approved attorneys' fees and litigation costs to Class Counsel, the settlement administration costs to the Settlement Administrator, and the payment to the LWDA at the same time and manner as the settlement payments to the participating Class Members and PAGA Members.

2. Your Individual Payment Amount

The Settlement Administrator will calculate the individual settlement payments to all PAGA Members, and to all Class Members who do not submit valid opt-out requests.

Currently, it is estimated that you will receive approximately \$_____. This is based on Defendant's records showing you:

- [Option 1] worked _____ pay periods during the Class Period:
- [Option 2] worked _____ pay periods during the PAGA Period.

This/these amounts can change depending on how much the court awards in attorneys' fees, litigation costs, the Class Representative Service Awards to the Plaintiffs, and the number of Class Members who ask to be excluded from the Class portion of the Settlement.

Settlement checks will expire 120 days from the date they are issued by the Settlement Administrator. The money from the uncashed checks, plus any interest accrued thereon, shall be paid to the California State Controller as unclaimed property, subject to Court approval.

3. Tax Matters

The Settlement Administrator will distribute IRS Forms W-2 and 1099 (and the equivalent California forms) to participating Class Members reflecting the payments each Class Member and/or PAGA Member receives under the Settlement. For tax purposes, payments to Class Members will be allocated as follows: 20% as wages, 80% as interest and penalties. Payments to PAGA Members will be apportioned as penalties only. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code.

Interest and penalties paid under this Settlement shall not be subject to federal, state, and local payroll withholding taxes. The Settlement Administrator shall issue an IRS form 1099 for payments of interest and penalties. The usual and customary deductions will be taken out of the amounts attributable to unpaid wages. Class Members should consult with their tax advisors concerning the tax consequences of the payment they receive under the Settlement.

E. What are you giving up to get a payment or stay in the Class?

Upon entry of the Final Approval Order and Defendant's payment of the Maximum Settlement Amount plus the Employer's withholding share of payroll taxes, Plaintiffs and Class Members will be deemed to have released the Released Parties of and from all of the Released Claims during the Class Period. The Released Claims, further described below, include all claims that Plaintiffs, the Class, and/or any Class Member had, or may claim to have, against any of the Released Parties. "Released Claims" means all claims stated in the complaint and those based solely upon the facts alleged in the complaint that arose during the Class Period, including: (1) failure to pay minimum wages and overtime for all hours worked; (2) failure to provide all meal periods; (3) failure to authorize and permit legally-compliant rest periods; (4) failure to indemnify employees for business expenses; (6) failure to pay vested vacation pay; (7) illegal uniform policies; (8) failure to timely furnish accurate itemized wage statements; (9) failure to timely pay final wages; (11) violations of the Private Attorneys General Act; and (10) unfair competition.

Release of Class Claims: Upon the Effective Date and Defendant's full funding of the Maximum Settlement Amount, Defendant and the other Released Parties shall be entitled to a release from the Plaintiffs and the Class Members who do not opt, for all of the Released Claims which occurred during the Class Period. "Released Claims" means all claims for violations of the following Labor Code sections, that were actually alleged or that could have been alleged in the Action based on the facts alleged therein, including all Complaints and the Operative Complaint, on behalf of the Class Member for the entire Class Period, as well as any and all wage and hour claims and that were asserted or could have been asserted based on the factual or legal allegations contained in Plaintiffs Operative Complaint in the consolidated actions, arising at any time during the Class Period, including: (a) failure to pay wages including overtime and minimum wage for all hours worked; (b) failure to provide meal periods or pay a premium in lieu thereof; (c) failure to provide rest periods or pay a premium in lieu thereof; (d) failure to timely pay wages during employment and at termination; (e) failure to provide accurate wage statements; (f) failure to indemnify for necessary business expenses; (g) failure to pay out vacation pay; (h) failure to provide required uniforms; (i) unfair business practices (Business and Professions Code section 17200 et seq.) related to the above labor code claims; (j) claims for violation of the provisions of Wage Order 9 related to the above labor code claims; (k) claims for the attorney's fees and costs incurred in the prosecution of this Action on behalf of the Class Members; (l) any other claims, remedies, penalties, or interest that could have been plead based on the facts alleged in the Complaints filed in the Action; and (m) all claims that Plaintiffs, the Class Members may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney's fees and costs to Plaintiffs' Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiffs' Payment pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the entire Class Period; and expressly excludes 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, and California class claims outside of the Class Period. Participating Class Members may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date and Defendant's full funding of the Maximum Settlement Amount, Participating Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties that seeks

recovery for any of the Released Claims. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Claims.

