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Attorneys for Defendant
MENIFEE CAR WASH L.P.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

NICHOLAS MILDON, an individual and on behalf of all others similarly situated,

Plaintiff,

v.

MENIFEE CAR WASH L.P., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 23STCV05903

[Assigned for all purposes to the Hon. Timothy Patrick Dillon, Dept. 15]

REPRESENTATIVE ACTION

JOINT STIPULATION RE: PAGA SETTLEMENT

ACTION FILED: March 16, 2023
TRIAL DATE: None set

This Joint Stipulation re: Private Attorneys General Act ("PAGA") Settlement ("Agreement" or "Settlement Agreement") is made by and between plaintiff Nicholas Mildon ("Plaintiff"), individually, and on behalf of all current and former non-exempt Menifee Car Wash employees employed in California who allegedly suffered Labor Code violations during the time period from March 16, 2022 to and through May 31, 2026 ("Aggrieved Employees"), on the one hand; and Defendant Menifee Car Wash L.P. ("Defendant") (collectively, "Parties"), on the other hand, in the PAGA representative action entitled *Nicholas Mildon v. Menifee Car Wash* L.P., et al., filed in the Los Angeles County Superior Court ("LASC"), LASC Case No. 23STCV05903 ("Action")This Agreement is intended by the Parties to fully, finally and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions set forth in this Agreement.

1. DEFINITIONS

1.1. "**Action**" is defined as Plaintiff's PAGA lawsuit, alleging wage and hour violations against Defendant, captioned *Nicholas Mildon v. Menifee Car Wash L.P., et al.*, LASC Case No. 23STCV05903, and pending in the Superior Court of the State of California, County of Los Angeles.

1.2. "**Administrator**" is defined as Phoenix Class Action Administration Solutions ("Phoenix"), the neutral entity the Parties have selected to administer the terms of the Settlement Agreement.

1.3. "**Administration Expenses Payment**" is defined as the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses incurred in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with the motion for approval of this Settlement.

1.4. "**Aggrieved Employee**" is defined as a person currently or formerly employed by Defendant as a non-exempt, hourly-paid employee during the time period from May 16, 2022 to and through May 31, 2026 ("PAGA Period") in the State of California.

1.5. "**Aggrieved Employee Data**" is defined as Aggrieved Employee identifying information including the Aggrieved Employee's first and last name; last-known mailing address; Social Security number; and hire date(s); termination date(s); and re-hire date(s), if applicable.

1.6. "**Aggrieved Employee Address Search**" is defined as the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "**Court**" is defined as the Superior Court of California, County of Los Angeles.

1.8. "**Defense Counsel**" is defined as attorneys Brandon D. Saxon and Laura A. Walker of Gordon Rees Scully Mansukhani, LLP.

1.9. "**Effective Date**" is defined as the date on which both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement, and (b) the judgment is final.

1.10. "**Gross Settlement Amount**" is defined as $291,500.00, which is the total amount Defendant agrees to pay to resolve the Action as set forth in the Settlement Agreement, except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments; the California Labor Workforce Development Agency ("LWDA") PAGA Payment; PAGA Counsel's Fees Payment; PAGA Counsel's Litigation Expenses Payment; Plaintiff's enhancement award; and the Administrator's Expenses Payment.

1.11. "**Individual PAGA Payment**" is the defined as the Aggrieved Employee's pro rata share of thirty-five percent (35%) of the PAGA Penalties payable to the Aggrieved Employees, calculated according to the number of pay periods the Aggrieved Employee worked during the PAGA Period.

1.12. "**Judgment**" is defined as the judgment entered by the Court based upon the Court's final approval of the settlement of the Action.

1.13. "**LWDA**" is defined as the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.14. "**LWDA PAGA Payment**" is defined as sixty-five percent (65%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699.

1.15. "**Net Settlement Amount**" is defined as the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder represents the PAGA Penalties.

