CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs Justin Aaron Heard and Lisa Childress (the "Named Plaintiffs") and Defendant Ford Motor Company, a Delaware Corporation ("Defendant.") The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS

1.1 "Action" means the following actions: *Childress v. Ford Motor Company*, San Bernardino Superior Court Case No. CIVSB2316694, subsequently removed to and currently pending in the United States District Court, Central District of California, Case No.: 5:23-cv-01949-JWH-SHK ("Childress Matter"), *Childress v. Ford Motor Company,* San Bernardino Superior Court, Case No. CIVSB2324555, ("Childress PAGA Matter"), and *Aaron Heard v. Ford Motor Company* San Joaquin County, Case No. STK-CV-VOE-2023-9958, subsequently removed to and currently pending in the United States District Court, Eastern District of California, Case No.: 2:23-cv-02397-DAD-AC ("Heard Matter;" both the Childress Matters and the Heard Matter shall collectively be referred to as the "Action").

1.2 "Agreement" means this Class Action Settlement Agreement, including any attached Exhibit(s).

1.3 "Administrator" means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.4 "Aggrieved Employee" means a person employed by Defendant in California and classified as a non-exempt, hourly employee who worked for Defendant during the PAGA Period. The term "Aggrieved Employee" is used in this Agreement to identify individuals covered by the release of the PAGA claims raised in the Action, and is not an admission by Defendant that any employee covered by that term is "aggrieved" under PAGA.

1.5 "Check-Cashing Period" means the period of 180 days after the date of the checks for Individual Settlement Payments.

1.6 "Class" means all current and former non-exempt, hourly employees who worked for Defendant in California at any time from July 20, 2019 through 60 days after the signing of this instant Class Action and PAGA Settlement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first.

1.7 "Class Counsel" means Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.Law, Inc. and Neil M. Larsen, and Jennifer Rivera of Abramson Labor Group.

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

1.9 "Class Member" or "Settlement Class Member" means a member of the Class.

1.10 "Class List" means a list based on Ford's business records that identifies each Class Member's name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, the number of Qualifying Workweeks worked during the Class Period Workweeks and PAGA Pay Periods.

1.11 "Class Member Address Search" means the Administrator's investigation and search for current Class Member 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 Class Members.

1.12 "Class Notice" means the Court approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English, if applicable in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 "Class Period" means the period from July 20, 2019 through 60 days after the signing of this instant Class Action and PAGA Settlement Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first.

1.14 "Class Representative" means the named Plaintiffs in the consolidated complaint in the Action seeking Court approval to serve as a Class Representative.

1.15 "Class Representative Service Payments" means the payments to the Class Representatives for initiating the Action and providing services in support of the Action.

1.16 "Complaint" means the Amended Consolidated Complaint the Parties agreed that Plaintiff will file in the *Childress* PAGA Matter for settlement approval purposes only and which will include all of the claims alleged across the Action and which are covered by this Agreement.

1.17 "Court" means the Superior Court of California, County of San Bernardino.

1.18 "Defendant" means named Defendant Ford Motor Company, a Delaware Corporation.

1.19 "Defense Counsel" means Katherine Smith, Megan Cooney, and Angela Reid of Gibson, Dunn & Crutcher, LLP.

1.20 "Disposition" means the method by which the Court approves the terms of the Settlement and retains jurisdiction over its enforcement, implementation, construction, administration, and interpretation.

1.21 "Effective Date" means the day after both of the following have occurred: (i) final approval of the settlement is granted by the Court, and (ii) Judgment approving the settlement becomes Final. Final shall mean the latest of: (i) if there is an appeal of the Court's Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for further review, or, (ii) if a petition for further review filed, the date of denial of the petition for further review, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the date of the Order granting final approval of this Settlement and entering judgment.

1.22 "Enhancement Payments" means a monetary award subject to Court approval of up to Ten Thousand Dollars ($10,000) to each of the two Plaintiffs as set forth in Section 3.06(e) of this Agreement.

1.23 "Final Order Approving Settlement of Class Action" or "Final Order" means the final formal court order signed by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, approving this Agreement.

1.24 "Final Approval Hearing" means the hearing to be conducted by the Court to determine whether to approve finally and implement the Settlement pursuant to the terms of this Agreement.