Release of PAGA Claims By State of California and PAGA Employees. Upon the Effective Date and Defendant's full funding of the Maximum Settlement Amount, Defendant and the other Released Parties shall be entitled to a release from the Plaintiffs, the State of California, and all PAGA Employees with respect to the PAGA Released Claims which occurred during the PAGA Period. "PAGA Released Claims" means all claims for the recovery of civil money penalties for violations of the following Labor Code sections alleged in the Operative Complaint, and/or Plaintiffs' PAGA letters: 201-203, 204, 204b, 204.1, 204.2, 205, 205.5, 210, 226, 226.3, 226.7, 227.3, 450, 510, 512, 516, 558, 1194, 1197, 1197.1, 1197.5, 1198, 2699 et. seq., 2802, sections 3, 4, 8, 10 and 14 of Wage Order 9. The release of the PAGA Released Claims shall be effective as to the entire PAGA Period. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Plaintiffs, the state of California and the PAGA Employees regarding the PAGA Released Claims.

Also upon entry of the Final Approval Order and Defendant's payment of the Gross Settlement Amount plus the Employer's withholding share of payroll taxes, and except as to such rights or claims as may be created by this Settlement Agreement, Plaintiffs and the LWDA will be deemed to have released the Released Parties of and from all of the PAGA Released Claims during the PAGA Period. The PAGA Released Claims includes all claims for penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiffs' pre-filing letters to the LWDA to the extent they were alleged in the Complaint; Plaintiffs do not release any aggrieved employee's claim for wages or damages.

"Effective Date" means the date by which the Court's order granting Final Approval of the Settlement becomes final. Such order becomes final upon the following events: (i) upon the Court issuing an order granting Final Approval of the Settlement ("Final Approval Order") if no objections to the Settlement are filed, or if an objection is filed but is withdrawn prior to the Court's Final Approval Hearing; or (ii) in the event there are written objections filed prior to the final approval hearing which are not thereafter withdrawn prior to the hearing, the later of the following events: (a) the day after the last day by which a notice of appeal of the order may be timely filed with the California Court of Appeal, and none is filed; (b) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal's decision passes and no further review is requested; (c) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal's decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (d) if review is accepted, the day the Supreme Court of the State of California affirms the Settlement.

THE FINAL APPROVAL HEARING

Presently, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, reasonable and adequate. The Court will conduct a final approval hearing regarding the proposed Settlement (the "Final Approval Hearing") on DATE at TIME, in Department 17 of the Los Angeles County Superior Court located at Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012. The Court will determine: (i) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the participating Class Members; (ii) whether the participating Class Members should be bound by the terms of the Settlement; (iii) the amount of the attorneys' fees and litigation costs that should be awarded to Plaintiffs' counsel; and (iv) the amount that should be awarded to the Plaintiffs as a Class Representative Service Awards.

At the Final Approval Hearing, the Court will hear all objections, as well as arguments for and against the proposed Settlement. You have a right to attend this hearing but you are not required to do so. You also have the right to hire an attorney to represent you or to enter an appearance and represent yourself. If you decide to hire an attorney to represent you, you will be solely responsible for paying any attorneys' fees and/or costs associated with that representation.

The Settlement Administrator will give notice to any objecting party of any continuance of the hearing on the Motion for Final Approval. Additionally, you may contact the Settlement Administrator, listed at the end of this notice, to inquire into the date and time of the Final Approval hearing.

Any final judgment approving the settlement will be available at rustconsulting.com/cases/avis

Condition of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing fully and finally approving the Settlement as fair, reasonable, adequate and in the best interests of the participating Class Members.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – GET A PAYMENT**

IF YOU ARE A SETTLEMENT CLASS MEMBER AND WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, THEN YOU DO NOT HAVE TO DO ANYTHING AND YOU WILL AUTOMATICALLY RECEIVE A SETTLEMENT PAYMENT. YOU ARE NOT REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

The number of pay periods you worked during the Class Period and/or the PAGA Period and the estimated amount of your Settlement Payment is set forth above in this notice. If you believe that the number of pay periods are stated incorrectly, you may dispute it by timely submitting a written dispute to the Settlement Administrator, postmarked no later than _____. The dispute must contain the following: (a) your full name, address, and last four digits of your Social Security number; (b) your signature; (c) reference to the Actions by name and case number; (d) a statement clearly indicating that you dispute the number of pay periods that are credited to you and the number of pay periods that you claim should be credited to you. The dispute should attach supporting documentation, if any, that you may have. If you believe that the information is correct, you do not have to do anything.

The Settlement Payment you will receive will be a full and final settlement of your Released Claims described above.