1.16. "**PAGA Counsel**" is defined as David D. Bibiyan, Vedang J. Patel, and Megan R. Lazar of Bibiyan Law Group, P.C., the attorneys representing the Plaintiff in the Action.

1.17. "**PAGA Counsel Fees Payment**" and "**PAGA Counsel Litigation Expenses Payment**" is defined as the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action, as described in paragraph 3.2.1 below.

1.18. "**PAGA Pay Period**" is defined as any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.19. "**PAGA Period**" is defined as the period from March 16, 2022 through May 31, 2026.

1.20. "**PAGA**" is defined as the Private Attorneys General Act (Labor Code §§ 2698, et seq.).

1.21. "**PAGA Notice**" is defined as the March 16, 2023 letter that Plaintiff sent to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22. "**PAGA Penalties**" is defined as the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount after deduction of the Court-approved PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff's enhancement award, and Administration Expenses Payment, with thirty-five percent (35%) of the PAGA Penalties

allocated to the Aggrieved Employees on a pro rata basis and sixty-five percent (65%) allocated to the LWDA, in settlement of the PAGA claims.

1.23. "**Plaintiff**" is defined as Nicholas Mildon, the named plaintiff in the Action.

1.24. "**Approval Order**" is defined as the proposed Court Order Granting Approval of PAGA Settlement.

1.25. "**Released PAGA Claims**" is defined as the claims being released by Plaintiff and the Aggrieved Employees as described in Paragraph 5 below.

1.26. "**Released Parties**" is defined as Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.27. "**Settlement**" is defined as the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

2.1. On March 16, 2023, Plaintiff commenced this Action by filing a wage and hour class action complaint against Defendant. On June 27, 2023, Plaintiff filed a First Amended Class Action Complaint (the "Operative Complaint"), seeking civil penalties under the PAGA for the Labor Code violations alleged in Plaintiff's PAGA Notice. On June 5, 2024, Defendant filed a motion to compel arbitration of Plaintiff's individual claims and dismiss his class claims. On September 3, 2024, the court dismissed Plaintiff's class claims following Plaintiff's voluntary request for dismissal of his class claims pursuant to the terms of his arbitration agreement containing a class action waiver. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to the requirements of the PAGA, as set forth in California Labor Code section 2699.3, subdivision (a), on March 16, 2023, Plaintiff gave timely written notice to Defendant and the LWDA by filing a notice of Defendant's alleged Labor Code violations with

the LWDA ("PAGA Notice") and by mailing, via certified mail, a copy of the PAGA Notice to Defendant.

2.3. On March 31, 2026, the Parties participated in a mediation presided over by experienced employment law mediator Gig Kyriacou, which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery: (1) time and payroll records of Aggrieved Employees for the PAGA Period; (2) data points, including the number of Aggrieved Employees; the number of Aggrieved Employees separated from employment with Defendant; the average hourly rate of pay of the Aggrieved Employees; and the number of Pay Periods worked by the Aggrieved Employees during the PAGA Period; (3) relevant policy documents of Defendant; and (4) Plaintiff's personnel records for his employment with Defendant.

2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. **Gross Settlement Amount**. Except as otherwise provided in Paragraph 8 below, Defendant promises to pay Plaintiff and the Aggrieved Employees the gross sum of $291,500.00 ("Gross Settlement Amount"). Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. **Payments from the Gross Settlement Amount**. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the final Approval Order:

3.2.1. **To PAGA Counsel**: A PAGA Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, subject to the escalation clause set forth in Paragraph 8.1 of this Agreement and approval by the Court, which is currently estimated to be $97,166.67, and PAGA Counsel Litigation Expenses Payment of not more than $40,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application and/or motion for the approval of PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment in an amount less than the amount(s) requested, the Administrator will allocate the difference to the Net Settlement Amount, which shall be distributed to the Aggrieved Employees on a pro rata basis. The Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim for any portion any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS Forms 1099. PAGA Counsel assumes full responsibility and liability for any and all taxes owed arising out of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and shall hold Defendant and the Released Parties harmless, and indemnify Defendant and the Released Parties from any dispute or controversy regarding any division or sharing of any of these Payments. There will be no additional charge of any kind to the Aggrieved Employees and/or request for additional consideration from Defendant for such work unless Defendant the Court determines that Defendant materially breached this Agreement, and the

Court determines that further efforts are necessary from PAGA Counsel to remedy said breach.

