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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

EDGAR ESTRADA, an individual, on behalf
of himself and others similarly situated,

PLAINTIFF,

v.

UNITED AUTO AND TRUCK, INC.; and
DOES 1 thru 50, inclusive,

DEFENDANTS.

CASE NO. 23STCV18569

[Case Assigned for All Purposes to Hon.
Samantha P. Jessner in Dept. 7]

**DECLARATION OF ERIC B. KINGSLEY
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

*[Filed concurrently with Motion for
Preliminary Approval of Settlement and
[Proposed] Order Thereon]*

Date: February 11, 2025

Time: 10:00 AM

Dept.: 7

Complaint Filed: August 4, 2023

Trial Date: None Set

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I, Eric B. Kingsley, state and declare as follows:

1. I am an attorney admitted before all courts of the State of California and a partner in the law firm of Kingsley Szamet Employment Lawyers, counsel of record for Plaintiff in this action. I am completely familiar with the present litigation, including the pleadings, discovery, and filings submitted in this matter. I make this Declaration from my own personal knowledge, and, if called upon, I could and would competently testify to the following.

2. I graduated from the University of California, Santa Barbara, in 1993 with a degree in History. I graduated from Loyola Law School of Los Angeles in 1996. I am admitted to practice before the following Courts: United States Supreme Court; United States District Court, Northern, Eastern, Southern and Central of California; all California State Courts.

3. I make this Declaration in support of Plaintiff's Motion for Preliminary Approval of the Class Action Settlement in the above-captioned case.

RELEVANT PROCEDURAL HISTORY

4. On August 4, 2023, Plaintiff filed a Class Action Complaint alleging causes of action for: (1) failure to provide lawful rest breaks; (2) failure to reimburse expenses; (3) failure to provide accurate itemized wage statements; (4) waiting time penalties; (5) failure to provide employment records; and (6) unfair business practices.

5. Also on August 4, 2023, Plaintiff sent a notice letter, pursuant to Labor Code § 2699 (to the Labor Workforce Development Agency (“LWDA”) regarding his intent to seek civil penalties for the same Labor Code violations above, under Labor Code § 2699, et seq.

6. On October 13, 2023, Plaintiff then filed the First Amended Class and Representative Action Complaint (“FAC”) adding an additional cause of action for penalties pursuant to Labor Code § 2699, et seq., the Private Attorneys General Act (“PAGA”) based on the underlying Labor Code violations already pled.

7. The Parties served an initial round of written discovery, but the Parties thereafter agreed to proceed with informal discovery for settlement purposes.

8. Prior to negotiating the settlement, Plaintiff obtained, through formal and informal

1 discovery, sample Class time records, Class wage statements, the Class list, and Plaintiff's
2 personnel file.

3 9. As a part of the Agreement, Plaintiff agreed to amend the complaint to add
4 additional causes of action for: (a) Failure to Provide Meal Periods in Violation of Labor Code §
5 226.7 and 512; (b) Failure to Pay all Wages and Overtime Wages in Violation of Labor Code §§
6 1118.12, 1194, 1184.2, 1197, 1197.1, 1198.

7 10. On June 30, 2025, Plaintiff filed a Second Amended Class and Representative
8 Action Complaint.

9 11. Based on their own independent investigation and evaluation, Class Counsel is of
10 the opinion that the Agreement with Defendant is fair, reasonable and adequate, and in the best
11 interest of the settlement classes in light of all known facts and circumstances, including the risk
12 of significant delay, defenses asserted by Defendant, uncertainties regarding a class and
13 representative action trial on the merits, and numerous potential appellate issues. Although
14 Defendant denies any liability, Defendant is agreeing to this Agreement solely to avoid the cost of
15 litigation.

16 12. Defendant denies any liability or wrongdoing of any kind associated with the claims
17 alleged in the Action, disputes the damages and penalties claimed by Plaintiff, and further contends
18 that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or
19 representative action treatment. Defendant contends, among other things, that, at all times, it has
20 complied with the California Labor Code, and the Industrial Wage Commission Orders.

