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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CATHERINE AVILA, PLAINTIFF, vs. B&W AUTOMOTIVE, INC.; DOUGLAS BRAVO; and DOES 1 to 25, inclusive, DEFENDANTS	Case No.: 23STCV14844 **DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF STIPULATION FOR APPROVAL OF PAGA SETTLEMENT** Action Filed: 6/26/23 <u>Submitted Herewith Under Separate Cover:</u> 1. Stipulation for Approval of PAGA Settlement; Memorandum of Points and Authorities in Support Thereof; [Proposed] Order

DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF STIPULATION FOR APPROVAL OF PAGA SETTLEMENT AND RELEASE

I, HAROUT MESSRELIAN, declare and state as follows:

1. I am an attorney duly licensed to practice before all the Courts of the State of California. I am the managing attorney of Messrelian Law Inc. and the attorney of record for Plaintiff Catherine Avila ("Plaintiff") in her lawsuit against Defendants B&W AUTOMOTIVE, INC.; DOUGLAS BRAVO (hereinafter collectively "B&W" or "Defendant(s)").

2. I am experienced in handling employment law matters and specifically wage and hour representative and individual actions. My qualifications are as follows: I received my JD from Loyola Law School in 2010. I started my own law firm in 2011 – the Law Offices of Harout Messrelian. Since 2016, I have been the founder and principal attorney at Messrelian Law, Inc. Since 2011, I have filed and handled over 350 civil actions and/or claims involving representative actions under the Private Attorneys General Act ("PAGA") and/or wage and hour claims on behalf of my clients and have been appointed Class Counsel in three class action cases –*Zohrab Mekhitarian v. Triple Play Motors dba Bob Smith Toyota*, Los Angeles Superior Court Case No. 19STCV22411 (ADR Services, Inc., Case Number 20-2668-RWT), *Carina Camberos, on behalf of herself and others similarly situated, v. Great American Chicken Corp, Inc.*, Los Angeles Superior Court Case No. 21STCV32015, and *Robert Garcia, on behalf of himself and others similarly situated v. HD Supply Management Inc.*, San Bernardino Superior Court Case No. CIVSB2028067. I have a practice that encompasses cases in the Los Angeles Superior Courts, the Orange County Superior Courts, the Riverside County Superior Courts, the San Bernardino County Superior Courts, the Alameda County Superior Courts, Santa Clara County Superior Courts, San Mateo County Superior Courts, and the Monterey County Superior Courts.

3. Except as otherwise indicated, I have personal knowledge of all matters set forth herein and, if called as a witness, could and would competently testify thereto under oath.

Factual and Procedural Background

4. Defendant is a private corporation that owns and operates car dealerships in California. Plaintiff Catherine Avila started working at B&W on or around June 2021 as a technician. Plaintiff was classified as an hourly, non-exempt employee. Plaintiff's employment

ended in or around April 2023.

5. Plaintiff complied with the procedures of Labor Code § 2699.3 for bringing suit under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq. ("PAGA"). On April 6, 2023, Plaintiff on behalf of herself and Defendant's California non-exempt employees (hereafter collectively the "Aggrieved Employees") gave written notice by electronic service to the California Labor and Workforce Development Agency ("LWDA") and via certified mail to Defendant of their claims against Defendant. In her notice to the LWDA, Plaintiff asserted on behalf of herself and the Aggrieved Employees that Defendant (1) failed to compensate for all hours worked and to pay minimum wages (Labor Code Sections 1194, 1197, 1197.1); (2) failed to pay overtime compensation (Labor Code Section 510); (3) failed to provide rest breaks (Labor Code Section 226.7); (4) failed to provide meal breaks (Labor Code Sections 512, 226.7); (5) failed to timely pay wages due during employment (Labor Code Section 204); (6) failed to provide accurate itemized wage statements (Labor Code Section 226); (7) failed to keep accurate and complete payroll records (Labor Code Section 1174/1174.5);(8) failed to pay wages at the end of employment (Labor Code section 203); and (9) failed to reimburse business expenses (Labor Code section 2802). Plaintiff filed her initial lawsuit on June 26, 2023, in the Superior Court for the State of California, County of Los Angeles, Case No. 23STCV14844, with one cause of action for PAGA penalties based on the theories as outlined in the PAGA letter.