3.2.2. **To the Administrator**: An Administrator Expenses Payment not to exceed $4,000.00 except for a showing of good cause, and as approved by the Court. To the extent the Administration Expenses are less than this amount, or the Court approves a payment of less than $4,000.00 the difference will be attributed to the Net Settlement Amount and included in the pro rata distribution to the Aggrieved Employees.

3.2.3. **To the LWDA and Aggrieved Employees**: PAGA Penalties in the amount of $150,333.33 to be paid from the Gross Settlement Amount, with sixty-five percent (65%) ($97,716.66) allocated to the LWDA PAGA Payment and thirty-five percent (35%) ($52,616.66) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' thirty-five percent (35%) share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments to the Aggrieved Employees on IRS Forms 1099 issued to each Aggrieved Employee.

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4. SETTLEMENT FUNDING PAYMENTS

4.1. **Aggrieved Employee Pay Periods**. Based on the information exchanged between the Parties at mediation, and using the data provided to Defendant by Plaintiff, the Parties understand there are no more than 9,376 PAGA Pay Periods in the proposed PAGA group.

4.2. **Aggrieved Employee Data**. Within fourteen (14) business days of the Effective Date and upon receiving instructions for securely transferring the Aggrieved Employee Data to the Administrator, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. The Parties and their counsel will expeditiously use best efforts, in good faith and in a timely manner, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. **Funding of Gross Settlement Amount**. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator as follows: (1) $77,500.00 shall be paid within thirty (30) days after the Effective Date and upon Defendant's receipt of the wiring instructions from the Administrator; and (2) the remaining balance shall be paid in eleven (11) monthly installments of $21,136.36 each. The first installment shall be due within 30 days after receipt of the initial $77,500.00 payment, and each installment shall be due thirty days thereafter until the gross settlement amount is funded in its entirety.

4.4. **Payments from the Gross Settlement Amount**. Within fourteen (14) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Administration Expenses Payment,

PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date, not less than one hundred eighty (180) days after the date of mailing, when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, so long as the replacement check is requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees beyond those specified in this Agreement.

4.5. All payments to Aggrieved Employees under this Settlement shall be characterized as non-wage penalties.

5. TAX LIABILITY

PAGA Counsel, Defendant, and Defense Counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiffs and the Aggrieved Employees are not relying on any statement or representation by PAGA Counsel, Defendant, or Defense Counsel in this regard. Plaintiffs and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective Settlement amounts and payments described herein. IRS Forms 1099 will be distributed at the times and in the manner required by the Internal Revenue Code of 1986 ("Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Settlement Agreement, the processes set forth in this section of this Settlement Agreement may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiffs and Aggrieved Employees understand and agree that they will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

5. CIRCULAR 230 DISCLAIMER

EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS SETTLEMENT 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 SHALL 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 SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT 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 SETTLEMENT AGREEMENT.

7. RELEASES OF CLAIMS

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and Aggrieved Employees will release claims against all Released Parties as follows:

7.1. **Effect of Release**. Upon entry of the Approval Order and on the date when Defendant fully funds the entire Gross Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, Plaintiffs and the Aggrieved Employees will release and discharge the Released Parties from the Released Claims for the PAGA Period, including from all claims, transactions, occurrences, or penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were or could have been sought

by the Labor Commissioner for the violations identified and facts contained in the Operative Complaint filed in the Action and in Plaintiffs' PAGA Notice, that accrued at any time during the PAGA Period. It is the intent of the Parties that the Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon the Aggrieved Employees.

