

REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Settlement Agreement") is entered into and effective upon its execution by all parties hereto, subject to Court approval. It is entered into by and between Plaintiffs CHRISTOPHER PENNINGTON, an individual, ANDREW ALLAN BARKER, an individual, and JOSE LUIS SANCHEZ, an individual (the "Representative Plaintiffs") as proxies for California's Labor & Workforce Development Agency ("LWDA"), on the one hand, and Defendants A1 HD TOWING, LLC, a California limited liability company; JOSE F. PINEDA, JR, an individual; JOSE F. PINEDA, SR., an individual, ALMA VERONICA PINEDA, an individual; JEAN ANTONIA PINEDA, an individual; PRIMA AMERICAN ASSET MANAGEMENT, LLC, an Alaska limited liability company, as Trustee for the Second Port Title Holding Trust, Third Titan Title Holding Trust, and Fourth Valley Title Holding Trust, (hereinafter "Defendants"), on the other hand.

RECITALS

A. On December 21, 2022, Representative Plaintiffs notified the LWDA that they would pursue civil penalties against Defendants under PAGA for violation of Labor Code sections 2698, 2699, 2699.3 and 2699.5.

B. On May 31, 2023, the Representative Plaintiffs filed an action in the Superior Court of California, County of Los Angeles, Case No. 23STCV12291, alleging the following claims, which they asserted on an individual basis and class basis: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages earned; (3) failure to pay wages for missed meal periods; (4) failure to pay wages for missed rest breaks; (5) failure to furnish accurate wage statements; (6) failure to pay all wages upon discharge, waiting time penalties; (7) constructive wrongful termination in violation of public policy, (8) civil penalties pursuant to the Private Attorneys General Act ("PAGA") on behalf of all individuals who worked for A1 HD Towing, LLC, Jose Francisco Pineda, and Jose Pineda, Jr. ("Allegedly Aggrieved Employees") at any time from May 31, 2022, through February 7, 2025. The Representative Plaintiffs sought penalties under Labor Code sections 201, 202, 203, 204, 226, 246, 510, 512, 1174, 1194, 1197, 1198, 2802 and 2699(f)(2) for the following alleged violations: (1) failure to pay all wages earned; (2) failure to pay overtime wages; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide sick pay; (6) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to keep accurate employment records, (8) failure to reimburse for business expenses.

C. On or about May 21, 2024, the Representative Plaintiffs filed a Second Amended Complaint in the Lawsuit, which added causes of action for alleged violations of the California Labor Code, intent to defraud creditor(s), and civil conspiracy.

D. Defendants deny each and every allegation by the Representative Plaintiffs. Defendants contend that they properly paid all wages to, provided meal periods and rest breaks, maintained and provided accurate itemized wage statements, and kept accurate records for the Representative Plaintiffs and all of the Allegedly Aggrieved Employees. Defendants further deny that the Lawsuit can be tried in a manageable manner that comports with due process.

E. The Representative Plaintiffs are represented in the Lawsuit by the following law firms ("Representative Plaintiffs' Counsel"):

FINNEGAN & DIBA, A LAW CORPORATION

F. Defendants A1 HD TOWING, LLC, a California limited liability company; JOSE F. PINEDA, an individual; ALMA VERONICA PINEDA, an individual; JEAN ANTONIA PINEDA, an individual; PRIMA AMERICAN ASSET MANAGEMENT, LLC, an Alaska limited liability company, as Trustee for the Second Port Title Holding Trust, Third Titan Title Holding Trust, and Fourth Valley Title Holding Trust are represented in the Lawsuit by:

O'HAGAN MEYER

G. The Representative Plaintiffs and Defendants prepared for and engaged in formal mediation on March 11, 2025, with Resolve Law as ordered by the Court.

H. The parties hereto have conducted informal investigation in connection with the claims asserted, and otherwise litigated, in the Lawsuit. The parties have exchanged informal discovery and researched the relevant legal and factual issues arising from all of the claims that are alleged in, or could have been alleged in, the Lawsuit. The parties' discovery efforts and the metrics that Representative Plaintiffs' Counsel possessed in advance of the mediation enabled Representative Plaintiffs' Counsel to fully evaluate the merits and value the case for settlement purposes.