6. Through informal discovery, Defendant produced records and represented that it employed approximately 67 employees falling within Plaintiff's Aggrieved Employees definition for the period from April 6, 2022 (one year before Plaintiff's PAGA notice filing date) through June 24, 2025 (date of mediation), and that there are paychecks issued for a total of approximately 1,590 pay periods worked for that same time period.

7. The Settlement Agreement covers PAGA Members, which are Aggrieved Employees employed on or after April 6, 2022 through June 24, 2025.

8. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the lawsuit and the Representative PAGA Claim. It is the desire of the Parties to fully,

finally, and forever compromise, and discharge all claims known or unknown related to those alleged in Plaintiff's lawsuit.

9. The parties attended a full-day mediation with experienced mediator Kevin Barnes on June 24, 2025, and settled the matter after continued negotiations following mediation. Before agreeing to the terms of the Settlement, the Parties engaged in informal discovery regarding Defendant's policies, practices, operations, time and payroll information and other topics. Prior to negotiation, Defendant produced Plaintiff's personnel file, payroll data for Plaintiff, and time records and payroll records for 54 aggrieved employees falling within Plaintiff's Aggrieved Employees definition and during the applicable PAGA period. Through extensive arm's length negotiations with the assistance of a private mediator and only after informal discovery and investigation were performed, the Parties agreed to settlement terms. Attached as **Exhibit 1** is a true and accurate copy of the "PAGA Settlement Agreement" (hereinafter "Settlement Agreement") along with the notice that will be sent, with payment, to the PAGA Members covered by the Settlement Agreement. As alluded to above, the Parties negotiated the PAGA claims through arms-length negotiation during and after a private mediation, and only after sufficient discovery was completed, including data being sent to Plaintiff's data expert for analysis/review.

10. The Parties conducted investigation of the facts and law both before and after the lawsuit was filed. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the Labor Code violations claimed by Plaintiff. Based on their own independent investigations and evaluations, the Parties and their respective counsel are of the opinion that the Settlement for the consideration and on the terms set forth in this Motion are fair, reasonable and adequate and are in the best interests of Plaintiff, the PAGA Members, and Defendant in light of all known facts and circumstances and the risks inherent in litigation, especially in this post-pandemic era when most California businesses are still struggling to remain afloat due to economic conditions, much less prosper and make a large profit.

11. The Parties further recognize that the issues presented in the Action are likely

only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the maximum potential benefits, especially in light of the post- pandemic era and the business climate.

12. Plaintiff alleges that the strongest claims are that Plaintiff and other PAGA Members were not provided meal and rest breaks under the law.

13. Plaintiff contends that the civil penalty statutes applicable to the Action arise from violations of the California Labor Code, including, but not limited to, Labor Code §§ 226.7, 512, 558, and 2699(f)(2). Under these civil penalty statutes, an employee who suffers a Labor Code violation may be awarded a sum of money for each pay period in which he or she was underpaid. However, under Labor Code § 2699(e)(2), the Court can reduce an award of civil penalties if the award is unjust, arbitrary, oppressive, or confiscatory.

14. As it relates to Plaintiff's argument for meal break violations, Plaintiff's data analysis revealed a shift violation rate of <u>31.4%</u> for short, late, or no meal breaks for shifts that were 5 hours or greater. The data revealed that 92.4% of shifts in the sample were 5 hours or greater. As such, we are dealing with violations covering 1,469 pay periods [1,590 pay periods x 92.4%]. If you extrapolate the 31.4% shift violation rate, it amounts to <u>94.4%</u> of pay periods having at least one meal period violation. As such, the maximum exposure for meal period violations in the PAGA period would be **$69,350**, which is calculated as follows: 1,469 pay periods x 94.4% equals 1,387 affected pay periods; 1,387 pay periods x $50/pay period (civil penalty) amounts to $69,350 in exposure. The latter exposure calculation does not take into account the fact that Defendant had written meal period policies during the relevant PAGA period. In addition, there are risks to Plaintiff's meal period claims. Defendant contends that, to establish a violation for missed meal periods, a plaintiff must do more than show that a meal break was not taken. Determining by a review of Defendant's time records the exact reasons why a meal period appears to be short or late or not taken would be difficult and would be a challenge. Additionally, Defendant apparently maintained legally compliant meal period policies as mentioned above.