- **OPTION 2 – EXCLUDE YOURSELF FROM THE CLASS PORTION OF THE SETTLEMENT**

You have a right to exclude yourself ("Opt Out") from the Class portion of the Settlement. However, if you choose to do so, you will not receive any payment from the proposed class settlement. You will **not** be bound by a judgment in this case as it pertains to the class settlement and will have the right to file your own lawsuit against Defendant, subject to time limits called Statutes of Limitations and other potential defenses that Defendant may assert, and to pursue your own claims in a separate suit. If you opt-out, and are a PAGA Member you will be bound by the PAGA portion of the settlement and received your PAGA payment

You can Opt Out of the Class portion of the Settlement by submitting a written request that must: (a) contain your full name, address, and last four digits of your Social Security number; (b) be signed by

you: (c) refer to the Actions by name; and (d) contain a statement clearly indicating that you seek to be excluded from the Settlement. Send it by first class U.S. mail to the Settlement Administrator at Rust Consulting, Inc., _____.

To be valid, your Opt-Out request must be postmarked no later than _____, 2023.

• **OPTION 3 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Class Member, or if you are a PAGA Member, and you wish retain the ability to participate in any Settlement that is approved and receive a settlement payment, but you wish to object to the proposed Settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed Settlement in writing by submitting a statement explaining your objection by first class U.S. mail to the Settlement Administrator at Rust Consulting, Inc., _____. It must be postmarked no later than _____, 2023. You, or an attorney representing you, may also appear at the Final Approval Hearing to object to the Settlement.

COUNSEL FOR THE PARTIES

COUNSEL FOR PLAINTIFFS/CLASS MEMBERS:

Vanessa M. Ruggles, Esq. (254031)
Gregg Lander, Esq. (194018)
VANESSA M. RUGGLES, ESQ.
1717 E. Vista Chino, Suite A7, PMB 117
Palm Springs, CA 92262-3569
Tel.: (760) 699-7215 / Fax: (866) 606-6593
Email: VMRuggles@gmail.com
Email: GreggLander@gmail.com

Raphael A. Katri, Esq. (221941)
LAW OFFICES OF RAPHAEL A. KATRI
8549 Wilshire Boulevard, Suite 200
Beverly Hills, CA 90211-3104
Tel.: (310) 940-2034 / Fax: (310) 733-5644
Email: RKatri@socallaborlawyers.com

Kevin T. Barnes, Esq. (138477)
LAW OFFICES OF KEVIN T. BARNES
1041 Parkside Commons, Suite 101
Greensboro, GA 30642-4519
Tel.: (213) 793-9100
Email: Barnes@kbarnes.com

Joseph Lavi, Esq. (209776)
Vincent C. Granberry, Esq. (276483)
Danielle E. Montero, Esq. (333945)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
dmontero@lelawfirm.com

COUNSEL FOR DEFENDANTS:

Jody A. Landry (125743)
jlandry@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, CA 92101-3577
Telephone: 619.232.0441
Fax No.: 619.232.4302

CHANGE OF ADDRESS

If you move after receiving this notice, if it was misaddressed, or if for any reason you want your Settlement Payment or future correspondence concerning this Action to be sent to a different address, you must supply your preferred address to the Settlement Administrator.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may review the detailed "Joint Stipulation of Class Action Settlement," which was filed with the Court on _____, 2023, as Exhibit A to the Declaration of Attorney Vanessa M. Ruggles, and is available for viewing online, along with other court records regarding the Action, on the Court's website, XXXXXXXXXXXXXXXXXXXXX. This document as well as the pleadings and other records in the Action may also be examined in person at any time during regular business hours at the Office of the Clerk of the Los Angeles County Superior Court, Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012.

ALL INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO THE SETTLEMENT ADMINISTRATOR OR CLASS COUNSEL.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE SETTLEMENT ADMINISTRATION PROCESS.

QUESTIONS?

If you have any questions, you may contact Class Counsel or the Settlement Administrator.

SETTLEMENT ADMINISTRATOR

RUST CONSULTING, INC.

[ADDRESS]

EXHIBIT B

JODY A. LANDRY, Bar No. 125743
jlandry@littler.com
JAMIE L. SANTOS, Bar No. 325564
jlsantos@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101.3577
Telephone: 619.232.0441
Fax No.: 619.232.4302

Attorneys for Defendant
AVIS RENT A CAR SYSTEM, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

RONALD G. HAYES, on behalf of
himself and all others similarly situated.

Plaintiffs.

v.

AVIS RENT A CAR SYSTEM, LLC, a
Delaware limited liability company; and
DOES 1 to 10, inclusive.

Defendants.