1.25 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.26 "Gross Settlement Amount" means $3,300,000.00 which is the total amount Defendant agrees to pay under the Settlement subject to the escalation clause in Paragraph 8 below. This sum shall include all payments made to Settlement Class members, Plaintiffs' service payments, all settlement administration costs, employee shares of applicable payroll tax payments (e.g., FICA, FUTA, etc.), the civil penalties allocated to the California Private Attorneys General Act ("PAGA") and paid to the Settlement Class members and the California Labor & Workforce Development ("LWDA"), Class Counsel Fees Payment, and Class Counsel Litigation Expenses. Payment. The Gross Settlement Amount will be on a common fund basis and non-reversionary, and, subject to the Escalator Provision below, will be the maximum amount paid by Defendant under the settlement. However, the employer's share of the payroll taxes shall be paid separately and in addition to the Gross Settlement Amount.

1.27 "Individual Class Payment" means each Participating Class Member's respective share of the Net Settlement Amount.

1.28 "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 worked during the PAGA Period.

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

1.30 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

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

1.32 "Motion for Final Approval" means Plaintiffs' submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to enter a Final Order in this Action.

1.33 "Motion for Preliminary Approval" means Plaintiffs' submission of a written motion, including any evidence as may be required for the Court to grant preliminary approval of the Settlement as required by Rule 3.769 of the California Rules of Court.

1.34 "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, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

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

1.36 "PAGA Period" means the period from July 21, 2022 through 60 days after the signing of the instant Class Action and PAGA Settlement Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first..

1.37 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.38 "PAGA Notice" means Plaintiff Childress' July 21, 2023 letter and Plaintiff Heard's September 18, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.39 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, totaling \$165,000. Per Labor Code § 2699(i), 25% of the PAGA Penalties are to be allocated to the Aggrieved Employees (\$41,250) and the remaining 75% of the PAGA Penalties are to be allocated to the LWDA ($123,750) in settlement of the PAGA claims.

1.40 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.41 "Plaintiffs" means Justin Aaron Heard and Lisa Childress, the named Plaintiffs in the Action.

1.42 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.43 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.44 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.45 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.46 "Released Parties" means: Defendant and each of its former and present directors, officers, fiduciaries, employees, agents, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, any parent corporation, any benefit plans sponsored by Defendant and their fiduciaries and administrators, and all other entities affiliated with or related to Defendant, without limitation, exception or reservation.

1.47 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.48 "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

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

1.50 "Settlement Administration Costs" means all costs (not to exceed $8,000) incurred by the Settlement Administrator in administering the Settlement, including, but not limited to, the following: all costs, expenses, and fees associated with preparing, issuing, and mailing any and all notices; computing, processing, reviewing, and mailing Individual Settlement Payments; generating Individual Settlement Payment checks and related tax reporting forms; preparing any tax returns and other filings required by any governmental authority or agency; preparing any other checks, notices, reports, or filings; administering the process set forth in this Agreement regarding unclaimed checks; administering disbursements from the Net Settlement Amount; and generating checks to Class Counsel for attorneys' fees and costs and to Plaintiffs for the Enhancement Payments.

1.51 "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS.**

2.1 On July 20, 2023, Plaintiff Lisa Childress filed a Class Action Complaint in the San Bernardino Superior Court, Case No. CIVSB2316694 (the "Childress Action"), alleging Minimum Wage Violations, Meal Period Violations, Rest Period Violations, Wage Statement Violations, Waiting Time Penalties, and Failure to Reimburse Business Expenses under the California Labor Code, and violation of California Unfair Competition law. On September 22, 2023, Defendant removed the Childress Action to the United States District Court for the Central District of California.

2.2 On September 19, 2023, Plaintiff Justin Aaron Heard filed a Class Action Complaint in the San Joaquin Superior Court, Case No. STK-CV-VOE-2023-9958, for violation of (the Labor Code and the Wage Order for Failure to Pay Minimum Wages, violation of the Labor Code and the Wage Order for Failure to Pay Wages and Overtime Wages, violation of the Labor Code and the Wage Order for Failure to Provide Meal Periods or Compensation in Lieu Thereof, violation of the Labor Code and the Wage Order for Failure to Provide Rest Periods or Compensation in Lieu Thereof, violation of the Labor Code and the Wage Order for Failure to Comply with Itemized Employee, Wage Statement Requirements, violation of the Labor Code and the Wage Order for Failure to Pay All Wages Upon Termination, violation of the Labor Code and the Wage Order for Failure to Comply With Employee Record Keeping Requirements, violation of the Labor Code for Failure to Reimburse Business Expenses, and violation of California Business and Professions Code section 17200, et. seq. On October 20, 2023, Defendant removed the Heard Action to the United States District Court for the Eastern District of California.