15. As it relates to Plaintiff's argument for rest break violations, Plaintiff extrapolated the meal break violation and used it for the rest break analysis. The data revealed that 96.8% of shifts in the sample were 3.5 hours or greater. As such, we are dealing with violations covering 1,539 pay periods [1,590 pay periods x 96.8%]. If you extrapolate the 31.4% shift violation rate, it amounts to <u>94.4%</u> of pay periods having at least one rest period violation. Moreover, and due to the difficulties in proving rest break violations, which are not tracked on paper, Plaintiff attributes a 50% chance of success on this claim if it were to forward in Court, especially because Defendant had written rest period policies and because Defendant paid rest and recovery time to aggrieved employees. Moreover, Defendant contends they provided non-exempt employees with the opportunity to take rest breaks in accordance with California law, and, accordingly, that Plaintiff's rest break claim has no support. Furthermore, employers are not required to record rest periods, and such periods are paid. Unlike meal periods, where there are often records showing whether an employee clocked out or not, there is no such evidence to prove a missed rest period or that the employer refused to authorize and permit one. As such, the realistic exposure for rest period violations in the PAGA period would be **$72,650**, which is calculated as follows: 1,539 pay periods x 94.4% equals 1,453 affected pay periods; 1,453 pay periods x $100/pay period (civil penalty) amounts to $145,300 in maximum exposure, which would be multiplied by a 50% chance of success, which yields $72,650.

16. As it relates to Plaintiff's other claims, and unlike the arguments for meal period violations, there would be issues with proof. As it relates to Plaintiff's claims for rounding, Plaintiff's expert found no evidence of rounding in the sample, with hours being paid to the second decimal point. In terms of any potential regular rate issue as it relates to overtime or meal/rest period premiums based on bonuses made, Defendant argues that the bonuses were generally discretionary in nature. As it relates to straight overtime issues, the data showed that overtime hours were paid correctly when employees did in fact work overtime. As it relates to Plaintiff's claim of business expense reimbursement, there was no evidence that personal cell phones were required to be used for work purposes and that a special type of uniform was required by the employer. Plaintiff's other claims are derivative claims for violations of Labor

Code sections 203, 204, 226, and 1174.5 for not being paid all wages owed every pay period or at the end of employment as well as not receiving accurate, itemized wage statements would not be triggered since meal and rest period violations do not trigger these derivative claims.

17. Based on the above calculations, Plaintiff's aggregate exposure for the strongest disputed claims would be **$142,000**. Assuming that Plaintiff's calculations and analysis are accurate, the maximum exposure presumes that the Court will not reduce the penalty award as unjust, arbitrary, oppressive, or confiscatory. Based on the above analysis, a gross settlement in the amount of $70,000 is a very strong result, especially in light of the risk factors as discussed above.

18. Moreover, Plaintiff is aware of no California state courts awarding Plaintiff multiple PAGA penalties for the same violation for the same pay period under different Labor Code provisions. As such, one of the risks Plaintiff faces is that the Court would refuse to "stack" civil penalties arising under the various Labor Code statutes. Furthermore, judges have awarded extremely small sums to PAGA claimants in the past. Defendant also adamantly disputes all of Plaintiff's allegations in the operative Complaint.

19. PAGA states a court has discretion to award a lesser amount than the maximum penalty. *See* Lab. Code § 2699(e)(2) ("…a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory."); *see also Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, 1135 (reducing PAGA award). There is a substantial risk that the Court could reduce civil penalties to an insignificant amount if it is unpersuaded by Plaintiff's evidence of willful and intentional conduct. *Carrington v. Starbucks* (2018) 30 Cal.App.5th 504 ("*Carrington*") illustrates this. In that case, the Court of Appeal affirmed a trial court's heavily discounted award of only $5 per violation because it was within the Court's discretion to significantly reduce PAGA penalties even when there is a finding that a violation of the California Labor Code occurred. The plaintiff in *Carrington* had requested penalties in excess of $70 million and was successful in proving the PAGA claim during a bench trial. However, the

trial court reduced the total award after trial to only $150,000 (30,000 violations x $5) and stated that this reduction was warranted because imposing the maximum penalty would be "unjust, arbitrary, and oppressive", based on Starbucks's "good faith attempts" to comply with meal break obligations and because the Court found the violations were minimal. Applying the same formula here and assuming there was one violation during each pay period, the award of civil penalties could not exceed $7,950 in PAGA penalties (1,590 violations x $5), and given the nature of the violations there is a substantial risk of a similar formula being applied. As such, this Settlement is a great result based solely on the risk the Court chooses to apply the *Carrington* formula. Thus, the chance of Plaintiff recovering a higher amount than the Gross Settlement Amount is uncertain.

