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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

DAVID ALEGRIA, Individually, and on behalf of other members of the general public similarly situated, Plaintiff, vs. NEXEN TIRE AMERICA, INC., a Maryland Corporation; and DOES 1-10, inclusive, Defendant	CASE NO. CIVSB2304566 **FIRST AMENDED DECLARATION OF ERIC K. YAECKEL IN SUPPORT OF PLAINTIFF'S UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT AND CERTIFICATION OF PROVISIONAL SETTLEMENT CLASS** Date: May 8, 2026 Time: 8:30 a.m. Judge: Hon. Kevin C. Lee Dept.: S26

I, Eric K. Yaeckel, hereby declare as follows:

1. I am an attorney licensed to practice law before this Court and am employed with the law firm of Sullivan & Yaeckel Law Group, APC, attorneys of record for Plaintiffs DAVID ALEGRIA, Individually, and on behalf of other member of the general public similarly situated, in the above-captioned matter. I make this declaration in support of Plaintiff's Unopposed Motion for Preliminary Approval of Class Action Settlement.
2. I have personal knowledge of the facts set forth in this declaration and if called to testify as a witness, I could and would do so.

Background and Investigation

3. On February 22, 2023, Plaintiff Alegria filed the Complaint in this matter. The Complaint alleged proposed class claims only, under the California Labor code involving, *inter alia*, (1) failure to pay minimum wages; (2) failure to pay proper overtime compensation; (3) failure to provide meal breaks; (4) failure to provide rest breaks; (5) failure to reimburse employees for necessary business expenses; (6) failure to provide accurate itemized wage statements; and (7) failure to pay all wages to upon termination. On June 5, 2023, Plaintiff filed a First Amended Complaint, adding representative PAGA claims for penalties based on the same violations asserted in his original complaint.
4. On July 17, 2023, Plaintiff propounded discovery requests on NEXEN. Through these requests, Plaintiff sought, among other information and documents, the identities of putative class members, compensation policies, Meal and Rest Period policies, employee handbooks, wage statements, payroll records, time records, job descriptions, and reimbursement policies.
5. NEXEN provided discovery responses, documents, and objections to Plaintiff's requests. After a lengthy meet and confer processes, NEXEN produced, *inter alia*, Plaintiff's time and wage records, copies of the relevant employee handbooks, copies of all other relevant employee

policies, the contents of Plaintiff's employee file, Plaintiff's time records, and itemized wage statements.

6. Defendant also propounded several sets of written discovery on Plaintiff. There were several sets of written discovery exchanged between the parties.

7. Following further substantive exchanges of discovery and litigation, the parties agreed to explore resolution. As part of the settlement discussions, NEXEN agreed to voluntarily produce and <u>verify</u> hundreds of pages of documents. The production included all relevant policies. It also included a large sampling of other class members' time and wage data.

8. On July 14, 2025, the Parties attended a Mediation before experienced "Wage and Hour" Mediator, the honorable Herbert Hoffman (Ret.). Following a full day of arms-length negotiations, the Parties both agreed to a mediator's proposal to resolve all potential claims against the Defendant. Prior to mediation, counsel for both parties agreed to the informal exchange of information, and case theories and defenses pertinent to a class-wide settlement. Prior to mediation, plaintiff prepared and provided a detailed mediation brief.

9. Prior to mediation, the parties conducted depositions, including the depositions of (1) the Person(s) Most Knowledgeable for NEXEN, and (2) Plaintiff Moreno.

10. As of September 2, 2025, the parties agreed on all final terms of the settlement which was memorialized in the Agreement. A true and correct copy of the parties Agreement is attached to this declaration as **Exhibit A**. Plaintiff now seeks the Court's preliminary approval of the Agreement.

<u>Terms of the Agreement</u>

11. The parties estimate that as of July 14, 2025, the Settlement Class consisted of Thirty-Seven (37) individuals, as determined by Defendant's employment records.

12. The parties agreed to use CAC Services, LLC, as the "Settlement Administrator" for purposes of providing the Notice of Class Action Settlement, issuing payments pursuant to the Agreement, and carrying out all duties pursuant to the Agreement. CAC's sole business is the administration of class action settlements and class action notices.

13. The Agreement provides for an automatic Individual Settlement Payment to the members of the Class. No claims need be submitted. Class Members will be entitled to an average share of approximately **$3,155.28~~3,176.83~~.**

14. A true and correct copy of the parties agreed upon Class Notice is attached as **Exhibit B**. A true and correct copy of the Opt-Out/Request for Exclusion form and the Objection to Settlement form are attached as **Exhibit C**.

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15. The Class Representative Enhancement Payments were part of good faith negotiations and are intended to recognize that it was the Class Representatives (Mr. Alegria and Moreno) who initiated the lawsuits, initiated the PAGA claims, provided critical documents and witnesses to their attorneys, and worked with their attorneys to propound and prepare written discovery, all in an effort to obtain money allegedly owed not only to themselves, but to many other employees.

Claims Analysis and Potential Recovery

16. Each of the primary claims also had risks to obtaining both class certification and a finding of liability. If Defendants' defenses were successful, the class would not receive anything. As set forth below, Plaintiff submits that the most realistic "best case" scenario would be an average recovery per class member of approximately **$23,300.61**, and a worst case scenario would be a recovery of $0, by way of decertification or defense verdict.

17. Given all the risks on each claim, the estimated $3,155.28~~3,176.83~~ average recovery secured via this settlement is a reasonable compromise and is in the best interests of the class given all the risks of continued litigation.

18. The following estimated damage calculations were completed after review of the sampling of class member time and wage records, and after interviews with Plaintiff, and other class members. The breakdown of the damage and penalties calculation is as follows:

Unpaid Compensation Violations: **22** (employee positions) *x* **$23.10** (average Hourly Rate) *x* **1.5** (min. overtime premium owed) *x* **54** (average number of unpaid Overtime hours, per employee, per year) *x* **4.50** (years in Limitations Period before ceasing "rounding") = **$185,238.90**.