7.2 **Binds LWDA**. Upon entry of the Final Approval Order, Plaintiffs, standing in the shoes of the Labor Commissioner/LWDA, and on behalf of the State of California and all Aggrieved Employees, will forever completely release and discharge the Released Parties from the PAGA Released Claims for the PAGA Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon Aggrieved Employees regarding the PAGA Released Claims.

7.3 **Representative Execution**. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it. All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in, and that could have been sought by the Labor Commissioner for the violations identified in and of the Complaints filed in the Action and/or Plaintiffs' PAGA Notice to the LWDA that accrued at any time during the PAGA Period. Aggrieved Employees retain their rights to pursue claims for wages, statutory penalties, and any other damages.

8. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT

The Parties agree to Plaintiff's filing of a motion for approval of this Settlement.

8.1. **Plaintiff's Responsibilities**. Plaintiff will prepare and endeavor to deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor

Code section 2699, subdivision (f)(2), including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to their timely transmission to the LWDA of all necessary PAGA documents (initial notices of violations (Labor Code section 2699.3, subdivision (a)), Operative Complaint (Labor Code section 2699, subdivision (l)(1)), this Agreement (Labor Code section 2699, subdivision (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

8.2. **Responsibilities of PAGA Counsel**. PAGA Counsel are responsible for expeditiously finalizing and filing the motion for approval of this Settlement after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel are responsible for delivering the Court's Approval Order to the Administrator.

8.3. **Duty to Cooperate**. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

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9. SETTLEMENT ADMINISTRATION

9.1. **Selection of Administrator**. The Parties have selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties of a settlement administrator, including mailing the Notice, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Payments, drafting and mailing the settlement checks to Aggrieved Employees, issuing 1099 Tax Forms, performing unclaimed funds due diligence, reporting and performing remittance obligations, and performing such other tasks as set forth herein, including preparing a report and accounting of the Settlement after distribution, or as the Parties mutually agree or that the Court orders.. The Settlement Administrator shall also be responsible for issuing to Plaintiffs, Aggrieved Employees, and PAGA Counsel any 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

9.3 **Aggrieved Employee Data**. Within fourteen (14) business days of the latter of the Effective Date or the date the Administrator provides Defendant with instructions for securely transferring the Aggrieved Employee Data to the Administrator, Defendant will deliver the Aggrieved Employee Data to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet. The Administrator will run a check of the PAGA Members' addresses against those on file with the U.S. Postal Service's National Change of Address Database. To protect Aggrieved Employees' privacy rights, the Settlement Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this

Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to the Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted Aggrieved Employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data. PAGA Counsel agrees that it shall not view the Aggrieved Employee Data, and that if it obtains the Aggrieved Employee Data, it will immediately delete the data and inform the Administrator and Defense Counsel of the disclosure and the steps it took to delete the Aggrieved Employee Data. The Parties agree that PAGA Counsel may communicate with the Administrator to confirm the number of Aggrieved Employees and total pay periods in the PAGA Period. Although PAGA Counsel will not be provided with the list of PAGA Data, nothing herein shall prevent PAGA Counsel from communicating with Aggrieved Employees regarding the Action and settlement.

9.4 **Notice**. The Notice, a draft of which is attached hereto as **Exhibit 1** and fully incorporated herein by reference, shall be sent by the Administrator after it is approved by the Court to the Aggrieved Employees, by first class mail, in English, within fourteen (14) calendar days following the Administrator's receipt of the PAGA Data. The Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Aggrieved Employees if any envelopes are returned.

9.5 **Returned Notices of Settlement**. The Administrator will take steps to ensure that the Notice is received by all Aggrieved Employees, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices of Settlement will be re-mailed to any Aggrieved Employee for whom an updated address is located within ten (10) calendar days

following both the Administrator learning of the failed mailing and its receipt of the updated address.

9.6 **Declaration of Due Diligence**. The Settlement Administrator shall provide counsel for the Parties, at least twenty (20) calendar days prior to the compliance hearing for the Settlement with the Court, a declaration of due diligence and proof of mailing with regard to the mailing of the Notices of Settlement.