20. The Parties further recognize that the issues presented in the Action are likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the maximum potential benefits to the PAGA Members and Plaintiff from continued litigation.

21. The settlement of the Action involves monetary relief to all PAGA Members, Plaintiff, her attorneys, and the State of California.

22. Furthermore, Plaintiff recognizes that continued litigation presents significant risks that support a significant downward departure from Plaintiff's estimated civil penalties amount. In view of the risks, the Settlement represents a fair, adequate, and reasonable compromise amount for these claims and is in the best interest of Plaintiff and PAGA Members and thus, warrants approval. *See Laguna v. Coverall N. Am., Inc.*, Case No. 12-55479 (9th Cir. June 3, 2014) 2014 WL 2465049, * 3. The PAGA settlement and its terms are fair, just, reasonable, adequate, and equitable to Plaintiff, the aggrieved employees, and the State, especially in light of the current economic climate, and are the product of good faith, and informed arms-length negotiations between the Parties consistent with public policy and fully comply with applicable provisions of law.

23. As such, the settlement of PAGA penalties in the gross sum of 70,000.00, of which

75% of the net amount after attorney's fees $23,333.33, attorney costs $9,910.36, and settlement administrator fees $3,350.00, which is $25,054.73 will be paid to the LWDA, and 25%, which equates to $8,351.58, will be distributed to the PAGA Members, is reasonable and appropriate under the circumstances.

Plaintiff's Individual Settlement

24. Plaintiff did have individual claims in arbitration for FEHA violations (harassment/discrimination), wrongful termination, retaliation under Labor Code Section 1102.5, and a violation of the Equal Pay Act that were also settled by the parties. The parties agreed that the consideration Plaintiff received pursuant to an individual settlement agreement was to settle her individual claims. As part of this confidential agreement, Plaintiff also provided Defendant with a general release of all claims, whether known or unknown, including unknown claims covered by Civil Code Section 1542. Plaintiff has no conflict of interest with the absent Aggrieved Employees and is adequate to represent the Aggrieved Employees.

Attorneys' Fees and Costs

25. I represent Plaintiff on a straight contingency basis. My firm's request for $23,333.33 [33.33%] in attorney fees and $9,910.36 in litigation costs is fair and reasonable. To date, I have investigated and prosecuted this matter vigorously, including drafting the initial PAGA notice as well as the original complaint; reviewing Defendant's informal data and document production; sending and receiving emails on the case with defense counsel; sending the PAGA data to Plaintiff's expert for review/analysis and reviewing the expert's findings/conclusions; preparing for mediation, including providing material and arguments to the mediator; engaging in a private mediation; and drafting this stipulation. I also expect to perform additional work on this case if the Court grants final approval of the Settlement, including supervision of the Settlement Administrator's disbursement of the settlement funds to the Aggrieved Employees. "Empirical studies show that, regardless of whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 47 fn. 11 (quoting *Shaw v. Toshiba America Information Systems, Inc.* (E.D. Tex. 2000) 91 F.Supp.2d 942, 972; *See also*

Lafitte v. Robert Half Int'l Inc. (Cal. Aug. 11, 2016) 1 Cal.5th 480, 503, 376 P.3d 672, 686 (holding that courts can use the percentage method for the calculation of attorneys' fees). This is also consistent with my experience in cases involving PAGA claims. This award is justified here because I achieved a strong result for the PAGA Members and the State while bearing the substantial burdens of contingency representation.

26. My previous experience in litigating wage and hour actions also supports the reasonableness of the fee request, as does the caliber of opposing counsel. My previous experience in similar matters was integral in evaluating the strengths and weaknesses of the case against Defendant and the reasonableness of the Settlement. Because it is reasonable to compensate me commensurate with my skill, reputation, and experience, attorney's fees of approximately 1/3 of the Gross Settlement Amount is reasonable. Likewise, the caliber and experience of opposing counsel in labor and employment litigation supports the fairness and reasonableness of the requested fee award.