Meal Period Policy Violations: **22** (employee positions) *x* **$23.10** (average Hourly Rate) *x* **125** (average number of Meal Period violations, per employee, per year) *x* **6.50** (years in Limitations Period) = **$412,912.50**.

Rest Period Policy Violations: **22** (employee positions) *x* **$23.10** (average Hourly Rate) *x* **250** (average number of Rest Period violations, per employee, per year) *x* **6.5** (years in Limitations Period) = **$825,825**.

Labor Code § 226 Penalties: **22** (employee positions) *x* **25** (average number of Wage Statements received, per employee, per year) *x* **$100** (penalty amount) *x* **6.5** (years in Limitations Period) = **$357,500**.

Labor Code §2802 Penalties: **37** (total number of employees) **x $10** (estimated average amount of reimbursement due per employee) = **$370.**

Labor Code § 203 Penalties: **18** (number of ex-employees) *x* **$23.10** (average Rate of Pay) *x* **8.05** (average number of work hours, per day) *x* **30** (days for recovery, per statute) = **$100,415.70**.

<u>"PAGA" Violations</u>: **6** (separate Labor Code violations based on the above claims) **x $100** (per violation) x 1,670 (pay periods in limitations period) = **$1,002,000.00**. The aggrieved employees are only entitled to s 25% share of this amount, which is **$250,500.00**.

19. Based on the above, a best case recovery (which would be admittedly highly unlikely, given the factors set forth below) would be a total judgment of $2,132,762.10.

<u>Relevant Case Law Supports a Further Reduction on any Recovery</u>

20. It is my opinion that it would be *highly* unlikely to ever be awarded any amount approaching the maximum damages set forth above. To wit, the majority of the damages above are "derivative" penalties under PAGA, Labor Code § 203 and Labor Code § 226.

21. Please see the analysis of the relevant case law cited in the memorandum (pp.11) which allows significant mitigation of PAGA penalties, which prohibits stacking of multiple penalties for the same underlying conduct and declines to automatically award §§ 203 and 226 penalties for meal and rest break violations without a further evidentiary showing.

22. Our office believes a mitigation of the damages and potential PAGA penalties would be warranted here. Defendants stepped up to discuss early resolution. Also, as in the *Carrington* case (which was handled by this office), there is evidence that Defendant attempted to provide meal and rest periods *in practice*, even where the breaks were missed. Given this, it is likely that any violations by Defendant were not "willful." Finally, given the defenses raised by Defendant to maintaining this matter as a class or representative action, there was a significant risk that many of the claims would not have even been able to survive to a trial.

23. Given my experience, I believe it would be likely that PAGA penalties would be reduced to approximately $5 a violation, and the Court would decline to impose Labor Code § 203 and Labor Code § 226 penalties.

24. If this happened, the realistic anticipated "best case" judgment following trial would be approximately $1,436,871.40. Discounting 40% for contingent costs (fees and costs award, enhancement bonus, administration, etc.), the average class member's share of this recovery would be **$23,300.61**. ($862,122.84 divided by 37 class members). Given our office's analysis, I submit this number is the most likely "best case" recovery per class member. Given all the risks on each claim the estimated **$3,155.28~~3,176.83~~** average recovery secured via this settlement is a reasonable compromise and is in the best interests of the class given all the risks of continued litigation.

Analysis of Risk on Each Potential Claim

25. Plaintiff's unpaid wages (and overtime) claims were based on the allegation that employees were performing unpaid work due to the NEXEN timekeeping system, which required employees to record their "scheduled" (not "actual") work times. Moreover, NEXEN "rounded" its employees work time, even where NEXEN knows the exact time each employee "begins" and "ends" each work-shift. Plaintiff alleged this resulted in regular time and overtime pay being owed where Defendants were on notice of work being performed without pay.

26. Defendants denied that any unpaid work occurred, and even if some did occur, Defendants claimed it was not on notice of these alleged Labor Code violations and had a strict written prohibition against off-the-clock work and a mandate that all time worked must be accurately recorded. Defendants asserted proof of these alleged violations would require individualized inquiries, which could preclude class certification and make any PAGA claims unmanageable.

27. Plaintiffs were able to identify hundreds of examples of missing or late Meal Periods without the provision of a Meal Period penalty payment. Separately, it is undisputed that NEXEN "rounded" its Meal Period times before deciding whether to pay a Meal Period Penalty. Defendants argued that these records do not conclusively show whether (1) Defendants

actually failed to provide the Meal Period, (2) there was a voluntary waiver, (3) employees forgot to clock out, or (4) employees voluntarily chose to skip or take them late even though they were provided. Defendant further argued that evidence existed that rebutted any presumption that the same records could be used as a basis for determining liability. Additionally, in light of the written Meal and Rest Period policy, NEXEN contended there was no uniform policy or practice of denying Meal and Rest Periods, requiring individualized inquiries that would make any PAGA claims unmanageable.

28. Plaintiff alleges that the Rest Period policy (1) contained patently illegal language restricting employees to the work premises, and (2) lacks additional required statutory language. Plaintiff also alleged the Defendant's written policies improperly restricted class members from leaving the premises during their Rest Periods, among other deficiencies. NEXEN pointed out that it provided for adequate breaks and argued that witness testimony would demonstrate that in practice, no restriction on Rest Periods was ever enforced. NEXEN also contended individualized inquiries abound as to why individual employees may have failed to take appropriate Meal or Rest Periods.

29. Plaintiff acknowledges that these claims are largely derivative, in that both the gross and net wages could be found to be inaccurate, due to the above-referenced claims. NEXEN argued that the failure to list gross and net wages are derivative of other claims that may ultimately fail and as a result there is no "knowing and intentional failure" to list information, which triggers liability under Labor Code §226(e).