I. Defendants have denied and continue to deny each of the claims and contentions asserted against it in the Lawsuit. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, is or may be construed or used in the Lawsuit or in any other action or proceeding (including any related proceedings) as an admission, concession or indication by or against Defendants or any Releasee of any fault, wrongdoing or liability whatsoever.

It is the intention of the parties to this Settlement Agreement to settle and dispose of, fully and completely, any and all claims, demands, and causes of action that are, or could have been, set forth in the Lawsuit by the Representative Plaintiffs. In that regard, Plaintiffs agree to dismiss all individual claims with prejudice per the terms of a separate settlement agreement between the parties regarding Plaintiffs' individual claims. The remaining PAGA claims are settled per the terms of this Settlement Agreement.

PROVISIONS

1. COOPERATION BY THE PARTIES

The parties to this Settlement Agreement and their counsel agree to cooperate fully with each other to promptly execute all documents and take all steps necessary to effectuate the terms and conditions of this Settlement Agreement.

2. APPOINTMENT OF SETTLEMENT ADMINISTRATOR

The parties will stipulate to and seek the Court's order appointing Phoenix Class Action Administration Solutions [whom have provided a written estimate of a \$2,250.00 cap] to act as the settlement administrator (the "Settlement Administrator") for purposes of this settlement. The Settlement Administrator shall be responsible for performing all necessary administration duties in exchange for its reasonable fees and expenses to be paid out of the Gross Settlement Amount (as defined below), but not to exceed \$2,250.00. These administration duties shall include, without limitation, the mailing of all settlement checks and tax forms to the LWDA, Allegedly Aggrieved Employees, the Representative Plaintiffs, Representative Plaintiffs' Counsel, and tax authorities.

3. APPLICABLE P.A.G.A. SETTLEMENT PERIOD

The "Settlement Period" is May 31, 2022, up through and including February 7, 2025, the date of business closure.

4. ALLEGEDLY AGGRIEVED EMPLOYEES

For purposes of this settlement only, the parties agree that the "Allegedly Aggrieved Employees" are all individuals hired by Defendants as an employee or on an independent contractor basis to work at A1 HD Towing, LLC business in Lancaster California at any time during the Settlement Period.

5. DISMISSAL OF CLASS AND INDIVIDUAL CLAIMS

Representative Plaintiffs shall provide Defendants with a signed dismissal of individual claims with prejudice. Defendants will be permitted to file said dismissals upon paying the Gross Settlement Amount and individual settlement amounts. Dismissal of the individual claims are material terms of this Agreement. Representative Plaintiffs shall participate in filing whatever supporting documents the Court requires to accomplish said dismissals.

6. SETTLEMENT CONSIDERATION

In consideration for the releases and dismissals set forth in this Settlement Agreement, Defendants agree to fund: (a) the payments to the Allegedly Aggrieved Employees and the LWDA pursuant to the payment procedures described herein; (b) the payment of attorneys' fees and costs, as set forth herein and as awarded by the Court; and (c) the administration costs of the Settlement Administrator, as set forth hereinafter.

(a) "Gross Settlement Amount" To Be Paid By Defendants

The "Gross Settlement Amount" to be paid by Defendants is the total sum of Twenty-Five Thousand Dollars (\$25,000.00). This constitutes the maximum payment by Defendants under the settlement and shall be "all inclusive," including: all payments to the Allegedly Aggrieved Employees and the LWDA, respectively; attorneys' fees and costs of Representative Plaintiffs' Counsel, as approved by the Court; the fees and expenses of the Settlement Administrator in connection with settlement administration, as approved by the Court; and all other settlement-related payments and costs. No condition will increase Defendants' liability for payments under this settlement in excess of the Gross Settlement Amount. Defendants shall pay the total sum of Twenty-Five Thousand Dollars (\$25,000.00) within thirty (30) days of settlement approval by the Court.

(b) No Escalator Provision

Defendants represent that, as of February 7, 2025, there are 968 pay periods worked by 34 Allegedly Aggrieved Employees ("Affected Pay Periods") of A1 HD Towing, LLC. Given the business closure, there is no need to be concerned with inclusion of an escalator provision since affected pay periods will not increase.