21 13. Based on their own independent investigation and evaluation, Class Counsel is of
22 the opinion that the Agreement with Defendant is fair, reasonable and adequate, and in the best
23 interest of the settlement classes in light of all known facts and circumstances, including the risk
24 of significant delay, defenses asserted by Defendant, uncertainties regarding a class and
25 representative action trial on the merits, and numerous potential appellate issues. Although
26 Defendant denies any liability, Defendant is agreeing to this Agreement solely to avoid the cost of
27 litigation. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle,
28 compromise and discharge all disputes and claims arising from or relating to the Action on the

1 terms set forth here.

2 **CERTIFICATION FOR SETTLEMENT PURPOSES**

3 14. Here, Plaintiff maintains that the proposed Settlement Class is ascertainable for
4 several reasons: First, Defendant has agreed in the Agreement to provide a class list to the
5 Administrator containing the name, last known mailing address, social security number, and
6 number of Class Period Workweeks and PAGA Pay Periods for all putative class members after
7 issuance of the preliminary approval order.

8 15. Second, Settlement Class Member consist of Defendant's hourly employees, and
9 Defendant is required to keep records of its hourly employees' names, home addresses, and social
10 security numbers.

11 16. Third and finally, Defendant formally and informally produced Plaintiff's
12 personnel file and pay statements time and pay data, and wage statements for Settlement Class
13 Members containing class member contact information, which confirms that all Settlement Class
14 Member may be readily identified based on Defendant's records.

15 17. Plaintiff is confident he will be able to establish that the proposed Settlement Class
16 is ascertainable and sufficiently numerous.

17 18. Plaintiff argues that there are questions of law and fact common to the proposed
18 Settlement Class that predominate over any questions affecting only individual Class Members.

19 19. These common questions include:

- 20 1) Whether Defendant failed to pay all wages and/or overtime compensation;
21 2) Whether Defendant failed to provide lawfully required meal periods and/or failed
22 to compensate employees one (1) hour's wages in lieu thereof;
23 3) Whether Defendant failed to provide lawfully required rest periods and/or failed to
24 compensate employees one (1) hour's wages in lieu thereof;
25 4) Whether Defendant failed to reimburse business-related expenses;
26 5) Whether Defendant failed to provide accurate itemized wage statements;
27 6) Whether Defendant failed to pay compensation due and owing upon termination
28 of employment;

1 7) Whether Defendant engaged in unfair competition; and,

2 8) Whether Defendant violated § 2699, et seq. of the Labor Code by engaging in the
3 acts previously alleged.

4 20. Plaintiff's challenge to Defendant's uniform policies and practices involves
5 common factual and legal issues that are amenable to class treatment.

6 21. Here, Plaintiff maintains that the proposed Settlement Class Members suffered the
7 same injuries, in the same manner: (1) Settlement Class Members did not receive all wages and or
8 overtime wages as required; (2) Settlement Class Members did not receive their meal and rest
9 periods as required; (3) Settlement Class Members were not provided accurate itemized wage
10 statements; (4) Settlement Class Members were not reimbursed for business-related expenses; (5)
11 Settlement Class Members did not receive timely wages; and (6) Settlement Class Members were
12 not paid all wages owed upon termination/resignation.

13 22. Accordingly, for purposes of settlement, certification for settlement purposes is
14 appropriate.

15 23. Plaintiff worked as an "hourly employee" for Defendant as a mechanic in Los
16 Angeles County.

17 24. Plaintiff alleges that he: (1) worked without being paid all wages and/or overtime;
18 (2) worked without being provided meal/rest periods as required by law; (3) worked without being
19 reimbursed for costs associated with tools; (4) worked without being provided accurate itemized
20 wage statements; and (5) worked without being paid all wages due upon separation. He also
21 alleges that he experienced derivative claims for unfair business competition (B&P Code §17200)
22 and Labor Code §2699, et seq.

23 25. Plaintiff also contends that his claims are typical of those of the Settlement Class.

24 26. Plaintiff believes that he is capable of fairly representing and adequately protecting
25 the interests of the proposed Settlement Class Members.