30. The California Supreme Court has recently held that the failure to pay meal and rest period premiums ***may*** give rise to a claim for inaccurate wage statements (or waiting time penalties). However, such derivative liability is not automatic and the Plaintiff still must show *a* "knowing and intentional" or "willful" failure to comply with the Labor Code. See *Naranjo v. Spectrum*

Security Services, Inc. (2022) 13 Cal.5th 93,109. Defendants (as with the underlying Meal and Rest Period claims) maintained individualized inquires would abound as to why breaks were missed and whether meal and rest period premiums should have been paid, requiring individualized inquiries that would make any PAGA claims unmanageable.

31. Plaintiff contended that NEXEN violated Labor Code section 2802 by failing to reimburse its employees for certain costs. NEXEN contended that Plaintiffs' (and others') position did not require the use of a personal cell phone.

32. Based on all of the above, my experience, and all the information within the moving papers, I submit that this proposed Settlement is fair, adequate and reasonable. I also submit it is well within the accepted range of recoveries for similar wage and hour class actions.

Certification of the Proposed Settlement Class is Appropriate

33. Here, Defendant's records show that approximately **37 class members** worked for the company during the limitations period.

34. The proposed class is ascertainable because all Class Members currently or formerly worked for Defendant as a nonexempt employee and will be identified through Defendant's employment records. Thus, the ascertainability requirement is met.

35. Here, for purposes of the Settlement, the parties agree the claims of Class Members all involve the same questions of law and fact. Namely, all class members were subject to the same employment policies and practices of Defendant.

36. The proposed class representative has no adverse interests to the class. Plaintiff is paid based on the same formula as other class members and have claims substantially the same as all the other Class Members.

37. Additionally, any Class Member who wishes to "opt out" of the Settlement may do so and retain all of their individual rights. Therefore there is no conflict of interest between the Class

Representatives and the Class Members. Thus, at least for settlement purposes, we submit the adequacy prong is met.

38. The proposed class in this case is sufficiently cohesive because, for purposes of the Settlement only, the parties have stipulated that all class certification elements are met.

39. Given that there are 37 individuals, it would be preferable to resolve all of the Class Members' claims by means of a class-wide settlement than to require each Class Member to litigate his or her individual claims.

<u>Preliminary Approval of the Class Action Settlement Is Proper</u>

40. When negotiating the Settlement, both sides took into account the strengths and weaknesses of their opponent's positions as pointed out by mediator Herbert Hoffman (Ret.), the data available to evaluate liability and damages, the lack of data or evidence on certain issues, and the substantial and evolving law applicable to the merits of the claims. The Agreement was only agreed to after extensive arms-length negotiations resulting in a unique compromise that permits all parties to move forward and bring this action to close. Despite a mutual desire to resolve this action, the negotiations remained at all times adversarial.

41. Plaintiffs' Counsel's effectiveness in prosecuting this case has translated into tangible monetary and non-monetary benefits for the Settlement Class Members in the following respects: **(1)** a guaranteed favorable result; **(2)** guaranteed monetary recovery over a reasonably short period of time, as opposed to possibly waiting additional years for a potentially worse result; and **(3)** significant savings in attorneys' fees and costs, which would have increased had the case progressed through trial and possible appeals.

42. Without entering into the Agreement, there existed a significant chance that Defendants would prevail on the merits of some or all claims and that Class Members would receive nothing.

Through the Agreement, participating Class Members receive guaranteed cash, and this action has also been the catalyst for programmatic relief.

43. If the litigation were to proceed in lieu of settlement, additional and substantial attorneys fees and costs, expert witnesses fees would quickly accumulate. Given the numerous claims being litigated, the parties may be required to hire multiple experts each (as many as 6 total). This would result in not only the production of six expert reports, but six depositions as well. And, based on previous discussions between counsel regarding the remaining claims (including the PAGA claims), Plaintiff anticipated at least one motion to compel, and two dueling motions for summary judgment / adjudication (one from each side).

44. Importantly, even after engaging in all of the potential continued and protracted litigation set forth above, the putative class would continue to have no guarantee of success on any of the claims advanced in this case. Thus, the parties and their counsel believe in good faith that the proposed resolution is a fair, reasonable, and adequate compromise.

45. At the time of the settlement, a Motion for Class Certification had not been filed. As the Court never ruled on the Motion, neither side had a decided advantage in the litigation. Even if Plaintiff did obtain class certification of the claims, each claim is subject to substantial risk of a Defense verdict at trial.

46. Plaintiff's counsel has also interviewed several Class Members in the course of investigating and litigating this matter. Counsel has also reviewed hundreds of pages of documents produced by Defendants, Plaintiffs, and Class Members. This information, along with documents and information obtained through formal discovery and from Class Members, allowed Plaintiff's counsel to prepare a detailed Mediation Brief. The Brief was provided to opposing counsel and contained a breakdown of potential damages based on all of the information obtained from all Parties.

47. Class Counsel has considerable experience in wage and hour and class action litigation. William Sullivan has over 30 years of experience, 29 years of which has been devoted to both prosecuting and defending class action litigation. I have over 14 years of experience in "class litigation." Mr. Kuhn has over 6 years of experience in class action litigation. Mr. Archer has a little over 1 year of experience in class action litigation.

48. Based on this experience, and all other relevant factors addressed above, our firm believes the Agreement to represent a fair, adequate and reasonable settlement that is well within the accepted range of recoveries for similar wage and hour class actions. We further believe the Agreement is in the best interests of the Settlement Class Members.

49. Based on this experience, we also believe the $15,000 allocation towards the PAGA claims is a fair, reasonable, and adequate allocation, especially given the risks of mitigation identified above.

50. Prior to preliminary approval, what can be said of the reaction the class members is limited. However, Plaintiff's counsel has spoken to some Class Members since the parties reached a proposed settlement agreement, and all were in favor of the Settlement.