9.7 **Distribution of Funds**. No later than ten (10) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Attorneys' Fees, and Litigation Costs.

9.8 **Notice of Judgment**. The Administrator shall give the Aggrieved Employees notice of the entry of Judgment on a postcard or letter that will be included with the Individual PAGA Payments.9.9. **Employer Identification Number**. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings, if any, and providing reports to state and federal tax authorities.

9.10. **Qualified Settlement Fund**. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

9.11. **Administrator Duties**. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

10. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE

Based on information exchanged between the Parties at mediation, and using the data provided to Defendant by Plaintiff, the Parties understand that there are no more than 9,376 Pay Periods worked during the PAGA Period.

10.1. **Escalator Clause.** The Settlement is based on the Parties' understanding that there are no more than 9,376 Pay Periods worked by Aggrieved Employees during the PAGA Period. If the actual number of Pay Periods worked during the PAGA Period exceeds 10,314

(10%)increases by more than 10%, or 938 Pay Periods, then either 1) the GSA shall be increased proportionally by the Pay Periods in excess of 10,313 multiplied by the Pay Period value (The Pay Period value shall be calculated by dividing the GSA by 9,376. The Parties agree that the Pay Period value amounts to $33.06 per Pay Period ($310,000 / 9,376 Pay Periods). Thus, for example, should there be 10,500 Pay Periods in the PAPGA Period, then if Defendant elects to increase the GSA proportionately, the GSA shall be increased by $6,149.16 (10,500 Pay Periods – 10,314 Pay Periods x $33.06/Pay Period)); or 2) Defendant may elect to end the PAGA Period on the date the number of pay periods reaches 10,314. Defendant's option to end the PAGA Period on the date the number of pay periods reaches 10,314 expires 15 days prior to the first set hearing on Plaintiff's Motion for Approval. Any said election may be reflected by declaration testimony, an addendum of the settlement agreement, or an amendment thereto.

11. CONTINUING JURISDICTION OF THE COURT

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to Code of Civil Procedure section 664.6, solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

11.1. **Waiver of Right to Appeal**. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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12. ADDITIONAL PROVISIONS

12.1. **No Admission of Liability or Representative Manageability for Other Purposes**. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2. **Non-Solicitation**. All Parties, signatories, and their counsel shall not encourage opt-outs or objections to this Agreement. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means.

12.3 **Waiver**. The waiver by one Party of any breach of this Settlement Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

12.4 **Full and Complete Defense**. This Settlement Agreement may be pleaded by any Released Party as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any PAGA Released Claims.

12.5 **Parties' Authority**. The signatories hereto represent that they are fully authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof. The signatories hereto further represent that the Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel prior to authorizing its execution.

12.6 Publicity and Confidentiality.

12.6.1 **Communication by Counsel**: PAGA Counsel shall not use the Settlement approval process to solicit new individual representations or initiate communications with Aggrieved Employees for purposes unrelated to this Action. Nothing will prevent PAGA Counsel from (1) initiating or responding to communications reasonably necessary to effectuate the Settlement, comply with any Court order, or fulfill counsel's obligations to the State of California and the Aggrieved Employees in this Action, or (2) responding to inquiries from Aggrieved Employees. For its part, Defendant agrees that it shall refer any questions from Aggrieved Employees to the Administrator.

12.6.2 No Media: Plaintiffs and PAGA Counsel agree that they will not issue any press release or initiate contact with the media for the purpose of publicizing this Action or the Settlement. This provision shall not limit any communications required by law or Court order, including communications with the LWDA or other governmental agencies or restrict Plaintiffs or PAGA Counsel from responding to unsolicited media or third-party inquiries that this Action has settled.

12.6.3 **Confidentiality**: Prior to filing of motion for approval, PAGA Counsel shall not discuss or publish the terms of the Settlement or the negotiations leading to Settlement with any person other than the named Plaintiffs, or as reasonably necessary to effectuate and/or enforce the Settlement, including communications with the Court, the LWDA, and potential settlement administrators.