2.3 On October 3, 2023, Plaintiff Lisa Childress filed a Class Action Complaint in the San Bernardino Superior Court, Case No. CIVSB2324555 (the "PAGA Action"), against Defendant for civil penalties for violation of Labor Code section 2698, et. seq., the California Private Attorneys General Act ("PAGA"), predicated on underlying violations of Labor Code sections § 201, 202, 203, 204, 210, 221, 226, 226.7, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802, and 2804, et. seq., and the applicable Wage Orders of the Industrial Welfare Commission.

2.4 On December 21, 2023, Plaintiff Justin Aaron Heard further filed a First Amended Complaint adding a cause of action against Defendant for civil penalties for violation of Labor Code section 2698, et. seq., the California Private Attorneys General Act ("PAGA"), predicated on underlying violations of Labor Code sections § 201, 202, 203, 204, 223, 226.7, 226(a), 510, 512, 1174, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, et. seq., and the applicable Wage Orders of the Industrial Welfare Commission in the Heard Matter.

2.5 Defendant expressly denies any liability or wrongdoing of any kind under any federal, state or local law associated with the claims alleged in the Action and those released as part of this settlement of the Action. Defendant denies all material allegations set forth in any complaint filed in the Action and has asserted numerous affirmative defenses. Defendant maintains, among other things, it has complied with all federal and state laws in all respects. Nothing in this Settlement Agreement shall be deemed an admission of liability, culpability, negligence or wrongdoing on the part of Defendant. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding, including to establish any liability or admission on the part of Defendants or the Released Parties or to establish the existence of any condition constituting a violation of, or non-compliance with, federal, state, local, or other applicable law.

2.6 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.7 On October 18, 2024, the Parties participated in an all-day mediation presided over by Hon. Daniel J. Buckley (Ret.) in which the Parties reached a settlement in principle.

2.8 Prior to mediation, Plaintiffs obtained, through informal discovery, pertinent payroll, timekeeping, and other data. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc*. (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

2.9 The Court has not granted class certification.

2.10 The Parties, Class 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. Subject to the Escalation Provision under Paragraph 8 below, Defendant promises to pay $3,300,000.00 and no more on a non-reversionary basis, as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments in addition to the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or 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:

3.2.1 To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than Ten Thousand Dollars and Zero Cents ($10,000.00) each (totaling Twenty Thousand Dollars and Zero Cents ($20,000.00)). These amounts are subject to approval by the Court and are in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed $10,000 to each Plaintiff. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representatives Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs shall be solely and legally responsible to pay and all applicable taxes on their Class Representative Service Payments and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Service Payment. It is understood by Plaintiffs and Class Counsel that the Court has final discretion on any Class Representative Service Payments.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be One Million One Hundred Thousand Dollars and Zero Cents ($1,100,000) and a Class Counsel Litigation Expenses Payment of not more than Thirty Thousand Dollars ($30,000.00). Defendant will not oppose requests for these payments provided they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class 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 Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. Notwithstanding any other provision of this Agreement, if the Court should fail to award attorneys' fees to Class Counsel in the full amount provided for in this Agreement, no order of the Court or modification of any order of the Court concerning the amount of any attorneys' fees to be paid by Defendant to Class Counsel pursuant to this settlement shall constitute grounds for cancellation or termination of the Agreement or grounds for limiting any other provision of the Judgment. It is agreed that no order of the Court, including any order concerning attorneys' fees, may alter or otherwise increase the Gross Settlement Amount except for the escalation clause being triggered pursuant to Section 8.

3.2.3 To the Administrator: Settlement Administration Costs not to exceed $8,000.00 except for a showing of good cause and as approved by the Court. Class Counsel will submit an application for Court approval of an allocation of Settlement Administration Costs from the Gross Settlement Amount. To the extent the Settlement Administration Costs are less or the Court approves payment less than $8,000.00, the amount reduced will be added to the Net Settlement Amount to be administered to Participating Class Members.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class and PAGA Payments. 40% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 60% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). 100% of the Individual PAGA Payments will be allocated to penalties and interest. The Non-Wage Portions, including the PAGA Payments, are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $165,000.00 to be paid from the Gross Settlement Amount, with 75% ($123,750.00) allocated to the LWDA PAGA Payment and 25% ($41,250.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($41,250.00) 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.

3.2.5.2 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 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records and the data available to Defendant currently, Defendant estimates there are 339 Class Members who collectively worked a total of 35,841 Workweeks between July 20, 2019 and September 3, 2024, and 227 of Aggrieved Employees who worked a total of 18,000 PAGA Pay Periods.