26 27. The members of the proposed Settlement Class all worked for Defendant during
27 the relevant time period and incurred the same type of alleged damages with regard to Defendant's
28 alleged violations of the law.

1 28. Moreover, Plaintiff has agreed to serve as Class Representative and has retained
2 qualified Counsel who is experienced in prosecuting wage and hour class actions.

3 29. This demonstrates his commitment to bringing about the best possible results for
4 the benefit of the proposed Settlement Class.

5 30. Plaintiff has provided his Counsel with all necessary and pertinent information.

6 31. Plaintiff has been an active participant in the litigation including responding to
7 formal discovery and working closely with Class Counsel to develop the theories of liability.

8 32. Plaintiff also was informed of and involved in all of the Settlement negotiations.

9 33. Therefore, Plaintiff believes that he has and will continue to adequately represent
10 the proposed Settlement Class Members.

11 34. In this regard, the superiority of class treatment is evident here because individual
12 pursuit of class members' claims may not be economically viable.

13 35. The only alternative to certification would be to force over 56 employees to join
14 this action, file individual, uniform actions, or abandon their legal rights altogether.

15 36. Plaintiff maintains that this economic reality would result in a windfall for
16 Defendant if this case were not certified.

17 **THE PROPOSED SETTLEMENT**

18 37. For purposes of Agreement, the settlement class is defined as: "all non-exempt
19 employees who worked for Defendant in California at any time between August 4, 2019 through
20 March 1, 2025." ("Settlement Class Members" or "Class")

21 38. The Class Period is August 4, 2019 through March 1, 2025.

22 39. As of September 24, 2025, and based on documents and other information
23 produced by Defendant, there are approximately 56 Settlement Class Members.

24 40. For purposed of the Agreement, the Aggrieved Employees are defined as: "all
25 persons who are employed or have been employed as a non-exempt employee by United Auto
26 and Truck, Inc., in the State of California from August 4, 2022 to March 1, 2025."

27 41. The PAGA Period means the period from August 4, 2022 to March 1, 2025.

42. As of September 24, 2025, and based on documents and other information produced by Defendant, there are approximately 35 Aggrieved Employees.

43. As detailed fully in the Agreement, the Settlement provides for Defendant to pay a Gross Settlement Amount of \$170,000.00, which includes the sum of the Individual Class Payments, the Class Representative service award, the Class Counsel Award, PAGA Payment, and the Settlement Administration Costs.

44. The Net Settlement Amount is the Gross Settlement Amount, less Class Counsel Award, Class Representative Enhancement, PAGA Payment, and Settlement Administration Costs.

KULLAR ANALYSIS

45. The proposed settlement satisfies each of the *Kullar* factors.

46. Class Counsel conducted extensive formal and informal discovery before entering into meaningful settlement negotiations in this matter.

47. This discovery permitted Class Counsel to fairly evaluate the strength of the case and the risks associated with ongoing litigation.

48. Class Counsel is experienced in handling wage and hour class actions and, after weighing all of the following factors, supports this Agreement.

a) The Risks Associated with the Wage/Overtime Claim

49. Plaintiff and the Proposed Class worked in excess of 8 hours in a day and 40 hours in a week, and therefore, were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime and double-time hours worked.

50. Additionally, Plaintiff and the Proposed Class earn nondiscretionary remuneration, including, but not limited to, shift and other differentials, non- discretionary bonuses, and performance pay.

51. Defendant, on occasion, failed to include such nondiscretionary remuneration in the regular rate calculation, thereby underpaying Plaintiff and the Proposed Class when they worked overtime or double-time.

52. Plaintiff alleges that Defendant failed to pay Plaintiff and the Proposed Class at

1 least the legal overtime wage for all hours worked (in violation of Labor Code sections 1182.12,
2 1184.2 1194, 1197, 1197.1, and 1198) due to Defendant's failure to pay wages using the
3 appropriate regular rate of pay.

4 53. Upon review of Plaintiff's time and pay records, there was only one pay period in
5 which he received a bonus and overtime in the same pay period that was not properly blended into
6 his regular rate of pay.