The Lodestar Analysis

51. For purposes of a lodestar cross-check the S&Y's attorneys' fees incurred (to date) are estimated to amount to approximately $82,820.00. The Attorney's fees are broken down as follows:

a. I served as lead investigator and trial counsel. I was also the partner primarily assigned to oversee the "day to day" activity of the primary associates assigned to this case. My billing rate for this matter is $600.00 per hour. Over the course of the matter I have currently expended approximately **91.9** hours in the service of this action. **91.9** hours times **$600.00** equals **$55,140.00**. The work includes nearly substantial preliminary investigation, the

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Formatted: Indent: Left: 0.25", No bullets or numbering majority of the client and Class interaction/meetings, and assistance with some of the other pre-settlement work. The preliminary investigation included the review and analysis of several hundred documents. I also undertook a significant pre-filing investigation. During this time, I investigated Defendants, its business practices, and any variations in Class Members' job duties and rates of pay. I also engaged in most of the day to day communication with opposing counsel. The Plaintiffs and I were required to jointly review hundreds of pages of documents produced that were directly applicable to Plaintiff's employment. Moreover, I spent significant time reviewing the hundreds of pages of document produced for use in a potential Class Certification Motion and for Mediation. Prior to mediation, a defended Plaintiff Moreno's deposition. I also took a "Person Most Knowledgeable deposition. Each deposition required substantial preparation time. I also primarily handled the settlement discussions and attended (virtually) the full day of mediation. After a full day of mediation, there was a tentative settlement.

b. Mr. Ryan Kuhn (and later Mr. Cody Archer) served as the primary Associate Attorney assigned to the case. The billing rate for the associate attorneys is **$400.00** per hour. Collectively Mr. Kuhn and Mr. Archer expended approximately **54.2** hours in the service of this action. **54.2** hours times **$400.00** equals **$21,680.00**. The work performed consisted of, for the most part, analysis of Defendants' documents and records, in preparation for mediation, a class certification motion, and to analyze liability and damages for purposes of trial. Hundreds of pages of documents and a large electronic sampling of time and wage records were produced over time throughout the litigation. The associates were also assigned to discovery creation/review, assisting with all discovery responses, the preparation of "meet and confer" letters and other contact with defense counsel. The associates also provided a detailed analysis of all employment records to determine "commonality" and damages. Mr. Archer also worked extensively on the settlement approval motions.

c. Based on past experience, I estimate that Mr. Archer will incur an additional **15** hours in assisting Class Members on questions and issues regarding the settlement, meeting with Class Members (including on any late submissions), and preparing a Motion for Final Approval Motion, and for and attending the Final Approval hearing in this matter. 15 times $400.00 equals **$6,000.00**.

The Lodestar Multiplier

52. Bluntly, **no** multiplier is requested, or necessary, as the fees requested are **less** than the actual fees incurred. Specifically, our firm has incurred approximately **$82,820.00**. in actual fees, Capstone has incurred approximately **$40,275.00** in actual fees for a total lodestar figure of **$123,095.00**. Accordingly, no multiplier is necessary as Plaintiffs are only requesting **$83,330.00** in fees. Additionally, the settlement provides the class with a substantial monetary amount and the class strongly supports the fairness of the settlement, even after being notified of the requested attorneys' fee award (**0 opt-outs**, **and 0 objections**). In the event the Court deems a lodestar analysis is necessary it will confirm that Plaintiffs' fees are reasonable.

Additional Factors

53. Counsel has conducted a reasonable and diligent search if any other matters exist throughout California that relate to or would be influenced by this settlement. Counsel has not discovered any such matter. Defendant is concurrently filing a declaration attesting that the company also has no knowledge of related matters.

54. Both California and Federal Courts have repeatedly found the firm to be "Qualified Counsel" in class action cases. Listed below is a partial sampling of the matters I have worked on, in

which this firm has been found to be Qualified to act as Class Counsel on a Class Action matter either by stipulation of the parties, or by specific Court Order after a contested hearing:

- Aleksick v. 7-Eleven, et al.; Imperial County Superior Court Case #ECU03615;
- Aleksick v. Tucker, et al.; Imperial County Superior Court Case #ECU03615 and U.S. District Court-Southern District-Case#08-CV-59;
- Aguirre v. CLK; Imperial County Superior Court Case # ECU000765;
- Ballesteros v. Sharp Hospital, et al.; San Diego Superior Court Case #37-2009-00090532-CU-OE-CTL;
- Bactoctoy v. Standard Parking Corporation; San Diego Superior Court Case #37-2013-00081800-CU-OE-CTL;
- Best v. Gap Inc.; Los Angeles County Superior Court Case # BC717340;
- Biag v. King George J&J Worldwide Services Joint Venture, LLC; San Diego Superior Court Case #37-2019-00008239-CU-OE-CTL;
- Burzynski v. Wawanesa General Insurance Company, et al; San Diego County Superior Court Case # 37-2011-00085450-CU-OE-CTL;
- Brandt v. Utopia Management Inc.; San Diego Superior Coourt Case # 37-2012-00086208-CU-CO-CTL;
- Carlson v. Dynamic Claims, et al.; Orange Superior Court Case # 30-2008-00180032;
- Castillo v. Apple Core, et al.; Imperial County Superior Court Case # ECU05395;
- Castro v Plantronics; San Diego Superior Court Case# 37-2015-00014970-CU-OE-CTL;
- Cendejas v. Guard Management Inc.; San Diego Superior Court Case# 37-2011-000868690-CU-OE-CTL;