4.2 Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator will not provide Class Data to Class Counsel. The Class Data provided to the Settlement Administrator will be treated as confidential and will not be disclosed to anyone, except as may be required to applicable tax authorities, pursuant to Defendant's express written consent, by order of the Court, or to carry out the reasonable steps described in this Settlement to locate missing Class Members.

The Class Data (or Class List) shall contain the names of all members of the Settlement Class, along with the following information for each member of the Settlement Class: i) employment ID number or unique number identifier; ii) last-known address and telephone number; iii) number of Workweeks worked for Defendant as an hourly, non-exempt employee in California during the Class Period, or information sufficient to calculate the Workweeks and PAGA Pay Periods; and iv) social security number, or as applicable, other tax identification number.

Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class 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 Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date. Defendant's share of payroll taxes shall be deposited by Defendant with the Settlement Administrator at the same time it deposits the Gross Settlement Amount.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. 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 a Class Member Address Search for all other Class Members whose checks are retuned undelivered without USPS forwarding address. Within 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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed within 180 days of payment and cancelled after the void date, shall be sent to the designated cy pres recipient, the State Bar Justice Gap Fund.

4.4.4 The payment of Individual Class Payments, Individual PAGA Payments, and the Class Representative Service Payment made to Plaintiffs, as well as any other payments made under this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Participating Class Members or Aggrieved Employees may be eligible, including, but not limited to: profit sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plans. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Participating Class Member or Aggrieved Employee may be entitled under any benefit plans.

5. **RELEASES OF CLAIMS**. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Upon (i) the Effective Date occurring and (ii) the Gross Settlement Amount being fully funded, Defendant and each of its past, present, and/or future, direct, and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint ventures (the "Released Parties") shall be entitled to, and each Plaintiff shall be deemed to have given, a release of the following claims for the Class Period: Any and all causes of action, claims, rights, damages, and penalties under California law that are alleged in operative Complaints in the Actions or that could have been alleged based on the facts alleged in the operative Complaint in the Actions, including but not limited to: (a) any alleged failure by Ford (1) to pay all minimum wages, (2) to pay overtime wages, (3) to provide meal periods or pay meal period premium wages, (4) to authorize and permit rest periods or pay rest period premium wages, (5) to reimburse business expenses, (6) to issue compliant wage statements, and (7) to timely pay wages at the end of employment; (b) any right or claim for unfair business practices in violation of California Business & Professions Code sections 17200, et seq., based on the alleged failures set forth in (a)(1) through (a)(7) above; and (c) any violation of the California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(7) above, including, without limitation, violation of California Labor Code sections 201–204, 221, 226, 226.7, 510, 512, 516, 558, 1182.12 1194, 1194.2, 1197, 1198, 2802, 2804 or any other applicable state statute, rule and/or regulation (Wage Order), during the Class Period ("California Released Claims"). In addition, Plaintiffs shall release any right or claim for civil penalties pursuant to the PAGA, California Labor Code sections 2698, et seq., arising under the California Labor Code or Wage Orders based on the alleged failures set forth in (a)(1) through (a)(7) above, arising at any time during the PAGA Period ("PAGA Released Claims"). The period of the Released Claims shall extend to the limits of the Release Period. The res judicata effect of the Judgment will be the same as that of the Release. Plaintiffs' 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 Class Period. Plaintiffs acknowledges that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs 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 Participating Class Members: Upon (i) the Effective Date occurring and (ii) the Gross Settlement Amount being fully funded, all Participating Class Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties to the fullest extent permitted by law from any and all causes of action, claims, rights, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature, and any claims alleged in the operative Complaints in the Actions or that could have been alleged based on the facts alleged in the operative Complaints in the Actions or which are based on the same primary rights, including but not limited to: (a) any alleged failure by Ford (1) to pay all minimum wages, (2) to pay overtime wages, (3) to provide meal periods or pay meal period premium wages, (4) to authorize and permit rest periods or pay rest period premium wages, (5) to reimburse business expenses, (6) to issue compliant wage statements, and (7) to timely pay wages at the end of employment; (b) any right or claim for unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, based on the alleged failures set forth in (a)(1) through (a)(7) above; and (c) any violation of the California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(7) above, including, without limitation, violation of California Labor Code sections 201–204, 221, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2802, 2804 or any other applicable state statute, rule and/or regulation (Wage Order), during the Class period ("California Released Claims"). In addition, all Settlement Class members (whether or not they opt-out) who worked for Ford as non-exempt employees in California at any point during the PAGA Period (July 21, 2022 through 60 days after the signing of the Long Form Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first) shall release any right or claim for civil penalties pursuant to the PAGA, California Labor Code sections 2698, *et seq.*, arising under the California Labor Code or Wage Orders based on the alleged failures set forth in (a)(1) through (a)(7) above, arising at any time during the PAGA Period ("PAGA Released Claims"). The period of the Released Claims shall extend to the limits of the Release Period. The res judicata effect of the Judgment will be the same as that of the Release. The California Released Claims subject to the "Escalator Provision" in Paragraph 8 of this Agreement.