7 54. As such, while this is clearly a violation, Plaintiff acknowledges that the overall
8 violation rate among the Proposed Class is likely to be relatively low.

9 b) The Risks Associated with the Meal Break Claim

10 55. Plaintiff alleges that Defendant failed to provide lawful meal periods and failed to
11 maintain a policy informing Plaintiff and the Proposed Class of their rights associated with meal
12 periods. In addition, Defendant has had a consistent policy of: (1) failing to provide Plaintiff and
13 the Proposed Class uninterrupted meal periods; and (2) failing to pay such employees one (1) hour
14 of pay at the employees' regular rate of compensation for each workday that the compliant meal
15 period was not provided.

16 56. Out of 1,369 shifts in the sample data, there were 19 meal break violations and 68
17 deductions of 0.1 hours.

18 57. Defendant heavily contested this claim.

19 58. Defendant argued that the employees received timely meal and rest periods and the
20 time data provided demonstrated that. At trial, Defendant would present this evidence, along with
21 other employees who would testify to that fact. Defendant argued that its policies and practices
22 ensured high compliance with meal and rest break laws because employees were required to
23 document non-compliant meal periods for every shift through its electronic timekeeping system.
24 Additionally, because Defendant maintained facially valid meal and rest period policies,
25 Defendant argued that it would be entitled to inquire of each and every purported class
26 member whether his/her meal periods were provided, and if not, why not – essentially arguing
27 that any untimely or short meal periods in the records were a result of an employee's volition rather
28 than Defendant's own failure to provide them. Had the Parties proceeded to trial, Defendant would

1 have retained a expert to analyze employee data to rebut any alleged meal break violations to show
2 that premiums were properly paid, or employees voluntarily chose not to take them. These
3 presented risks on the meal and rest period claims that Plaintiffs considered when evaluating this
4 settlement.

5 c) The Risks Associated with the Rest Break Claim

6 59. Plaintiff and the Class consistently worked shifts with no rest breaks, and Plaintiff
7 alleges that Defendant failed to provide Plaintiff and the Class with rest breaks of not less than ten
8 (10) minutes as required by the Labor Code during the relevant time period. Rest breaks were
9 frequently missed, interrupted, or late, as Plaintiff and the Proposed Class had a heavy workload
10 and were not always able to take a rest break.

11 60. Plaintiff further alleges that Defendant failed to provide Plaintiff and the Proposed
12 Class with a second rest period despite regularly requiring Plaintiff and the Proposed Class work
13 over six (6) hours. As a result, Defendant failed to provide Plaintiff and the Proposed Class with
14 compliant rest periods.

15 61. Further, Plaintiff and the Proposed Class were not compensated with one (1) hour
16 of wages at the regular rate of compensation for each compliant rest period that was not provided
17 as required by Labor Code § 226.7. When rest premiums are provided, Defendant has had a
18 consistent policy of paying rest period premiums at the base rate and not the blended rate in
19 violation of Labor Code §§ 226.7.

20 62. In its defense, Defendant would have argued that Plaintiffs' rest period claim was
21 not appropriate for certification because California law does not require employees to record rest
22 periods. Absent a shift-by-shift, break-by-break, employee-by-employee inquiry, Defendant
23 would have argued that there was simply no way to know (1) whether a break was taken; and (2)
24 if not, why not. For each instance where an employee did not take a 10- minute rest period by the
25 end of the fourth hour of work, the trier of fact would still have to determine why that particular
26 employee had less than their full allotment of rest time. Accordingly would have argued that rest
27 break claims are inherently individualized in nature because employers only need to "authorize
28 and permit" breaks; they need not ensure that rest breaks are taken. *Brinker*, 53 Cal. 4th at 1004.