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- Clark v. Ann Taylor; San Diego Superior Court Case# 37-2019-00013185-CU-OE-CTL;
- Doyle v. Fireman's Fund Insurance Company, Marin County Superior Court, Case No. 1401441;
- Donohue v. AMN; San Diego Superior Court Case# 37-2015-00029010-CU-OE-CTL;
- Felarca v. IRAM, et al.; San Diego Superior Court Case#37-2008-00092465-CU-OE-CTL;
- Garcia v. DH Del Mar; San Diego Superior Court Case#37-2017-00002307-CU-OE-CTL;
- Gober v. Jamba Juice; San Diego Superior Court Case# 37-2019-00044167-CU-OE-CTL;
- Gonzalez v. Century Painting; San Diego Superior Court Case#37-2016-00028356-CU-OE-CTL;
- Harris v. FP Stores, Inc.; Los Angeles Superior Court Case # BC 396571;
- Hernandez v. Spectrum; San Diego Superior Court Case # 37-2018-00048710-CU-OE-CTL;
- Higgins v. Huntleigh USA, et al.; San Diego Superior Court Case#37-2008-00076708-CU-OE-CTL;
- Jack v. Hartford Fire Insurance Company; U.S. District Court-Southern District-Case # 09-cv-1683-MMA (JMA);
- Jones v. Jacob Healthcare, et al.; San Diego Superior Court Case # 37-2007-00081375-CU-OE-CTL;

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- Kitchen v. San Diego Blood Bank, et al.; San Diego Superior Court Case # 37-2019-00001533-CU-OE-CTL;
- Larios v. General Coating Inc.; San Diego Superior Court Case # 37-2010-00097512-CU-OE-CTL;
- Lemus v. Denny's Inc.; Southern District of California, Case No. 10-CV-2061;
- Mariscal v. Fuller; San Diego Superior Court Case # 37-2016-00033575-CU-OE-CTL;
- Morris v. Aaron Bros., et al.; San Diego Superior Court Case# GIC 857019;
- Ortiz v. Dunn; Riverside Superior Court Case # RIC 1827117;
- Ortiz v. CHC; San Diego Superior Court Case # 30-2017-00931909-CU-OE-CXC;
- Nieder v. Bridgepoint; San Diego Superior Court Case # 37-2016-00034704-CU-OE-CTL;
- Patton v. Alvarado Hospital; San Diego Superior Court Case # 37-2011-00090769;
- Paguaga v. JRK; Sonoma County Superior Court Case SCV-265444;
- Ramirez v. Tom Gonzales; Orange County Superior Court Case # 30-2017-00960135-CU-OE-CXC;
- Rasmussen v. Customized Service; San Diego Superior Court Case # 37-2020-00008581-CU-OE-CTL;
- Sagaz v. North Island, et al.; San Diego Superior Court Case #37-2009-00099913-CU-OE-CTL;
- Santy v. Vons Federal Employee Credit Union; San Diego Superior Court Case # 37-2011-00086134-CU-OE-CTL;

- Silva v. Banco Popular, et al.; U.S. District Court-Eastern Division-Case#CV 08-06300-JFW (AGRx);
- Silva v. See's Candies, et al.; San Diego Superior Court Case#37-2009-00100692-CU-OE-CTL;
- Soto v. Rancho Valencia; San Diego Superior Court Case#37-2019-00017152-CU-OE-CTL;
- Stevens v. Bridgepoint Education Inc. et al; San Diego Superior Court Case # 37-2011-00086135-CU-OE-CTL;
- Stramiello v. Athens Insurance Service, Inc., San Diego Superior Court Case #37-2019-00062872-CU-OE-CTL;
- Strickman v. Laidlaw Transit, et al.; San Diego Superior Court Case#37-2007-00075528-CU-OE-CTL;
- Tapia v. Southcoast Welding &Manufacturing, LLC; San Diego Superior Court Case #37-2019-00030405;
- Tapia v. Zales; Imperial County Superior Court Case # ECU000765;
- Toralba v. Rite Aid;San Diego Superior Court Case# 37-2017-00041583-CU-OE-CTL;
- Vega v. Scoobeez; San Diego Superior Court Case # 37-2017-00018285-CU-OE-CTL;
- Waters v. Advent, et al.; U.S. District Court-Southern District-Case #07CV2089 (BTM) (LSP);
- Widzer v. Capella; Orange County Superior Court Case Orange County Case No. # 30-2019-01056029-CU-OE-CXC; and

Wells v. Washington Inventory Service, Inc.; San Diego Superior Court # 37-2009-00096488-CU-OE-CTL.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 9th~~25th~~ day of April~~September~~, 2026~~5~~.

Eric Yaeckel

Eric K. Yaeckel

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Exhibit A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

DAVID ALEGRIA, Individually, and on behalf of other members of the general public similarly situated, Plaintiff, vs. NEXEN TIRE AMERICA, INC., a California Corporation, and DOES 1-10, inclusive, Defendants.	Case No.: CIVSB2304566 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE**

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement" or "Settlement Agreement") is made and entered into by and between Plaintiffs David Alegria and Mauro Moreno ("Plaintiffs" or "Class Representatives"), as individuals and on behalf of all others similarly situated, and Defendant Nexen Tire America, Inc. ("Defendant") (collectively with Plaintiffs, the "Parties").

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Action" means *Alegria v. Nexen Tire America, Inc.*, No. CIVSB2304566 (San Bernardino County Superior Court).

2. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court's approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys' fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Eighty-Three Thousand Three Hundred Thirty-Three Dollars ($83,333). The Attorneys' Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel's litigation and settlement of the Action, up to Twenty Thousand Dollars ($20,000), subject to the Court's approval. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of costs as set forth above.

3. "Class Counsel" means Sullivan & Yaeckel Law Group, APC and Capstone Law APC.

4. "Class List" means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator and Class Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member's full name; most

recent mailing address and telephone number; Social Security number; dates of employment; the respective number of Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other relevant information needed to calculate settlement payments.

5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendant in the State of California as non-exempt, hourly-paid employees at any time during the Class Period.

6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

7. "Class Period" means the period from February 22, 2019 through July 14, 2025.

8. "Class Representative Enhancement Payments" means the amounts to be paid to Plaintiffs in recognition of their effort and work in prosecuting the Action on behalf of Class Members, and for their general release of claims. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of Class Representative Enhancement Payments of up to Seven Thousand Five Hundred Dollars ($7,500), each.