5.3 Release by Aggrieved Employees: All Aggrieved Employees shall release to the fullest extent permitted by law any right or claim for civil penalties pursuant to PAGA, California Labor Code section 2698, *et seq*., arising under the California Labor Code or Wage Orders based on the alleged violations set forth in Paragraph 5.2, subsections (a)(1) through (a)(7), arising at any time during the PAGA Period ("PAGA Released Claims"). The period of the PAGA Released Claims shall extend to the limits of the release period. The res judicata effect of the Judgment will be the same as that of the California Released Claims. The PAGA Released Claims are subject to the "Escalator Provision" in Paragraph 8 of this Agreement.

6. **MOTION FOR PRELIMINARY APPROVAL**. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel for input and comment at least 7 court days prior to filing, all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) 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 Class 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 Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel Declaration 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 Condition to File Amended Complaint: The Parties agree to jointly request that the San Bernardino County Superior Court allow the Plaintiffs to file a consolidated amended complaint in *Childress v. Ford Motor Company*, San Bernardino Superior Court Case No. CIVSB2324555, that includes all putative class and PAGA claims currently alleged in all three of the Actions. Upon filing the consolidated amended complaint, the Parties shall jointly request a stay of the federal actions referenced above. If the Court declines to approve the settlement agreement, the Parties agree that the stayed federal actions shall resume, and Plaintiffs shall dismiss the claims alleged in the consolidated amended complaint in the San Bernardino County Superior Court such that the allegations and claims before the San Bernardino County Superior Court shall be the same as they were before the consolidated amended complaint was filed.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris 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 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts.

Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Any Class Member, other than Plaintiffs, may opt-out from the Settlement. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, last four digits of the Social Security Number of the Class Member requesting exclusion, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit a Request for Exclusion. Class Counsel shall not represent any Class Members with any such request.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 30 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume, after consultation with Defendant's counsel, that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall not be appealable or otherwise susceptible to challenge by a Class Member. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel (Class Counsel's copy to have identifying information redacted) and the Administrator's determination to the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 30 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit an objection. Class Counsel shall not represent any Class Members with any such objections.

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 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.

7.8.1 Email Address and Toll-Free Number. The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid) with the Class Members' identifying information redacted.

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all

Class Member challenges over the calculation of Workweeks and/or Pay Periods after consultation with Defendant's counsel. The Administrator's decision shall not be appealable or otherwise susceptible to challenge by a Class Member.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), and the number of written objections and attach the Exclusion List with Non-Participating Class Members identified by employee identification number only. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE** Defendant represents that Settlement Class members worked approximately 35,841 workweeks as non-exempt employees in California ("Workweeks") between July 20, 2019 and September 3, 2024. If the actual number of Workweeks worked by Settlement Class members during the Class Period exceeds this number by more than 10% (i.e., if there are actually 39,424 or more Workweeks worked by Settlement Class members during the Class Period), then Defendant will have the option to either: (i) increase the Gross Settlement Amount by the increase in Workweeks over 10% above 35,841 (e.g., if the actual number of Workweeks is 11% greater than 35,841, the Gross Settlement Amount will increase by 1%) or (ii) truncate the end of the Class Period on the date prior to which the number of Workweeks exceeds 39,424 Workweeks (10% greater than 35,841 Workweeks) and this escalator clause will no longer be triggered. If Defendant elects to truncate the end of the Class Period under this provision, then the Class Period will end as of that date and the notice to the Settlement Class will include the revised Class Period end date.

9. **DEFENDANT'S RIGHT TO RESCIND.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant will have sole and absolute discretion to rescind/void this Settlement. The Parties agree that, if

Defendant rescinds, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement, including, without any limitation, any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to rescind not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect. In the event the Settlement is terminated, the Parties shall proceed in all respects as if this Agreement had not been executed.