(c) Attorneys' Fees and Costs

Defendants understand that Representative Plaintiffs' Counsel will file an application for an award of attorneys' fees in an amount not to exceed Six Thousand Two Hundred Fifty Dollars (\$6,250.00) [i.e., one-fourth of the Gross Settlement Amount] and reimbursement of their costs in an amount not to exceed One Thousand One Hundred Forty-Nine Dollars and Fifty-Eight Cents (\$1,519.05). Third party administration costs are determined to be no more than \$2,250.00 pursuant to the Third Party Administrator's April 3, 2025, estimate based on thirty four (34) aggrieved employees. Defendants agree not to object to such application up to such amounts. Any such attorneys' fees and costs approved by the Court shall be paid from the Gross Settlement Amount. If the Court awards attorneys' fees in an amount that is less than one-fourth of the Gross Settlement Amount, then the difference between one-fourth of the Gross Settlement Amount and the amount of attorneys' fees actually awarded by the Court shall become part of the Net Settlement Amount (as defined below).

7. ALLOCATIONS AND CALCULATIONS

(a) Settlement Administrator's Role

The Settlement Administrator shall calculate amounts to be paid to the Allegedly Aggrieved Employees and the LWDA, respectively, as provided below. The Settlement Administrator also shall pay all settlement proceeds out of a qualified settlement fund, on a confidential basis, issue IRS tax forms.

(b) Net Settlement Amount and Payment to the LWDA

The Gross Settlement Amount less: (i) attorneys' fees and costs to Representative Plaintiffs' Counsel and (ii) administration costs of the Settlement Administrator, shall constitute the "Net Settlement Amount." 75% of the Net Settlement Amount shall be paid to the LWDA and the remaining 25% shall be paid to the Allegedly Aggrieved Employees based on their relative employment tenure with Defendants (in workweeks). Allegedly Aggrieved Employees shall not be required to submit a claim form to receive their respective shares. The total and individual number of workweeks worked by Allegedly Aggrieved Employees during the Settlement Period shall be calculated according to Defendants' records.

(c) Tax Treatment

The entirety of each settlement payment paid to each Allegedly Aggrieved Employee will be attributable to alleged penalties, which will be reported to the IRS on Form 1099.

8. ADMINISTRATION OF GROSS SETTLEMENT AMOUNT

(a) List of Allegedly Aggrieved Employees

Within fourteen (14) calendar days after settlement approval, Defendants shall provide to the Settlement Administrator information constituting a list of Allegedly Aggrieved Employees showing the name, social security number, last known address, and last known telephone number (if available) of each Allegedly Aggrieved Employee. Such information also shall include the number of weeks each Allegedly Aggrieved Employee was employed by Defendants during the Settlement Period and the number of pay periods attributable to each Allegedly Aggrieved Employee.

(b) Address Verification Procedures

The Settlement Administrator will perform address updates and verifications as necessary prior to the first mailing of the settlement checks to the Allegedly Aggrieved Employees. The Settlement Administrator will perform one skip trace as to any payments that are returned by the post office for invalid addresses within five (5) calendar days of its receipt of such returned payment and will re-mail the payment to an updated address (if any) within fifteen (15) calendar days of receipt of the returned mail. The parties intend that reasonable, but not extraordinary, means be used to locate Allegedly Aggrieved Employees. If no other address is found, no further action is required.

(c) Settlement Administrator's Calculations

The Settlement Administrator shall calculate the amounts to be paid to the Allegedly Aggrieved Employees from the Net Settlement Amount pro rata based on the number of pay periods of each Allegedly Aggrieved Employee in relation to the total of all pay periods of all Allegedly Aggrieved Employees. Defendants' counsel and Representative Plaintiffs' Counsel will be provided access to all calculations forming the basis for such determinations. The fees and expenses of the Settlement Administrator in connection with said verification and/or performance shall be considered settlement administration expenses and shall be paid from the Gross Settlement Amount. All of the fees and expenses of the Settlement Administrator in connection with printing, issuing

and/or mailing settlement payments shall be considered settlement administration expenses and shall be paid from the Gross Settlement Amount, as provided herein. The Court shall retain jurisdiction over the correctness of such calculations and the number of payments due, and the parties shall submit any disagreements regarding these issues to the Court for determination.