27. The litigation costs expended to aid in the representation of the PAGA Members include the following: lawsuit filing fee of $454.22; service of lawsuit = $115.00; PAGA initial filing fees of $75.00; expert data analysis fee of $1,150.00; mediation fee of $8,000.00; and miscellaneous filing fees of $116.14 for a total of $9,910.36. All of these costs are documented and reasonably incurred.

Settlement Administration Costs

28. With regard to the settlement administration costs provision, it is reasonable. Before agreeing to Apex Class Action Administration ("Apex"), the parties sought and reviewed bids from other reputable third-party administrators, including ILYM Group and Phoenix, and Apex's bid was comparable. Apex's bid has been attached as **Exhibit 2** to this declaration.

Notice of Settlement to the LWDA

29. Pursuant to Lab. Code § 2699(l)(2), my firm submitted a copy of the Settlement with the LWDA at the same time the Settlement is being filed with the Court. True and correct copies of this submission with the LWDA and the confirmation email are collectively attached as **Exhibit 3** to this declaration. My firm will further provide a copy of the Court's Order and

Judgment to the LWDA within ten (10) calendar days after entry of said judgment or order as required by Labor Code sections 2699(l)(2)-(3).

I declare under the penalty of perjury of the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed on October 17, 2025, at Glendale, California.

HAROUT MESSRELIAN,
Declarant

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Catherine Avila ("Plaintiff") and defendants Douglas Bravo, an individual, and B&W Automotive, Inc., a California corporation (the "Company""). This Agreement refers to defendants Douglas Bravo and the Company collectively as "Defendants" and Plaintiff and Defendants collectively as "Parties" or individually as a "Party."

1. DEFINITIONS.

1.1 "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendants captioned "CATHERINE AVILA, *Plaintiff*, vs. B&W AUTOMOTIVE, INC.; DOUGLAS BRAVO; and DOES 1 to 25, inclusive, *Defendants*," filed on June 26, 2023 and pending in the Superior Court of the State of California, County of Los Angeles.

1.2 "Administrator" means Apex Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement and to provide Spanish translation for this Agreement..

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

1.4 "Aggrieved Employee" means a person employed by the Company in California and classified as nonexempt during the PAGA Period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in the Company's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.

1.6 "Aggrieved Employee Address Search" means 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" means the Superior Court of California, County of Los Angeles.

1.8 "Defense Counsel" means Steven J. Dawson, senior counsel with Pettit Kohn Ingrassia Lutz & Dolin PC.

1.9 "Effective Date" means the date by when 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. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment.

1.10 "Gross Settlement Amount" means $70,000 (Seventy Thousand Dollars and No Cents) which is the total amount the Company agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator's Expenses Payment.

1.11 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.13 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to 75% of the PAGA Penalties, under Labor Code section 2699, subdivision (i).

1.14 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means Harout Messrelian of Messrelian Law Inc., the attorney representing the Plaintiff in the Action.

1.17 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for the Company for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from April 6, 2022 through June 24, 2025.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698 *et seq.*).

1.21 "PAGA Notice" means Plaintiff's letter to the Company and the LWDA under which Plaintiff provided notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

1.23 "Plaintiff" means Catherine Avila, the named plaintiff in the Action.

1.24 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25 "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.26 "Released Parties" means Douglas Bravo and the Company and each of its former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, employees, managing agents, subsidiaries, parents, affiliates, and/or related companies (including Bravo Automotive Group, Inc. and W & B Automotive Inc. doing business at times as Acura of Alhambra, and their owners, officers, directors, stockholders, managers, agents, employees, and representatives).

1.27 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.28 "Company" means named B&W Automotive, Inc, a California corporation doing business at times as Bravo Chrysler Dodge Jeep Ram of Alhambra.

2. RECITALS.

2.1 On June 26, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for PAGA penalties. The Complaint asserted violations under PAGA for predicate violations of Labor Code sections 201, 202, 203, 204, 204 (b), 210, 226, 226.7, 510, 512, 558, 558.1, 1174d, 1194, 1197, 1197.1, 1198, 2698, and 2699, and California Industrial Welfare Commission Order No. 4-2001/7-2001, Section 9(B) (the "Operative Complaint"). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, and deny any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice on April 6, 2023.