10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel for input and comment, not later than ten days prior to filing the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 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 Cal. Code Civ. Proc. § 664.6 and Cal. Rule of Court 3.769 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.

10.4 Waiver of Right to Appeal. Provided the Judgment is materially consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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 an objector 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.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. **ADDITIONAL PROVISIONS.**

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. 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 Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and 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 or proceeding to establish any liability or admission of any nature on the part of Defendant, or to establish the existence of any condition constituting a violation of, or a non-compliance with any federal, state, local or other applicable law(except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, insurers, funders or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order, subpoena, or as required by law; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or (6) in connection with public reporting requirements. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information prior to the filing of the Motion for Preliminary Approval of Settlement. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members after preliminary approval is granted or if contacted by such Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members after preliminary approval is granted or if contacted by such Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 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.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs 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.

12.6 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 the mediator and/or the Court for resolution.

12.7 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.

12.8 No Tax Advice. Neither Plaintiffs, Class 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. Defendant, Defense Counsel, the Settlement Administrator, and Class Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on any statement, representation, or calculation by Defendant, Defense Counsel, Class Counsel, or by the Settlement Administrator in this regard. Plaintiffs and Participating Class Members understand and agree that they will be solely responsible for the payment of any and all taxes and penalties assessed on their respective payments described herein and will defend, indemnify, and hold Defendant, Defense Counsel, Class Counsel, and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable penalties/damages.

12.9 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.

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

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 Meet and Confer Regarding Disputes: Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, a representative of Class Counsel and a representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior to submitting such disputes to the Court.

12.14 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.

12.15 Fair and Reasonable Settlement: The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Actions and have arrived at this Agreement through arm's-length negotiation and in the context of adversarial litigation, taking into account all relevant factors, current and potential. The Parties further believe that the Settlement is consistent with public policy, and fully complies with applicable law. The Parties further acknowledge that they are each represented by competent counsel and have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

12.16 Authorization to Act: Class Counsel represent and warrant that they are authorized by Plaintiffs, and Defense Counsel warrants that they are authorized by Defendant to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not limited to this Agreement, that are required to be signed by the Parties.

12.17 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class 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. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.18 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.

12.19 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.

12.20 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 Plaintiffs:
D.Law, Inc.
Emil Davtyan
emil@d.law
David Yeremian
d.yeremian@d.law
David Keledjian
d.keledjian@d.law
David Arakelyan
d.arakelyan@d.law
450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Abramson Labor Group
Neil M. Larson
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1700 W. Burbank Blvd.
Burbank, CA 91506
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To Defendant:
Katherine V.A. Smith, SBN 247866
ksmith@gibsondunn.com
Megan Cooney, SBN 295174
mcooney@gibsondunn.com
Angela Reid, SBN 323057
areid@gibsondunn.com
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, CA 90071-3197
Telephone: (213) 229-7000

12.21 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.

12.22 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.

12.23 Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement.

Dated: August __20__, 2025

DocuSigned by:
03D20980B92542A...
Justin Aaron Heard

Dated: August _____, 2025

Lisa Childress

Dated: August _____, 2025

Ford Motor Company, a Delaware Corporation
By: ______________________________
Its: ______________________________

AGREED AS TO FORM

Dated: August __20__, 2025

D.LAW, INC.

David Keledjian, Esq.

Dated: August _____, 2025

ABRAMSON LABOR GROUP

Neil M. Larsen, Esq.

Dated: August _____, 2025

GIBSON, DUNN & CRUTCHER LLP

Katherine V.A. Smith, Esq.

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Dated: August _____, 2025

____
Justin Aaron Heard

Dated: August 20, 2025

Lisa Childress (Aug 20, 2025 12:27:34 PDT)
Lisa Childress

Dated: August _____, 2025

____
Ford Motor Company, a Delaware Corporation
By: ________________________
Its: ________________________

AGREED AS TO FORM

Dated: August _____, 2025

D.LAW, INC.

____
David Keledjian, Esq.

Dated: August 20, 2025

ABRAMSON LABOR GROUP

Neil Larsen
Neil M. Larsen, Esq.

Dated: August _____, 2025

GIBSON, DUNN & CRUTCHER LLP

____
Katherine V.A. Smith, Esq.

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Dated: August _____, 2025

____
Justin Aaron Heard

Dated: August _____, 2025

____
Lisa Childress

Dated: August 22, 2025

DocuSigned by:
618F2D60BC62444...
____
Ford Motor Company, a Delaware Corporation
By: Anthony Dalimonte
Its: Senior Counsel --- Labor and Employment

AGREED AS TO FORM

Dated: August _____, 2025

D.LAW, INC.