1 To succeed, “[a]n employee must show that the employer prevented the employee from taking
2 breaks; mere proof of knowledge that the employee was forgoing breaks is insufficient.” As such,
3 Plaintiff had to acknowledge that it could potentially be easy for Defendant to defeat certification
4 of this claim if it was able to gather testimonial evidence from class members indicating that they
5 were able to take all required rest breaks each day. Though Plaintiff does not believe this was the
6 case, Plaintiff must acknowledge it poses risks for the Class. There is certainly risk as to both sides
7 as to what declarations and depositions of class members might reveal.

8 d) The Risks Associated with the Reimbursement Claim

9 63. Here, Plaintiff alleges that Defendant failed to reimburse Plaintiff and the Proposed
10 Class for the cost of using tools that were not provided by Defendant but were necessary for the
11 performance of Plaintiff and the Proposed Class’s job duties. Defendant provided tools for Plaintiff
12 and the Proposed Class to perform their duties, however these tools were old and rusty, and
13 prevented Plaintiff and the Proposed Class from performing their job duties. As a result, Plaintiff
14 and the Proposed Class had to purchase specific heavy-duty tools/equipment that was necessary to
15 perform their job duties that were specialized for the semi-trucks that they performed work on.
16 Plaintiff further alleges that Defendant required that he and the Proposed Class use their personal
17 cell phones to communicate with supervisors and send photos throughout their shifts if they needed
18 assistance. Defendant did not reimburse Plaintiff and the Proposed Class for this business use of
19 their personal cell phone. This tools/equipment were not provided by Defendant, and Defendant
20 failed to reimburse Plaintiff and the Proposed Class for the costs associated with using this personal
21 tools/equipment.

22 64. Defendant strongly argued that it provided all necessary tools to perform work on
23 the semi-trucks and that any use of their personal cell phone was voluntary and not required as part
24 of the employees’ job duties. Defendant would also likely argue that, if there was work-related use
25 of personal cell phones, that use of their personal cell phones was minimal and infrequent, which
26 would greatly reduce the actual amount of damages owed under this claim. Furthermore,
27 Defendant would further argue that because it purportedly provided all necessary tools to its
28 employees, if an employee purchased tools to use for work that it was purely an employee’s

1 preference. While Plaintiff denies that this position is factually correct or legally persuasive,
2 Plaintiff nonetheless acknowledges what testimony and declarations may later reveal.

3 e) The Risks Associated with the Inaccurate Wage Statement Claim

4 65. Plaintiff and the Class are issued wage statements that do not include the total hours
5 worked by the employee.

6 66. Plaintiff and the Class are issued wage statements that do not include all applicable
7 hourly rates in effect during the pay period and the corresponding number of hours worked at each
8 hourly rate by the employee.

9 f) The Risks Associated with the Waiting Time Penalty Claim

10 67. Here, Plaintiff and numerous Class members are no longer employed by Defendant.

11 68. contends that Defendant failed to pay all wages owed and due upon their
12 termination and/or resignation.

13 69. Plaintiff also alleged that Defendant owes waiting time penalties by not paying
14 former alleged employees all wages owed and all premium payments for non-compliant meal or
15 rest periods, Labor Code § 226.7. Pursuant to *Murphy v. Kenneth Cole Productions, Inc.* (2002)
16 40 Cal.4th 1094, 1120, Plaintiff contended that break premium payments constitute “wages”
17 under Labor Code § 203. (“We hold that section 226.7’s plain language, the administrative and
18 legislative history, and the compensatory purpose of the remedy compel the conclusion that the
19 ‘additional hour of pay’ is a premium wage, not a penalty”).

20 70. The bigger risk that Plaintiff analyzed, however, is that to establish liability for
21 waiting time penalties, Plaintiff would have to establish not only that the underlying violations
22 occurred, but also that Defendant’s conduct was “willful.”

23 71. If Defendant could establish that any alleged failure to blend was the result of
24 mistake or oversight and not “willful”, then it is possible that Plaintiff would not be able to
25 recover penalties for this claim.

26 72. Because of this risk, Plaintiff determined that accepting a discount for settlement
27 purposes was appropriate.