(d) Disbursement Of Payments

Payments to Allegedly Aggrieved Employees, payment to Representative Plaintiffs' Counsel for Court-approved attorneys' fees and costs, and payment to the Settlement Administrator for all settlement administration expenses shall be made no later than thirty (30) days after the date on which the time to challenge any aspect of this settlement by appeal has lapsed, provided that no such appeal has been filed (regardless of whether any objections to the settlement were made). If any such appeal is filed, the payments described in this paragraph shall be made no later than thirty (30) days after a final resolution of all appeals that result in the upholding of the parties' settlement. The date defined and determined by this paragraph shall be called the "Effective Date."

(e) Waiver of Right to Appeal

Provided that the judgment comports with the terms of the Agreement, Plaintiffs, PAGA Settlement Employees, and Defendants all hereby waive all rights to appeal in connection with the judgment, with the exception that Plaintiffs and Plaintiffs' Counsel may appeal any order reducing by more than 30% the requested attorneys' fees and costs. The Parties may also appeal any order that alters any language in the release.

(f) Settlement Payment Explanation

The settlement payment shall include a brief description that the payment is the Allegedly Aggrieved Employee's share of a lawsuit resolving the instant claims in a form substantially similar to that attached hereto as **Exhibit A**. Exhibit A is hereby incorporated by reference as though set forth fully herein and is a material part of this Settlement Agreement. Notwithstanding the foregoing, insubstantial changes to the attached exhibit shall not invalidate this Settlement Agreement.

(g) Unclaimed or Uncashed Settlement Checks

Settlement checks mailed to Allegedly Aggrieved Employees and the LWDA shall be valid for a period of one hundred eighty (180) calendar days from the date of issuance. At the end of the 180-day period, the Settlement Administrator shall cause the funds represented by any un-cashed checks to be transmitted to the State of California Unclaimed Property Fund, in the name of the intended beneficiaries of the checks.

(h) Payment Of Settlement Funds Will Not Be Considered By Defendants As Having Any Effect On Any Employee Benefit Plan and Similar Plans

The payment to any individual Allegedly Aggrieved Employee as provided for in this Settlement Agreement is not and shall not be deemed by Defendants to constitute an addition to, a modification of, or a change in any previously credited hours of service, compensation and/or wages under any employee benefit plan, employment policy, or stock option plan of or sponsored by the

Defendants or any of its present or former parent corporations or affiliates or any jointly trustee benefit plans. Any such payment to any Allegedly Aggrieved Employee shall not be considered by Defendants to form the basis for additional contributions to, additional benefits under, or any other additional entitlements under any employee benefit plan, employment policy, or stock option plan of or sponsored by Defendants or any of their present or former parent corporations or affiliates or any jointly trustee benefit plans. Defendants and each of their present and former parent corporations and affiliates retain the right to modify and/or amend the language of their employee benefit plans, employment policies, and stock option plans, and to seek to have modified and/or amended the language of any jointly trustee benefit plans, to make clear that any amounts paid as a result of this Settlement Agreement are not considered by Defendants as compensation or wages, or payments for "hours worked," as defined by the applicable plans and policies, and that no additional contributions or benefits will be provided by Defendants by reason of the settlement.

(h) No Claims Against The Parties, Their Counsel, Or The Settlement Administrator

No person shall have any claim against Defendants, Defendants' counsel, the Representative Plaintiffs, Representative Plaintiffs' Counsel, or the Settlement Administrator based on distributions and payments made in accordance with this Settlement Agreement.

9. RELEASED CLAIMS

(a) Release

As of the "Effective Date" and following payment by Defendants of all funds due under the terms of this Settlement, the Representative Plaintiffs and all Allegedly Aggrieved Employees release Defendants, A1 HD TOWING, LLC, a California limited liability company; JOSE F. PINEDA, an individual; ALMA VERONICA PINEDA, an individual; JEAN ANTONIA PINEDA, an individual; PRIMA AMERICAN ASSET MANAGEMENT, LLC, an Alaska limited liability company, as Trustee for the Second Port Title Holding Trust, Third Titan Title Holding Trust, and Fourth Valley Title Holding Trust, and each of their past, present and future owners, stockholders, all present and former parent corporations, related or affiliated companies, subsidiaries, officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers and re-insurers, and their respective successors and predecessors in interest, each of their company-sponsored employee benefit plans of any nature (including, without limitation, profit-sharing plans, pension plans, 401(k) plans, and severance plans) and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and any individual or entity that could be jointly liable with Defendants (the "Releasees") from the "Released Claims" during the Settlement Period.