2.3 Defendants deny all the material allegations in the Action, that they violated any laws, that they are liable for damages, penalties, interest, restitution, attorneys' fees or costs, or for any other compensation or remedy with respect to anyone on account of the claims asserted in the Action and that representative treatment is appropriate as to any claim in the Action for purposes other than settlement. Defendants contend that they have complied with all applicable laws asserted in the Action. Nonetheless, without admitting any liability or wrongdoing whatsoever and without admitting that representative treatment is appropriate for any purpose other than settlement purposes alone, Defendants have agreed to settle the Action on the terms set forth in this Agreement, to avoid the burden, expense, and uncertainty of litigation. Any statements by Defendants in this Agreement are made for settlement purposes only and shall under no circumstances be construed as an admission of fault or liability by Defendants.

2.4 On June 24, 2025, the Parties participated in an all-day mediation presided over by mediator Kevin Barnes, Esq., which led to this Agreement to settle the Action.

2.5 Prior to mediation, Plaintiff obtained, through informal discovery, written policy documents applicable to claims in the Action, a sampling of time and pay records of Aggrieved Employees, and data points concerning the composition of the Aggrieved Employees throughout the PAGA Period. Plainatiff's investigation was sufficient to satisfy criteria for court approval.

2.6 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 by Paragraph 9 below, Defendants promise to pay $70,000.00 (Seventy Thousand and No Cents) and no more as the Gross Settlement Amount to fully settle, resolve and extinguish the claims in the Action. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 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 Defendants.

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:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 1/3, which is currently estimated to be $23,333.33, and PAGA Counsel Litigation Expenses Payment of not more than $11,000.00. Defendants 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 or motion for 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 less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee 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 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, and each of them, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed \$3,350.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$3,350.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$32,316.67 to be paid from the Gross Settlement Amount, with 75% (\$24,237.50) allocated to the LWDA PAGA Payment and 25% (\$8,079.17) 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' 25% share of PAGA Penalties (\$8,079.17) 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. No payroll taxes will be withheld or deducted from each Aggrieved Employee's Individual PAGA Payment, and the Settlement Administrator will issue to Aggrieved Employees an IRS Form 1099 for each payment. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment and hold harmless Defendants and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of any 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 on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 67 Aggrieved Employees who worked a total 1,590 PAGA Pay Periods.

4.2 Aggrieved Employee Data. Within 30 days of the Effective Date, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' 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. Defendants have 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. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of 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 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 15 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, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee who's 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 Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS**. Effective on the date when Defendants fully fund the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors and assigns agree to a general release and discharge Released Parties from all claims, transactions, primary rights, or occurrences for PAGA penalties that occurred during the PAGA Period, including, but not limited to: all claims that were, or reasonably could have been alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> 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.

5.2 Release by Aggrieved Employees: All Aggrieved Employees are deemed to fully and finally 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 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, and ascertained in the course of the Action, including and all claims for PAGA penalties involving any alleged unpaid wages, including but not limited to failure to pay minimum wages, straight time compensation, overtime, and double time compensation; failure to timely pay regular and final wages, including but not limited to commissions; failure to pay the proper rate of pay for overtime, meal and rest period premiums, vacation pay and sick pay; failure to provide meal and rest periods or provide premium pay; failure to provide itemized wage statements, failure to keep accurate records of wages paid and hours worked; failure to reimburse business expenses ; failure to provide and maintain hand tools and equipment; and attorneys' fees and costs.

5.3 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

5.4 Plaintiff's Individual Release in Separate Agreement: The Parties and Counsel understand and acknowledge that Plaintiff, individually, has reached a separate agreement with Defendants in connection with her claims and allegations for discrimination, harassment, retaliation, and equal pay based on gender not pled in the Operative Complaint but asserted via a written Demand for Arbitration during the Action and arising in connection with Plaintiff's employment and termination thereof with Defendants under State and Federal law, in tort, common law, statue, contract or equity, including but not limited to, claims under the Fair Employment and Housing Act ("FEHA"), California Government Code section 12900 *et seq*. ("Plaintiff's Individual Release"). Plaintiff's Individual Release does not extend to any claims or actions to enforce this Agreement.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and 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's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (including initial notice of violations under Labor Code section 2699.3, subd. (a), the Operative Complaint (Lab. Code, §2699, subd.(l)(1), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days 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 is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.3 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.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action Administration to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. 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.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 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.