28 g) The Risks Associated with the PAGA Claim

1 73. The Parties discounted the PAGA claim for multiple reasons. First, the aggrieved
2 employees' PAGA claims are derivative of all the foregoing class claims. Second, a court has
3 discretion to award less than the maximum penalty. Finally, the Settlement Class is compensated
4 for these violations in the proposed Agreement, and thus any PAGA recovery for these same
5 violations would be duplicative. As such, the Agreement's contemplated PAGA payment of
6 \$10,000.00 is appropriate.

7 74. There is significant expense associated with the class certification process, which
8 the Parties can avoid by entering into the contemplated Agreement now.

9 75. If the Court did eventually certify a meal or wage statement class, trial of a case
10 involving approximately 56 Settlement Class Members would require the retention of expensive
11 expert witnesses, the accrual of extensive litigation costs, and a significant time overlay by the
12 parties.

13 76. Moreover, given the complexity and unsettled nature of the issues in this case it is
14 likely that any outcome at trial would have resulted in a lengthy and costly appeal. An appeal
15 would result in further delay for the Settlement Class Members who are waiting for a resolution in
16 this matter.

17 77. This case has not been certified to be tried as a class action. While Plaintiff believes
18 there is strong evidence to support certification of several possible subclasses, certification is
19 always hard fought and subject to judicial discretion. Moreover, in class actions, decertification
20 is always a possibility. In attempting to certify a class, the parties would need to conduct multiple
21 depositions, including of the Class Representative and of several person(s) most knowledgeable
22 regarding Defendant's meal and rest policies. There is a risk for both sides as to what these
23 depositions will reveal and whether they will support class certification to the extent expected.

24 78. It was very difficult for the Parties to reach this Settlement of \$170,000.00.

25 79. This Settlement is the result of adversarial, non-collusive, and arms-length
26 negotiations. The Parties arrived at this settlement after extensive investigation and discovery,
27 careful evaluation of the law, risks, and all information substantiating the amount of penalties
28 reasonably likely to be awarded to the class were the trier of fact to find Defendant liable.

1 Additionally, a significant factor in assessing this overall settlement was Defendant's inability to
2 pay a larger settlement.

3 80. Defendant produced a sample time records for 36 employees who worked a total of
4 1,369 shifts.

5 81. Plaintiff assessed full value of the Wages claim, without any discount, at
6 approximately \$139,194.96.

7 82. This calculation assumes is owed approximately 1 hour of unpaid time per
8 workweek.

9 83. This assumes unpaid time of approximately 56 minutes for missing 5 rest breaks
10 per week (100% violation rate) and approximately of 6 minutes of time shaved due to the 0.1
11 deductions from meal period punches.

12 84. Plaintiff used an hourly average rate of \$26.50 and 5,648 total workweeks for
13 Settlement Class Members.

14 85. However, for the reasons stated above, Plaintiff determined that accepting a
15 discount on the full amount was appropriate.

16 86. The full value of the Meal Period claim, without any discount, was approximately
17 \$748,360.00.

18 87. This figure assumes a 100% violation rate (using 5,648 workweeks).

19 88. However, in the dataset that Defendant produced to Plaintiff, Plaintiff identified
20 only 19 shifts with meal break violations across 1,369 shifts, which is a 1.3% violation rate.

21 89. Using this violation rate, this would reduce Defendant's maximum exposure to
22 \$9,728.68.

23 90. For the reasons above, Plaintiff determined that accepting a discount of the full
24 amount was appropriate.

25 91. The full value of the Rest Period claim, without any discount, was approximately
26 \$748,360.00.

27 92. This figure assumes a 100% violation rate (using 5,648 workweeks).

28 93. However, as mentioned above, rest breaks were not recorded by Defendant and thus

1 would solely rely on employees' testimony to determine the likely violation rate.

2 94. Given that, based on the sample data, the meal period violation rate was low,
3 Plaintiff also takes that into consideration here and adjusts Defendant's maximum exposure on this
4 claim to also be \$9,728.68.

5 95. For the reasons above, Plaintiff determined that accepting a discount of the full
6 amount on this claim was appropriate.