Case No. 22STCV26153; Case No. 22STCV40124

**ASSIGNED FOR ALL PURPOSES TO JUDGE
MAREN E. NELSON**

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS AND
PAGA SETTLEMENT**

Date: xxx

Time: xxx

Dept: 17

Trial Date: Not Set

Hayes Complaint Filed: August 12, 2022

Mendez Complaint Filed: December 23, 2022

JORGE A. SALGADO MENDEZ,
on behalf of himself and other
aggrieved employees.

Plaintiff.

vs.

AVIS RENT A CAR SYSTEMS,
LLC; and DOES 1 to 100, inclusive.

Defendants.

1 WHEREAS this Action is pending before this Court as a putative class action lawsuit and
2 Private Attorney General Action brought by the Plaintiffs Ronald Hayes Jorge A. Salgado Mendez
3 ("Plaintiffs") against Defendant Avis Rent A Car System, LLC ("Defendant"); and

4 WHEREAS, Class Counsel applied to this Court for an order preliminarily approving the
5 settlement of the Action in accordance with the Joint Stipulation of Class Action/PAGA Settlement
6 Agreement and Release (the "Stipulation" or "Settlement" or "Agreement"), which, together with the
7 exhibits annexed thereto, sets forth the terms and conditions for a proposed Settlement and final
8 resolution of the Action upon the terms and conditions set forth therein; and the Court having read and
9 considered the Stipulation and the exhibits annexed thereto:

10 NOW, THEREFORE, IT IS HEREBY ORDERED:

11 1. This Order incorporates by reference the definitions in the Stipulation, and all terms
12 defined therein shall have the same meaning in this Order as set forth in the Stipulation. Per the Parties'
13 Stipulation, the Court hereby conditionally certifies the following Settlement Class: All current and
14 former non-exempt employees of Defendant from August 12, 2018, through August 31, 2023.

15 2. Upon the Final Order, Participating Class Members who do not opt out of the
16 Settlement will release all claims that were alleged or that could have been alleged based on the facts
17 of Plaintiffs' operative complaint as defined in the Stipulation as "Released Claims" from August 12,
18 2018, through August 31, 2023. The "Released Parties" are Defendant, its members, its parent,
19 affiliates and subsidiaries, and each of their company-sponsored employee benefit plans, and their
20 respective successors and predecessors in interest, all of their respective officers, directors, employees,
21 administrators, fiduciaries, trustees and agents, and each of their past, present and future officers,
22 directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,
23 consultants, and attorneys.

24 3. Should, for whatever reason, the Settlement not become final, the fact that the Parties
25 were willing to stipulate to class certification as part of the Settlement shall have no bearing on, nor
26 be admissible in connection with, the issue of whether a class should be certified in a non-settlement
27 context.

1 4. Plaintiffs are hereby appointed and designated, for all purposes, as the Class
2 Representatives of the Class, and the following attorneys are hereby appointed and designated as
3 counsel for the Class Representatives and the Class: Vanessa M. Ruggles and Gregg Lander of
4 VANESSA M. RUGGLES, ESQ., Raphael A. Katri of LAW OFFICES OF RAPHAEL A. KATRI;
5 Kevin T. Barnes of LAW OFFICES OF KEVIN T. BARNES, and Joseph Lavi, Vincent C. Granberry,
6 and Danielle E. Montero of LAVI & EBRAHIMIAN, LLP. ("Class Counsel"). Class Counsel are
7 authorized to act on behalf of Class Members with respect to all acts or consents required by, or which
8 may be given pursuant to, the Settlement, and such other acts reasonably necessary to consummate
9 the Settlement. Any Class Member may enter an appearance through counsel of such Class Member's
10 own choosing and at such Class Member's own expense. Any Class Member who does not enter an
11 appearance or appear on his or her own will be represented by Class Counsel.

12 5. The Court finds on a preliminary basis that the Settlement appears to be fair, reasonable
13 and adequate, and one that would merit, ultimately, final approval by this Court. The Court has
14 reviewed the Settlement and recognizes the value thereof to the Class Members. The Court finds, on
15 a preliminary basis, that the Settlement is fair, adequate and reasonable as to all Class Members when
16 balanced against the potential outcomes of further litigation relating to liability and damages issues.
17 The Court further finds that the Settlement has been reached as the result of serious and non-collusive,
18 arms-length negotiations by Defendants and Plaintiff (the "Settling Parties").