12.6.4 **Disclosure by Plaintiffs' Counsel Only for Adequacy Declarations**: PAGA Counsel may disclose publicly-available information about the case only to the extent they do so in declarations establishing their adequacy as counsel in other cases, as required by the Court and to notify the LWDA of the resolution of the Action.

12.6.5 **Neutral Reference**: In response to any inquiry from a prospective or current employer regarding Plaintiffs' employment with Defendant, Defendant shall provide only the following neutral information: dates of employment, last position held, and, if requested, final rate of pay.

12.7 Inadmissibility of this Agreement. Whether or not the Court issues the Final Approval Order, nothing contained herein, nor the consummation of this Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for approval, shall, pursuant to California Evidence Code § 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Agreement.

12.8 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.9. **Attorney Authorization**. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.10. **Cooperation**. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon

the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.11. **No Prior Assignments**. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity, any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.12. **No Tax Advice**. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.13. **Modification of Agreement**. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.14 **Dispute Resolution**. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the help of the mediator identified in this Agreement to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.

12.8. **Agreement Binding on Successors**. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.9. **Signatures of All Aggrieved Employees Unnecessary to be Binding**. It is agreed that, because the Aggrieved Employees are numerous, it is impossible or impractical to have each Aggrieved Employee execute this Agreement. The Notice will advise all Aggrieved

Employees of the binding nature of the releases provided herein and such shall have the same force and effect as if this Agreement were executed by each Aggrieved Employee.

12.10 Invalidity of Any Provision. Before declaring any provision of this 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 Agreement valid and enforceable.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12. **Cooperation in Drafting**. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13. **Confidentiality**. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14. **Use of Aggrieved Employee Data**. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

12.15. **Headings**. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16. **Calendar Days**. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17. **Notice**. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

BIBIYAN LAW GROUP, P.C.
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Megan R. Lazar (SBN 315007)
megan@tomorrowlaw.com
Alexa R. Guzman (SBN 327306)
aguzman@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

To Defendant:

GORDON REES SCULLY MANSUKHANI, LLP
Brandon D. Saxon (SBN: 252712)
bsaxon@grsm.com
Laura A. Walker (SBN: 223448)
lawalker@grsm.com
101 W. Broadway, Suite 2000
San Diego, CA 92101
Tel: (619) 696-6700; Fax: (619) 696-7124

12.18. **Execution in Counterparts**. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19. **Stay of Litigation**. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the

date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

12.20. **Severability**. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12.21. **Fair, Adequate, and Reasonable Settlement**. The Parties, PAGA Counsel, and Defense Counsel agree that the Agreement is fair, adequate, and reasonable and will represent the same to the Court.

IT IS SO AGREED. IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this PAGA Representative Settlement Agreement as of the date set forth below:

Nicholas Mildon 09/15/2026
Plaintiff Nicholas Mildon

Defendant Menifee Car Wash L.P.
By: _____
Its: _____

David D. Bibiyan 09/15/2026
David D. Bibiyan
Vedang J. Patel
Megan R. Lazar
Counsel for Plaintiff Nicholas Mildon

Brandon D. Saxon
Laura A. Walker
Counsel for Defendant Menifee Car Wash L.P.

date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

12.20. **Severability**. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12.21. **Fair, Adequate, and Reasonable Settlement**. The Parties, PAGA Counsel, and Defense Counsel agree that the Agreement is fair, adequate, and reasonable and will represent the same to the Court.

IT IS SO AGREED. IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this PAGA Representative Settlement Agreement as of the date set forth below:

Nicholas Mildon 09/15/2026
Plaintiff Nicholas Mildon

Defendant Menifee Car Wash L.P.
By: Greg Meier
Its: General Manager

David D. Bibiyan 09/15/2026
David D. Bibiyan
Vedang J. Patel
Megan R. Lazar
Counsel for Plaintiff Nicholas Mildon

10/02/2026
Brandon D. Saxon
Laura A. Walker
Counsel for Defendant Menifee Car Wash L.P.