____
David Keledjian, Esq.

Dated: August _____, 2025

ABRAMSON LABOR GROUP

____
Neil M. Larsen, Esq.

Dated: August 22, 2025

GIBSON, DUNN & CRUTCHER LLP

____
Katherine V.A. Smith, Esq.

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Childress, et al v. Ford Motor Co.

Case No. CIVSB2324555, San Bernardino County Superior Court

The Superior Court for the State of California authorized this Notice. It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Ford Motor Company, a Delaware Corporation ("Defendant") for alleged wage and hour violations under California law. You may be entitled to (1) damages and other relief if you belong to a class of nonexempt hourly employees ("Class Members") who worked for Defendant during the Class Period (July 20, 2019 through 60 days after the signing of the Long Form Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first); and (2) penalties under the California Private Attorney General Act ("PAGA") if you belong to a group of nonexempt hourly employees who worked for Defendant during the PAGA Period (July 21, 2022 and 60 days after the signing of the Long Form Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $______ (less withholding) and your Individual PAGA Payment is estimated to be $______**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendant's records showing that **you worked ______ workweeks** during the Class Period and **you worked ______** pay periods during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and require Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert certain claims against Defendant.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue certain claims against Defendant. You cannot opt-out of the PAGA portion of the proposed Settlement.

(3) **Object to the Settlement.** If you object to the Settlement, you will remain a member of the Class, and if the Court approves the Settlement, you will collect a settlement award and be bound by the terms of the Settlement in the same way as Class Members who do not object.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is _______________**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by ______________**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the ______________ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on ______________. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by ______________	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by ______________. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former hourly, non-exempt employees of Defendant in California. The Action alleges that Defendant violated California labor laws by failing to pay overtime wages, minimum wages, and wages due upon termination, failing to pay reimbursable expenses, failing to provide meal periods and rest breaks, failing to pay proper reporting time, failing to pay proper sick pay, and failing to issue accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Actions: Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.Law, Inc. and Neil M. Larsen, Eli Drummond, and Jennifer Rivera of Abramson Labor Group ("Class Counsel.").

Defendant expressly denies any liability or wrongdoing of any kind associated with the claims alleged in the Action and those released as part of the settlement of the Action. Defendant further denies all material allegations set forth in the Action and has asserted numerous affirmative defenses. Defendant denies all wrongdoing and maintains, among other things, it has complied with federal and California law, including wage-and-hour laws, in all respects and that the members of the Class have been paid all monies that were due to them. However, Defendant has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation. The lawsuits at issue are known as: *Childress v. Ford Motor Company*, United States District Court, Central District of California, Case No.: 5:23-cv-01949-JWH-SHK, *Childress v. Ford Motor Company,* San Bernardino Superior Court, Case No. CIVSB2324555, and *Heard v. Ford Motor Company*, United States District Court, Eastern District of California, Case No.: 2:23-cv-02397-DAD-AC (the "Action").

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits.

However, in order to avoid the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the cases by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merits of any claims. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. <u>Defendant Will Pay $3,300,000.00 as the Gross Settlement Amount (Gross Settlement)</u>. Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA").

2. <u>Court Approved Deductions from Gross Settlement</u>. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

    a. Up to $1,100,000.00 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to $25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

    b. Up to $10,000, for each named Plaintiff (no more than $20,000), as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies

Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.

c. Up to $8,000.00 to the Administrator for services administering the Settlement.

d. Up to $165,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 40% of each Individual Class Payment to taxable wages ("Wage Portion") and 60% to interest, etc. ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

   Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

   If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than ______________, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed

Request for Exclusion by the ______________ Response Deadline. The Request for Exclusion should be a signed letter from a Class Member or his/her representative setting forth a Class Member's name, last four digits of the Class Member's Social Security Number, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. <u>The Proposed Settlement Will be Void if the Court Denies Final Approval</u>. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. <u>Administrator</u>. The Court has appointed a neutral company, Simpluris (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also preside over Class Member Challenges over Workweeks, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. <u>Participating Class Members' Release</u>. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

   <u>The Participating Class Members will be bound by the following release</u>:

   Upon (i) the Effective Date occurring and (ii) the Gross Settlement Amount being fully funded, all Participating Class Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties to the fullest extent permitted by law from any and all causes of action, claims, rights, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature, and any claims alleged in the operative Complaints in the Actions or that could have been alleged based on the facts alleged in the operative Complaints in the Actions or which are based on the same primary rights, including but not limited to: (a) any alleged failure by Ford (1) to pay all minimum wages, (2) to pay overtime wages, (3) to provide meal periods or pay meal period premium wages, (4) to authorize and permit rest periods or pay rest period premium wages, (5) to reimburse business expenses, (6) to issue compliant wage statements, and (7) to timely pay wages at the end of employment; (b) any right or claim for unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, based on the alleged failures set forth in (a)(1) through (a)(7) above; and (c) any violation of the California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(7) above, including, without limitation, violation of California Labor Code sections 201–204, 221, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2802, 2804 or any other applicable state statute, rule and/or regulation (Wage Order), during the Class period ("California Released Claims"). In addition, all Settlement Class members (whether or not they opt-out) who worked for Ford as non-exempt employees in California at any point during the PAGA Period (July 21, 2022 through 60 days after the signing of the Long Form Agreement or the date of the Court's Preliminary Approval of Settlement, whichever occurs first) shall release any right or claim for civil penalties pursuant to the PAGA, California Labor Code sections 2698, *et seq.*, arising under the California Labor Code or Wage Orders based on the alleged failures set forth in (a)(1) through (a)(7) above, arising at any time during the PAGA Period ("PAGA Released Claims"). The period of the Released Claims shall extend to the limits of the Release Period. The res judicata effect of the Judgment will be the same as that of the Release. The California Released Claims subject to the "Escalator Provision" in Paragraph 8 of the Agreement.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

    The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

    > All Participating and Non-Participating Class Members who are 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 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaints of the Action and the PAGA Notice and ascertained in the course of the Action including, but not limited to violation

of the Labor Code and the Wage Order for Failure to Pay Minimum Wages, violation of the Labor Code and the Wage Order for Failure to Pay Wages and Overtime Wages, violation of the Labor Code and the Wage Order for Failure to Provide Meal Periods or Compensation in Lieu Thereof, violation of the Labor Code and the Wage Order for Failure to Provide Rest Periods or Compensation in Lieu Thereof, violation of the Labor Code and the Wage Order for Failure to Comply with Itemized Employee Wage Statement Requirements, violation of the Labor Code and the Wage Order for Failure to Pay All Wages Upon Termination, violation of the Labor Code and the Wage Order for Failure to Comply With Employee Record Keeping Requirements, violation of the Labor Code for Failure to Reimburse Business Expenses, violation of the Labor Code for Failure to Pay Vacation Wages, violation of California Business and Professions Code section 17200, et. seq., and violation of Labor Code section 2698, et. seq.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $41,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until ______________ to challenge the number of Workweeks and/or Pay Periods credited to you. Within 30 days of the date of this Notice, you can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

   You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member). If you opt out of the Class Settlement and are not owed an Individual PAGA Payment, you will not receive a check.

   Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, last for digits of your Social Security Number, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Childress, et al. v. Ford Motor Company, a Delaware Corporation*, and include your identifying information (full name, last for digits of your Social Security Number, address, telephone number, and approximate dates of employment for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by ______________, or it will be invalid**. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 court days before the ______________ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website ____________________________ or the Court's website ____________________________.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is ______________**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Childress, et al v. Ford Motor Co.*, and include your name, last four digits of your Social Security Number, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on ______________ at ________ in Department S27 of the San Bernardino Superior Court, located at 247 W. Third Street, San Bernardino, CA 92415-0210. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via CourtCall (https://www.courtcall.com). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website ______________________________ beforehand, the Court's website (https://cap.sb-court.org/), or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to ________________________'s website at _________________________. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://cap.sb-court.org/) and entering the Case Number for the Action, Case No. CIVSB2324555. You can also make an appointment to personally review court documents in the Clerk's Office at the by calling (909) 708-8678.

You may also contact counsel or the Settlement Administrator:

Neil M. Larsen
neil@abramsonlabor.om
Abramson Labor Group
1700 W. Burbank Blvd.
Burbank, California 91506
Telephone: 213-755-2109

D.Law, Inc.
Emil Davtyan
emil@d.law
David Yeremian
d.yeremian@d.law
David Keledjian
d.keledjian@d.law
David Arakelyan
d.arakelyan@d.law
450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Settlement Administrator:
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the California State Controller's Office - Unclaimed Property Division at (800) 992-4647; mail at P.O. Box 942850, Sacramento, CA 94250; in-person 10600 White Rock Road, Suite 141, Rancho Cordova, CA 95670 for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.