9. "Court" means the San Bernardino County Superior Court.

10. "Defendant" means Defendant Nexen Tire America, Inc.

11. "Effective Date" means the later of: (a) if no timely objections are filed, or are withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

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

13. "Gross Settlement Amount" means the Gross Settlement Amount of Two Hundred Fifty Thousand Dollars ($250,000), to be paid by Defendant in full satisfaction of all Released Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments, Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement

Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiffs and Defendant based on the aggregation of the agreed-upon settlement value of individual claims. In no event will Defendant be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to Defendant. Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross Settlement Amount.

14. "Individual Settlement Payment" means each Participating Class Member's and PAGA Member's respective shares of the Net Settlement Fund and PAGA Fund.

15. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to Defendant.

16. "Notice of Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, and telephone number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; and (d) a statement whether the objector intends to appear at the final fairness hearing.

17. "PAGA Members" means all persons who worked for Defendant in the State of California as non-exempt, hourly-paid employees at any time during the PAGA Period.

18. "PAGA Period" means the period from February 8, 2022 through July 14, 2025.

19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with Plaintiffs' claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that Fifteen Thousand Dollars ($15,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to PAGA, Seventy-Five Percent (75%), or Eleven Thousand Two Hundred Fifty Dollars ($11,250), of the

PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency ("Labor and Workforce Development Agency Payment"), and Twenty-Five Percent (25%), or Three Thousand Seven Hundred Fifty Dollars ($3,750) ("PAGA Fund"), of the PAGA Settlement will be disbursed to PAGA Members, and regardless whether they request to be excluded from the Settlement Class.

20. "Parties" means Plaintiffs and Defendant collectively.

21. "Participating Class Members" means all Class Members who do not submit timely and valid Requests for Exclusion.

22. "Plaintiffs" means Plaintiffs David Alegria and Mauro Moreno.

23. "Preliminary Approval" means the date on which the Court enters an order granting preliminary approval of the Settlement Agreement.

24. "Released Class Claims" means all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts pleaded in the First Amended Complaint. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

25. "Released PAGA Claims" means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts pleaded in Plaintiffs' PAGA Notices.

26. "Released Parties" means Defendant, its past or present officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

27. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

28. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

29. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Settlement Administration Costs are currently estimated to be Two Thousand Eight Hundred Seventy-Four Dollars and Ten Cents ($2,874.10).

30. "Settlement Administrator" means CAC Services Group, LLC ("CAC"), or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

31. "Workweeks" means the number of days of employment for each Class Member during the Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least one Workweek during the Class Period, and all PAGA Members will be credited with at least one Workweek during the PAGA Period.

TERMS OF AGREEMENT

The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

32. Second Amended Complaint. As a condition of settlement, the Parties will stipulate to the filing of a Second Amended Complaint ("SAC") to add Mauro Moreno as a named plaintiff, and to conform the pleadings with the scope of the Released Class Claims and Released PAGA Claims. Defendant will not be required to file an answer or other responsive pleading to the SAC. If, for any reason, the Court does not approve of the Settlement, or if the Settlement does not become final for any reason, then the SAC will be deemed withdrawn and the First Amended Complaint will again become the operative complaint without prejudice to Plaintiffs' right to seek leave to file another amended complaint and without prejudice to Defendant's rights to object and/or challenge an amended pleading. Defendant does not impliedly or expressly waive any arguments or defenses to the SAC.

33. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of the Gross Settlement Amount of Two Hundred Fifty Thousand Dollars ($250,000) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendant will pay the employer's share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the Labor and Workforce Development Agency Payment; (c) the Class Representative Enhancement Payments; (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendant will deposit the Gross Settlement Amount and the employer's share of payroll taxes within thirty (30) calendar days of the Effective Date ("Funding Date").

34. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees and Costs of not more than Eighty-Three Thousand Three Hundred Thirty-Three Dollars ($83,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty Thousand Dollars ($20,000), both of which will be paid from the Gross Settlement Amount.

35. Class Representative Enhancement Payments. In exchange for a general release, and in recognition of their effort and work in prosecuting the Action on behalf of Class Members, Defendant agrees not to oppose or impede any application or motion for Class Representative Enhancement Payments of up to Seven Thousand Five Hundred Dollars ($7,500) to each Plaintiff. The Class

Representative Enhancement Payments will be paid from the Gross Settlement Amount and will be in addition to Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payments. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and effect even if the full amount of Class Representative Enhancement Payments sought by Plaintiffs is not ultimately awarded by the Court.

36. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is currently estimated to be Two Thousand Eight Hundred Seventy-Four Dollars and Ten Cents ($2,874.10). These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and providing necessary reports and declarations.

37. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount of Fifteen Thousand Dollars ($15,000) from the Gross Settlement Amount will be designated for satisfaction of Plaintiffs' PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Eleven Thousand Two Hundred Fifty Dollars ($11,250), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency, and Twenty-Five Percent (25%), or Three Thousand Seven Hundred Fifty Dollars ($3,750), will be paid to PAGA Members in proportion to the number of Workweeks worked during the PAGA Period.

38. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA Member has the right to object to the PAGA Settlement Amount.

39. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

40. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No portion of the PAGA Fund will revert to or be retained by Defendant.

41. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of Individual Settlement Payments will be made as follows:

41(a) Payments from the Net Settlement Fund. Defendant will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated "Individual Settlement Payment" from the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Net Settlement Fund will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

41(b) Payments from the PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member during the PAGA Period and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's "Individual Settlement Payment" will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. The entire PAGA Fund will be disbursed to all PAGA Members.

42. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

43. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

44. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator and to Class Counsel.

45. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail a Class Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

46. Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Class Notices

returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will, within five (5) business days of receipt, be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security Number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

47. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each respective Class Member and PAGA Member worked for Defendant during the Class Period and PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of Objection; (h) the deadlines by which the Class Member must postmark or fax Request for Exclusions, or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

48. Disputed Information on Class Notices. Class Members will have an opportunity to dispute the information provided in their Class Notices. To the extent Class Members dispute their employment dates or the number of Workweeks on record, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendant's records will be presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will be decided within ten (10) business days after the Response Deadline.