7.4 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.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATE AND ESCALATOR CLAUSE
Based on its records, Defendants represented that, as of the date of this Settlement Agreement, there are 67 Aggrieved Employees who worked 1,590 Pay Periods during the PAGA Period. If the actual number of Aggrieved Employees eligible to participate in the Settlement is greater than Ten Percent (10.0%) of the above estimate, then the PAGA Penalties will be increased by the same proportion above Ten Percent (10.0%) (*e.g.*, if the number of Aggrieved Employees is Eleven Percent (11.0%) greater, Defendants will increase the PAGA Penalties by One Percent (1.0%)).

9. 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 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.

9.1 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, and 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.

10. ADDITIONAL PROVISIONS.

10.1 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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants or any one of them has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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).

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement 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.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, 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.

10.4 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.

10.5 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 and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants 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.

10.7 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.

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

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

10.10 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.

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

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA data provided to PAGA Counsel by Defendants 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 California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee data.

10.13 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.

10.14 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.

10.15 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: Harout Messrelian, Messrelian Law Inc., 101 N. Brand Blvd., Suite 1450, Glendale, CA 91203 (Email: hm@messrelianlaw.com).

To Defendants: Steven J. Dawson, Esq., Pettit Kohn Ingrassia Lutz & Dolin, 5901 W. Century Blvd., Suite 1100, Los Angeles, CA 90045. (Email: sdawson@pettitkohn.com).

10.16 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.

10.17 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

The Parties hereby execute this Settlement ***[Signatures on this and following page]***

Date: 8/20/2025

ID NwrazSjHuU2EtFbUD2N2Z84D

Plaintiff Catherine Avila

Date:

Defendant B&W Automotive, Inc.
By: ______________________
Title: ______________________

10.13 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.

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10.15 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: Harout Messrelian, Messrelian Law Inc., 101 N. Brand Blvd., Suite 1450, Glendale, CA 91203 (Email: hm@messrelianlaw.com).

To Defendants: Steven J. Dawson, Esq., Pettit Kohn Ingrassia Lutz & Dolin, 5901 W. Century Blvd., Suite 1100, Los Angeles, CA 90045. (Email: sdawson@pettitkohn.com).

10.16 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.

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The Parties hereby execute this Settlement ***[Signatures on this and following page]***

Date:

____
Plaintiff Catherine Avila

Date: 8/21/25

Defendant B&W Automotive, Inc.
By: Douglas Bravo
Title: CEO

Date: ______________________________
Defendant Douglas Bravo

Approved as to form:

Date: 8/20/2025

ID HwBAycbycGyShHF1XoZeR4RG
____
Harout Messrelian
Counsel for Plaintiff

Approved as to form:

Date: ______________________________
Steven J. Dawson
Counsel for Defendants

Date: 08/21/25

Defendant Douglas Bravo

Approved as to form:

Date:

Harout Messrelian
Counsel for Plaintiff

Approved as to form:

Date: 8/21/2025

Steven Dawson

Steven J. Dawson
Counsel for Defendants

eSignature Details

Signer ID:	**Nwraz5jHuU2EtFbUD2N2ZS6D**
Signed by:	CATHERINE AVILA
Sent to email:	catherineavila7@gmail.com
IP Address:	174.193.129.26
Signed at:	Aug 20 2025, 6:52 pm PDT

Signer ID:	**HwSAycbycGyShHF1XoZeR4RG**
Signed by:	Harout Messrelian
Sent to email:	hm@messrelianlaw.com
IP Address:	69.234.47.40
Signed at:	Aug 20 2025, 7:03 pm PDT

NOTICE OF PAGA SETTLEMENT

CATHERINE AVILA v. B&W AUTOMOTIVE, INC.; DOUGLAS BRAVO
Superior Court of California, County of Los Angeles, Case No. 23STCV14844

<<Apex Class Action Administration>>
[ ]
[ ]
Telephone: [ ]

«Barcode» «BarcodeString»
SIMID «SIMID»
«FirstName»
«LastName»
«Address1» «Address2»
«City» «State» «Zip»

You are receiving this notice as a result of lawsuits brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA") ("the Action"). The plaintiff in the Action is Catherine Avila ("Plaintiff") and the Defendants are B&W AUTOMOTIVE, INC.; DOUGLAS BRAVO ("Defendants" or "B&W"). The Action seeks civil penalties for purported violations of the California Labor Code on behalf of all non-exempt California employees who worked for Defendants during the PAGA Period of April 6, 2022 to June 24, 2025 (the "Aggrieved Employees"). Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the case and the Court has approved the settlement and release of claims. By settling the Action, Defendants are not admitting that they have done anything wrong as of and subject to the occurrence of the Effective Date of the Settlement.