19 6. A final approval hearing (the "Settlement Hearing") shall be held before this Court,
20 located at 312 North Spring Street, Los Angeles, California, 90012, on _____, 2023 at _____
21 ____.m., in Department 17, to determine all necessary matters concerning the Settlement, including:
22 whether the proposed settlement of the Action should be finally approved by the Court; whether a
23 Judgment, as provided in the Stipulation, should be entered herein; whether the plan of allocation
24 contained in the Stipulation should be approved as fair, adequate and reasonable to the Class Members;
25 and to finally approve Class Counsel's Fees Award and Cost Award, the Class Representatives'
26 service awards, payment to the Labor and Workforce Development Agency and the Settlement
27 Administration Costs.

1 7. The Court hereby approves, as to form and content, the Notice, attached as Exhibit A
2 to the Stipulation. The Court finds that distribution of the Notice, substantially in the manner and form
3 set forth in the Stipulation and this Order, meets the requirements of due process, is the best notice
4 practicable under the circumstances, and will constitute due and sufficient notice to all persons entitled
5 thereto.

6 8. The Court hereby appoints Rust Consulting, Inc. as Settlement Administrator and
7 hereby directs the Settlement Administrator to simultaneously mail or cause to be mailed to Class
8 Members the Notice (Exhibit A) by first class mail at their last known address within ten (10) calendar
9 days of receiving a Class List from Defendant.

10 9. Any Class Member (as defined by the Stipulation) may choose to opt out of the
11 Settlement or object to the class action part of the Settlement, but cannot opt-out of the PAGA portion
12 of the settlement, as provided in the Notice by following the instructions for requesting exclusion from
13 the Settlement Class or objecting to the settlement. Class Members will have forty-five (45) days from
14 the date of mailing of the Notice in which to postmark objections or a notice of opting out. Prior to
15 the initial mailing, the Settlement Administrator will check all Class Member addresses against the
16 National Change of Address database and shall update any addresses before mailing. The Settlement
17 Administrator will skip trace and re-mail all returned, undelivered mail within five (5) days of
18 receiving notice that a Notice was undeliverable. The obligation to trace and resend returned Class
19 Notices shall cease after two mailings or thirty (30) calendar days after the initial mailing, whichever
20 occurs first. The time period to respond may not be extended on account of a returned or undeliverable
21 mailing. Any written request to opt-out must be signed by each such person opting out. All Class
22 Members who do not timely and properly notify the Settlement Administrator of their desire to opt-
23 out of the Settlement, shall become bound by all determinations of the Court, the Stipulation and
24 Judgment.

25 10. Any Class Member who did not opt out may appear at the Settlement Hearing and may
26 object to the Settlement and may present evidence and file briefs or other papers that may be proper
27 and relevant to the issues to be heard and determined by the Court as provided in the Notice. In order
28 to object, the Class Member may file with the Court and submit to the Settlement Administrator a

1 written statement explaining their Objection to the Settlement no later than the _____, 2023. Counsel
2 for the Parties shall file any response to the objections submitted by objecting Class Members at least
3 ten (10) court days before the date of the Final Fairness and Approval Hearing. However, to the extent
4 an objecting Class Member is also an PAGA Employee said individual cannot object to the PAGA
5 portion of the Settlement.

6 11. The Settlement is not a concession or admission and shall not be used against
7 Defendant or any of the Released Parties as an admission or indication with respect to any claim of
8 any fault or omission by Defendant or any of the Released Parties. Whether or not the Settlement is
9 finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related
10 to the Settlement, nor any reports or accounts thereof, shall in any event be:

11 a. Construed as, offered or admitted in evidence as, received as or deemed to be
12 evidence for any purpose adverse to the Settling or Released Parties, including, but not limited to,
13 evidence of a presumption, concession, indication or admission by any of the Settling or Released
14 Parties of any liability, fault, wrongdoing, omission, concession or damage; or

15 b. Disclosed, referred to, or offered or received in evidence against any of the
16 Settling or Released Parties in any further proceeding in the Action, or in any other civil, criminal or
17 administrative action or proceeding, except for purposes of settling the Action pursuant to the
18 Stipulation.

19 12. As of the date this Order is signed, all dates and deadlines associated with the Action
20 shall be stayed, other than those pertaining to the administration of the Settlement of the Action.

21 13. In the event the Settlement does not become effective in accordance with the terms of
22 the Stipulation, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
23 effective for any reason, this Order shall be rendered null and void and shall be vacated and the Parties
24 shall revert to their respective positions as of before entering into the Stipulation.

25 The Court reserves the right to adjourn or continue the date of the Settlement Hearing and all
26 dates provided for in the Stipulation without further notice to Class Members and retains jurisdiction
27 to consider all further applications arising out of or connected with the proposed Settlement.
28

1 Dated: _____

JUDGE OF THE SUPERIOR COURT

2 4857-0525-9373.1 / 088152-1014

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28