(b) Released Claims

The "Released Claims" that the Representative Plaintiffs and the Allegedly Aggrieved Employees are releasing for the Settlement Period are defined as: All claims, demands, rights, liabilities, and causes of action that were, or could have been asserted on behalf of the Allegedly Aggrieved Employees in the Lawsuit and identified in Representative Plaintiffs' December 21, 2022,

notice letter to the LWDA attached hereto as **Exhibit B**, pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* ("PAGA"), based on alleged violations of Labor Code §§ Labor Code sections 201, 202, 203, 204, 226, 246, 510, 512, 1174, 1194, 1197, 1198, 2802 and 2699(f)(2) for the following alleged violations: (1) failure to pay all wages earned; (2) failure to pay overtime wages; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide sick pay; (6) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to keep accurate employment records, (8) failure to reimburse for business expenses, attorneys' fees and costs (including, but not limited to attorneys' fees and costs pursuant to Labor Code §§ 218.5, 1193.6, and 2699(g), Code of Civil Procedure §1021.5), or interest arising out of the claims at issue, including, without limitation: alleged unpaid minimum wages, unpaid overtime, failure to provide meal periods, failure to provide rest breaks, failure to timely pay wages when due, failure to pay all wages due and owing at termination, failure to keep accurate employment records, and for any shortcomings, deficiencies, and/or inaccuracies in any wage statements or other employment records, including but not limited to any failure to provide such wage statements entirely or failure to provide the requisite elements mandated by the California Labor Code, whether by Labor Code § 226 or otherwise. This release of claims under PAGA is not intended to effect either a release or waiver of any individual claims asserted on behalf of the Allegedly Aggrieved Employees outside of PAGA, nor is it intended to establish *res judicata* against any such claims outside of PAGA. Provided, however, that this Settlement Agreement requires that Plaintiffs dismiss all individual claims in the Lawsuit with prejudice. These dismissals are material terms of this Settlement Agreement.

10. JOINT STIPULATION REQUESTING APPROVAL

The Representative Plaintiffs shall promptly file either a Motion for Final Approval of this Settlement, or a joint stipulation and proposed order with the presiding Court requesting approval of this Settlement Agreement, including approval of Representative Plaintiffs' Counsel's fees and costs and the reasonable costs of the Settlement Administrator, and concurrently submit a copy of the motion or joint stipulation and proposed order to the LWDA pursuant to California Labor Code §2699(I). Representative Plaintiffs' Counsel will provide Defendants' counsel with a draft of the motion at least five business days before filing, to enable Defendants to propose revisions before the motion is filed. The motion shall be served on the LWDA upon the motion's filing with the Court. The Representative Plaintiffs shall submit a copy of the presiding Court's judgment or other order to the LWDA within ten (10) days after entry of the judgment or order.

11. CONFIDENTIALITY

The parties and their counsel agree that they will not issue any press releases or press statements, post any internet disclosures, have any communications with the press or media, or have any communications via social media, about the Lawsuit or the Settlement Agreement, or otherwise publicize the terms of the settlement. Notwithstanding the foregoing, the parties and their counsel shall be allowed to refer to the settlement in seeking court approval of the same and in communicating with the Settlement Administrator, the LWDA, or Allegedly Aggrieved Employees regarding the Settlement.

12. NO TAX ADVICE

Neither counsel for the Representative Plaintiffs nor counsel for Defendants intend anything contained herein (or in any other document pertaining to the Lawsuit) to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such. The parties and the Allegedly Aggrieved Employees should rely exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement and any payments resulting from this settlement.