Upon the Effective Date of this Settlement, Plaintiff, PAGA Counsel, and the Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendants and each of its former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, employees, managing agents, subsidiaries, parents, affiliates, and/or related companies. The Released PAGA Claims shall include all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

By Order dated <<court approval order date>>, the Superior Court of the State of California, County of Los Angeles approved the Settlement of the PAGA claims.

According to the Defendants' records, you are an Aggrieved Employee and therefore entitled to a share of the settlement based upon the Court approved allocation. Enclosed with this Notice is your check for your share. The settlement check shall remain valid for 180 days.

Thereafter, all uncashed checks shall be distributed to California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Aggrieved Employee.

Please Note: One hundred percent (100%) of your individual PAGA payment under this Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your individual PAGA payment. Neither Plaintiff nor Defendants have made any representations or warranties regarding the taxation of your individual PAGA payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended). Enclosed are the appropriate tax forms pertaining to your payment.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or to ask questions about the claims process. If you have any questions, you may call or write to Apex Class Action Administration (the Settlement Administrator) using the contact information at the top of this correspondence.

EXHIBIT 2

APEX
CLASS ACTION ADMINISTRATION

Quotation Request:		**Case Name:**	**Avila v B&W**
Harout Messrelian		Date:	Thursday, August 14, 2025
Messrelian Law		RFP Number:	201880014
hm@messrelianlaw.com			

Prepared By:
Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications	
Number of Aggrieved Employees	**67**
Certified Language Translation:	**Yes**
Static Settlement Website	**No**
Percentage of Undeliverable Mail	**20%**

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Data Analytics and Standardization				
Import and Standardize Data*	Per Hour	$125.00	1	$125.00
Data Analyst	Per Hour	$150.00	1	$150.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of $150/hr.				
			Sub Total:	$275.00
Project Management				
Project Management	Per Hour	$150.00	1	$150.00
Project Coordinator	Per Hour	$90.00	1	$90.00
Data Analyst and Reporting	Per Hour	$140.00	1	$140.00
			Sub Total:	$380.00
Toll-Free Contact Center, Website, Reporting & Pre-Distribution				
Form Set Up	Per Hour	$120.00	1	$120.00
Bilingual Toll-Free Contact Center	Static Rate	$25.00	1	$25.00
NCOA Address Update (USPS)	Static Rate	$25.00	1	$25.00
Certified Language Translation: Spanish	Static Rate	$350.00	1	$350.00
Settlement Status Reports	Static Rate	$750.00	1	Waived
			Sub Total:	$520.00

APEX
CLASS ACTION ADMINISTRATION

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Distribution & Settlement Fund Management				
Settlement Calculations	Per Hour	$120.00	2	$240.00
Account Management and Reconciliation	Per Hour	$140.00	2	$280.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	$1.00	67	$67.00
USPS First Class Postage	Per Piece	$0.78	67	$52.26
Remail Distribution to Updated Address (Skip Trace)	Per Piece	$2.50	7	$16.75
Individual Income Tax Preparation & Reporting	Per Hour	$100.00	3	$300.00
QSF Income Tax Reporting (per calendar year)	Per Year	$1,000.00	1	$1,000.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	$100.00	1	$100.00
			Sub Total:	$2,056.01
Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	$135.00	1	$135.00
Project Management Reconciliation	Per Hour	$100.00	1	$100.00
Declarations	Per Hour	$120.00	1	$120.00
			Sub Total:	$355.00
			WILL NOT EXCEED:	$3,350.00

Thank you for your business!

APEX

CLASS ACTION ADMINISTRATION

APEX
CLASS ACTION ADMINISTRATION

Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (I) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the party's concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of $1.50 per storage box for paper documents and $0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 3