49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of

receiving the defective submission to advise the Class Member that his/her/their submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

50. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

51. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

52. Releases by Participating Class Members. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each Participating Class Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

53. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each PAGA Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released PAGA Claims during the PAGA Period.

54. Objection Procedures. To object to the Settlement Agreement, a Class Member may either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by

submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the final approval order and judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the Class Member shall not participate in or be bound by the Settlement.

55. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Class Notice, including those received after the Response Deadline. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

56. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; and (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

57. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to the State Controller's Office, Unclaimed Property Division in the name of each Participating Class Member or PAGA Member who did not negotiate his or her check, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

58. Certification of Completion. Upon completion of administration of the Settlement, the

Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

59. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (a) Twenty-Five Percent (25%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Seventy-Five Percent (75%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

60. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

61. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs, Participating Class Members, and PAGA Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard.

62. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX

ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

63. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

64. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

65. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary approval of the proposed Settlement Agreement, (c) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the

proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval.

66. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b) the Class Representative Enhancement Payments; (c) Individual Settlement Payments; (d) the Labor and Workforce Development Agency Payment; (e) all Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

67. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement Administrator's website.

68. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by all Participating Class Members, Plaintiffs will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE

AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

69. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

71. Amendment or Modification. No amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved by the Court.

72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

73. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

74. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto

will be governed by and interpreted according to the laws of the State of California.

75. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

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

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

78. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms.

79. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendant is liable to Plaintiffs or any Class Member, other than according to the Settlement's terms.

80. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In

entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

81. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

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

83. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

85. Representation By Counsel. The Parties acknowledge that they have been represented

by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

86. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

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

88. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: ____________________

____
David Alegria

PLAINTIFF

Signed by:

Dated: 9/17/2025

Mauro Moreno
D76430B688F348A
____
Mauro Moreno

DEFENDANT NEXEN TIRE AMERICA, INC.

Dated: ____________________

____
Yoonseok (Brian) Han, CEO

by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: ____________________

____
David Alegria

PLAINTIFF

Dated: ____________________

____
Mauro Moreno

DEFENDANT NEXEN TIRE AMERICA, INC.

Dated: 09/02/25

____
Yoonseok (Brian) Han, CEO

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Signed by:

Dated: 9/18/2025

C7E3979CAD814E4

David Alegria

PLAINTIFF

Dated: ____________________

Mauro Moreno

DEFENDANT NEXEN TIRE AMERICA, INC.

Dated: ____________________

Yoonseok (Brian) Han, CEO

Exhibit B

Alegria v. Nexen Tire America, Inc., No. CIVSB2304566
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SAN BERNARDINO
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

Si desea una traducción al Español de este Aviso, por favor llame al administrador al ***--*******

To: All persons who worked for Defendant Nexen Tire America, Inc. ("Defendant") in the State of California as non-exempt, hourly-paid employees at any time during the period from February 22, 2019 through July 14, 2025 ("Class Members").

All persons who worked for Defendant in the State of California as non-exempt, hourly-paid employees at any time during the the period from February 8, 2022 through July 14, 2025 ("PAGA Members").

On **________**, the Honorable Christian Towns of the San Bernardino County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member, <u>and therefore entitled to a payment from the settlement</u>.**

Unless you choose to opt out of the settlement by following the procedures described below, <u>you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund</u>. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at _:00 _.m. on **__________**, 2025 in Department S26 of the San Bernardino County Superior Court located at 247 W. Third St., San Bernardino, California 92415.

Please also note that the Final Approval Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

I. SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a "Participating Class Member," and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendant based on the same facts alleged in the Action during the Class Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is [DATE]**	If you don't want to participate in the proposed class settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by [DATE]**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] in Department S26 of the San Bernardino County Superior Court located at 247 W. Third St., San Bernardino, California 92415. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.

II. <u>Summary of the Litigation</u>

Plaintiffs David Alegria and Mauro Moreno, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; and (4) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. The parties participated in a mediation with the Hon. Herbert B. Hoffman (Ret.), an experienced and well-respected class action mediator. With Judge Hoffman's guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Sullivan & Yaeckel Law Group, APC and Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

III. <u>Summary of The Proposed Settlement Terms</u>

Plaintiffs and Defendant have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of $250,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of $7,500 , each, to David Alegria and Mauro Moreno for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendant; (3) $83,333 in attorneys' fees and up to $20,000 in litigation costs and expenses; (4) a $15,000 settlement of claims under the Labor Code Private

Attorneys General Act of 2004 ("PAGA"), inclusive of a $11,250 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a $3,750 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at $2,874.10. After deducting the above payments, a total of approximately $__ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the $3,750 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendant will calculate the total number of Workweeks worked by each Class Member from February 22, 2019 through July 14, 2025 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately $_____.

Payments from PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member from February 8, 2022 through July 14, 2025 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he/she/they submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately $_____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately $_____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o ______________
Fax No. __________

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

Release of Claims by Class Members: Upon the Funding Date, except as to such rights or claims as may be created by the Settlement Agreement, each Participating Class Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Class Claims arising during the Class Period. The "Released Class Claims" means all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts pleaded in the First Amended Complaint. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period. Specifically, the Claims alleged in the Operative Complaint being released are as follows: (1) Violation of Labor Code §§ 226.7 and 512; (2) Violation of Labor Code §§ 510, 1194, and 1197; (3) Violation of Labor Code § 226; (4) Violation of Labor Code § 2802; (5) Violation of Labor Code §§ 201-203; (6) Violation of Business and Professions Code § 17200 et seq.; and (7) Penalties Pursuant to the Private Attorneys General Act of 2004.