13. TERMINATION OF SETTLEMENT AGREEMENT

Subject to the obligation of mutual cooperation set forth above, if the Court declines to approve the settlement and enter a final order and judgment substantially in the form submitted by the parties, the Parties agree to adjust the allocation of funds towards the PAGA claim up to a maximum of an additional 25% or \$6,250.00, representative of the attorney fees to be awarded pursuant to this Agreement. Any party may terminate this Settlement Agreement if the Court declines the settlement and does not enter a final order and judgment substantially in the form submitted by the parties after the adjustment. Termination shall have the following effects:

(a) This Settlement Agreement shall be terminated and shall have no force or effect and no party shall be bound by any of its terms. All settlement payments to be made pursuant to the Individual Settlement Agreement shall not be affected by the timelines set forth in this Representative Agreement and shall be remitted pursuant to the terms of the Individual Settlement Agreement which calls for payments to be made and to held in trust account of attorney for Plaintiffs and not disbursed until this Agreement is fully executed and approved by the Court.

(b) If the settlement is terminated, Defendants shall have no obligation to make any payment to the LWDA, the Allegedly Aggrieved Employees, the Representative Plaintiffs, or Representative Plaintiffs' Counsel under this agreement; however, whichever party terminates the agreement shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the settlement has been terminated, and if the Court refuses to approve the settlement, each side shall split the administrative costs equally;

(c) The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the parties, all of whom shall be restored to their respective positions in the litigation prior to the settlement; and

(d) Neither this Settlement Agreement nor any ancillary documents, actions, statements, or filings in furtherance of settlement (including any matters associated with the mediation) shall be admissible or offered into evidence in the litigation or any other action for any purpose whatsoever.

14. REPRESENTATIONS AND WARRANTIES

Each party to this Settlement Agreement represents and warrants that he or it has not heretofore assigned or transferred, or purported to assign or transfer, any of the claims released pursuant to this Settlement Agreement to any other person and that he or it is fully entitled to compromise and settle same.

15. CALIFORNIA LAW

All questions with respect to the construction of this Settlement Agreement and the rights and liabilities of the parties hereto shall be governed by the laws of the State of California applicable to agreements to be wholly performed within the State of California.

16. OWN COUNSEL

Each party hereto acknowledges that he or it has been represented by counsel of his or its own choice throughout all of the negotiations which preceded the execution of this Settlement Agreement and in connection with the preparation and execution of this Settlement Agreement.

17. STAY OF LITIGATION

The parties hereto agree to stay this litigation, except as necessary to complete, finalize, and implement this Agreement. However, if this Agreement is not approved by the Court and the Agreement is terminated, the stay will be automatically lifted and litigation may resume without further Court order.

18. FURTHER ACTS AND DOCUMENTS

The parties hereto agree to do such acts and execute all such documents necessary to effectuate the intent of this Settlement Agreement.

19. COUNTERPARTS

This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and will be effective upon execution by all parties. Facsimile signatures shall be deemed original signatures for all purposes.

20. HEADINGS

The headings contained in this Settlement Agreement are for reference only and are not to be construed in any way as a part of the Settlement Agreement.

21. ENTIRE AGREEMENT

This Settlement Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral and written agreements and discussions with exception to the agreements resolving Plaintiffs' individual claims and release of same. Each of the Parties covenants that he or it has not entered into this Settlement Agreement as a result of any representation, agreement, inducement, or coercion, except to the extent specifically provided herein. Each party further covenants that the consideration recited herein is the only consideration for entering into this Settlement Agreement and that no promises or representations of another or further consideration have been made by any person. This Settlement Agreement may be amended only by an agreement in writing duly executed by all parties hereto.

22. BINDING EFFECT

This Settlement Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, assigns and successors-in-interest, and certain intended third-party beneficiaries, including without limitation, the other Releasees.

23. DRAFTING

Each party hereto has cooperated in the drafting and preparation of this Settlement Agreement. Hence, in any construction to be made of this Settlement Agreement, the same shall not be construed against any party as drafter of this Settlement Agreement.

24. SEVERABILITY

In the event any covenant or other provision herein (except for the release in Paragraph 9 herein) is held to be invalid, void or illegal, the same shall be deemed severed from the remainder of this Settlement Agreement and shall in no way affect, impair or invalidate any other covenant, condition or other provision herein. If any covenant, condition or other provision herein is held to be invalid due to its scope or breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.

25. AUTHORITY

Each party hereto warrants and represents that each of the persons or entities executing this Settlement Agreement is duly empowered and authorized to do so.

26. ADMINISTRATION OF SETTLEMENT AND COMPLIANCE

The Court shall have continuing jurisdiction to resolve any dispute which may arise with regard to the terms and conditions of this Settlement Agreement as set forth herein.

WHEREFORE, the Representative Plaintiffs, in their capacity as a proxy for the LWDA, and Defendant, by its duly authorized agents or counsel, have executed this Settlement Agreement as of the dates set forth below.

Plaintiff Christopher Pennington

Dated: April __, 2025


Christopher Pennington (Apr 21, 2025 15:23 PDT)

Christopher Pennington

Plaintiff Andrew Allan Barker

Dated: April __, 2025


Andrew Barker (Apr 21, 2025 15:37 PDT)

Andrew Allan Barker

Plaintiff Jose Luis Sanchez

Dated: April __, 2025

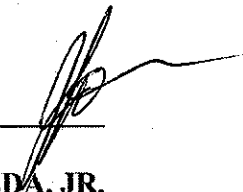

Jose Luis Sanchez Page 21, 2025 15:11 PDF

Jose Luis Sanchez

Defendant A1 HD Towing, LLC

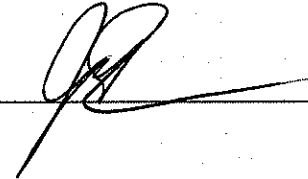
Dated: April 22, 2025

A1 HD TOWING, LLC

By Jose Pineda 

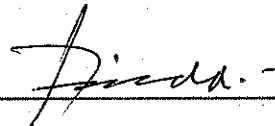
Dated: April 22, 2025

DEFENDANT JOSE FRANCISCO PINEDA, JR.



Dated: April 22, 2025

DEFENDANT JOSE F. PINEDA, SR.



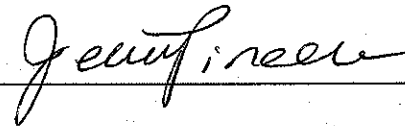
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DEFENDANT ALMA VERONICA PINEDA



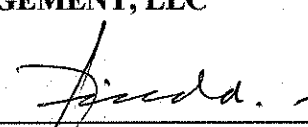
Dated: April 22, 2025

DEFENDANT JEAN PINEDA



DEFENDANT PRIMA AMERICAN ASSET
MANAGEMENT, LLC

Dated: 4-22-25

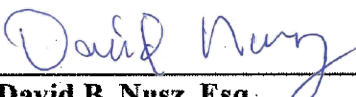


Jose F. Pineda, Sr.
Member

APPROVED AS TO FORM:

O'HAGAN MEYER

Dated: 4/22/2025


David B. Nusz, Esq.
Attorneys for Defendants

FINNEGAN & DIBA, ALC

Dated: 4/22/25

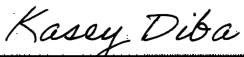

Kasey Diba, Esq.
Attorneys for Plaintiffs

EXHIBIT A

[INSERT]

[insert address]

[Date] 2025

[insert employee name]

[insert employee address]

Re: Explanation of Settlement Payment

Dear Current or Former A1 Towing Worker:

[INSERT] is the Court-approved settlement administrator for a lawsuit entitled *Christopher Pennington, et al. v. A1 HD Towing, LLC, et al.*, Los Angeles County Superior Court Case No. 23STCV12291 (the "Lawsuit").

The plaintiffs brought suit pursuant to the California Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* ("PAGA"), asserting the following claims against A1 HD Towing, LLC for (1) failure to pay minimum and wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to keep accurate employment records, (8) failure to provide employment records, (9) failure to provide sick pay, (10) unfair business practices, and (11) a claim for civil penalties under the Private Attorneys General Act of 2004. Plaintiffs alleged those violations were committed against individuals who worked for A1 HD Towing at any time between May 31, 2022, and February 7, 2025. A1 HD Towing, LLC deny all liability. The parties reached a settlement, which the Court approved.

In a PAGA case, a plaintiff brings a lawsuit on behalf of the State of California seeking penalties under the PAGA law. The law requires that 75% of the net recovery go to the State and the remaining 25% to the affected employees. A1 HD Towing LLC's records show that you are one of the workers who is entitled to a share of the settlement. The enclosed payment constitutes your share of the settlement. This payment does not release any individual claim you may believe you have.

Very truly yours,

[INSERT]