IV. Your Options Under the Settlement

Option 1 – ***Automatically Receive a Payment from the Settlement***

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, on the date on which Defendant fully funds the Gross Settlement Amount, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

> **Released Class Claims**: All claims that were alleged, or reasonably could have been alleged, based on the Class Period facts pleaded in the First Amended Complaint. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period. The specific Class Claims being released are stated above in the "Release of Class Claims by Class Members" section.
>
> **Released PAGA Claims**: All claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts pleaded in Plaintiffs' PAGA Notices. The specific PAGA claims being released are based on the Labor Code Violations detailed in the "Release of Class Claims by Class Members" section above.

Option 2 – ***Opt Out of the Settlement***

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator
c/o ____________
____

The Request for Exclusion must be postmarked or faxed not later than __________, 2025. If you submit a Request for Exclusion which is not postmarked or faxed by __________, 2025, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – *Object to the Settlement*

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Approval Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _________________2025. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Approval Hearing set for ___________________________ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of San Bernardino and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

V. Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Eric Yaeckel	Raul Perez
Sullivan & Yaeckel Law Group, APC	**Capstone Law APC**
2330 Third Ave.	1875 Century Park E., Suite 1000
San Diego, CA 92101	Los Angeles, CA 90067
Phone: Number	Phone: Number

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT'S ATTORNEYS WITH INQUIRIES.

Exhibit C

***Alegria v. Nexen Tire America, Inc.*, San Bernardino County Superior Court Case No. CIVSB2304566**
c/o CAC Services Group, LLC, 6420 Flying Cloud Dr. Ste. 101, Eden Prairie, MN 55344

OPT-OUT/REQUEST FOR EXCLUSION

Submit this Request For Exclusion form no later than [DATE] only if you want to opt out of (not participate in) the settlement of the actions known as *Alegria v. Nexen Tire America, Inc.*, San Bernardino County Superior Court Case No. CIVSB2304566 (altogether, the "Action"). Do not submit this exclusion form if you wish to receive money from the class settlement.

I have reviewed the Notice of Class Action and PAGA Settlement and Release Agreement and understand that a person is a Class Member in the Action if he or she is a current or former non-exempt, hourly paid employee of Nexen Tire America, Inc. in the State of California at some point between the period February 22, 2019 through July 14, 2025. I understand that this settlement is intended to compensate such Class Members.

I understand that I may exclude myself from, or "opt out" of, the class settlement of the Action. I understand that, in any separate lawsuit, I may receive nothing or less than I would have received if I had participated in the settlement. I understand that any separate lawsuit by me will be undertaken at my own expense and at my own risk. I understand that counsel for the class will not represent my interests if I opt out.

I understand that if I do not opt out, I will receive a payment if the class settlement of the Action is approved by the Court. ***I understand that, by requesting to be excluded from the class settlement, I will receive no money from the class settlement in accordance with the Class Action and PAGA Settlement and Release Agreement entered by the parties to the Action.*** I understand that, to the extent I am an "Aggrieved Employee," as explained in the Class Notice, my decision to opt out will not exclude me from the Settlement with respect to the released PAGA claims. No one has coerced or forced me to opt out; it is my own decision. **I opt out of the settlement.**

Print Name:____

Address: ____

The last four digits of your Social Security Number: ________________

Signature:__________________________ Date: ______________

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE [**RESPONSE DEADLINE**]. Send this signed request for exclusion form to the Settlement Administrator at:

Alegria v. Nexen Tire America, Inc.
Settlement
c/o CAC Services Group, LLC
6420 Flying Cloud Dr. Ste. 101
Eden Prairie, MN 55344

YOU SHOULD KEEP A COPY OF THIS DOCUMENT FOR YOUR RECORDS. YOU MAY WISH TO MAIL IT RETURN RECEIPT REQUESTED.

***Alegria v. Nexen Tire America, Inc.*, San Bernardino County Superior Court Case No. CIVSB2304566**

c/o CAC Services Group, LLC, 6420 Flying Cloud Dr. Ste. 101, Eden Prairie, MN 55344

OBJECTION TO SETTLEMENT

Submit this Objection To Settlement form only if you want to object to the settlement of the actions known as *Alegria v. Nexen Tire America, Inc.*, San Bernardino County Superior Court Case No. CIVSB2304566 (altogether, the "Action").

I have reviewed the Notice of Class Action and PAGA Settlement and Release Agreement and understand that a person is a Class Member in the Action if he or she is a current or former non-exempt, hourly paid employee of Nexen Tire America, Inc. in the State of California at some point between the period February 22, 2019 through July 14, 2025. I understand that this settlement is intended to compensate such Class Members.

I understand that if I object to the settlement, and my objection is overruled, I will still be included as a Class Member and part of the settlement and release of class claims. I understand that if I do not want to be included as part of the settlement, I should instead submit the separate form titled "Opt-Out/Request for Exclusion". I understand that I should not submit both an Objection to Settlement form and an Opt-Out/Request for Exclusion Form because if I do my objection(s) will be disregarded and I will be excluded from the settlement and release of class claims.

I wish to object to the settlement reached in the Action. The nature and basis for my objection are:______
____
____
____
____
____
____

Print Name:____

Address: ____

The last four digits of your Social Security Number: ____________________

Signature:________________________________ Date: ________________

Name / Address of Attorney (If Applicable): ____

Check if Applicable: [ ] I intend to appear at the Final Approval Hearing.

IN ORDER TO BE VALID, THIS OBJECTION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE [**RESPONSE DEADLINE**]. Send this signed objection form to the Settlement Administrator at:

Alegria v. Nexen Tire America, Inc.
Settlement
c/o CAC Services Group, LLC
6420 Flying Cloud Dr. Ste. 101
Eden Prairie, MN 55344

YOU SHOULD KEEP A COPY OF THIS DOCUMENT FOR YOUR RECORDS. YOU MAY WISH TO MAIL IT RETURN RECEIPT REQUESTED.