7 96. With regard to the Reimbursement Claim analysis, Plaintiff believed that it was
8 reasonable to value the potential reimbursement at \$1,000 per employee for reimbursement of
9 specialized tools purchased without reimbursement and personal cell phone usage.

10 97. This would amount to a maximum exposure of \$56,000.00.

11 98. However, this amount is likely overstated because the amount spent on specialized
12 tools and personal cell phone usage varies from employee to employee.

13 99. Plaintiff valued the Wage Statement Claim, without discount, at \$564,800.00.

14 100. Plaintiff used \$100 for each wage statement issued (weekly pay periods), but this
15 figure is overstated because Labor Code §226(e)(1) uses \$50 for the initial pay period (not \$100)
16 and puts a \$4,000 cap on wage statement penalties per employee.

17 101. Due to the risk discussed above that 226(a) liability wouldn't attach under *Naranjo*
18 and *Maldonado*, Plaintiff determined that a steep discount of this claim was fair for settlement
19 purposes, and the adjusted maximum exposure using the \$4,000 cap on penalties per employee is
20 \$224,000.00.

21 102. Plaintiff valued the Waiting Time Claim, tied to the Wage/Overtime claim, at
22 \$324,360.00.

23 103. Considering the derivate nature of Labor Code §203 and the dispute over whether
24 class members were owed any wages, Plaintiff determined that accepting a discount on this claim
25 was appropriate.

26 104. Finally, Plaintiff calculated the value of the PAGA claim at \$266,000.00 for
27 Settlement Class Members (using \$100 per pay period).

28 105. The main risk taken into account with PAGA is the discretionary nature of the

1 penalty award.

2 106. A judge can award the statutory maximum of \$100 for the initial violation and \$200
3 thereafter or – in theory – one cent per wage statement.

4 107. While there is a dearth of available authority, in Plaintiff's view, were he to succeed
5 on any of the underlying Labor Code violations, it is not likely that a Judge would also award a
6 large amount of penalties of top of any damages recovered.

7 108. Per Plaintiff's assessment, the maximum potential value of all of Plaintiff's and the
8 Settlement Class Members' claims was approximately \$1,029,012.32.

9 109. However, as a result of the significant forgoing risks on the merits, and
10 Defendant's inability to pay a larger settlement, Class Counsel believes the Gross Settlement
11 Amount of \$170,000.00 is fair and reasonable.

12 **ATTORNEY COMPETENCE**

13 110. Kingsley Szamet Employment Lawyers is experienced in prosecuting employment
14 litigation, and since 2000 we have focused our practice on wage, hour, and working condition
15 violations. My firm is well versed in class action litigation and has diligently and aggressively
16 pursued this action. Kingsley Szamet Employment Lawyers currently serves as class counsel for
17 several dozens of pending class action lawsuits in Northern, Central, Eastern, and Southern
18 California in both State and Federal Court. Below is a small, but representative sampling of wage
19 and hour cases handled by my firm:

- 20 a. *Goodman v. Crystal Ventures, Inc.* (No. BC245561, L.A. Super. Ct.) In January
21 2002, Hon. Anthony Mohr granted final approval of settlement in the gross amount
22 of \$255,000 and the court approved the attorneys' fee request of 33 1/3%.
- 23 b. *Johnston v. The Cheesecake Factory* (No. BC316180, L.A. Super. Ct.) In
24 December 2005, Honorable Rita Miller granted final approval of Settlement in the
25 gross amount of \$4,000,000 and the court granted attorneys' fees request of 30%.
- 26 c. *Tumino v. HOB Entertainment* (No. BC327962, L.A. Super. Ct.) In May 2006, the
27 Honorable Conrad R. Aragon granted final approval of Settlement in the gross
28 amount of \$1,000,000 and the court granted attorneys' fees request of 30%.

- d. *Ryan v. Hilton Hotels Corporation*, (No. BC364260, L.A. Super. Ct.) In March 2008, the Honorable Mary Thornton House granted final approval of Settlement in the gross amount of \$1,675,000.00 and the court granted attorneys' fees request of 33 1/3%.
- e. *Gerritson v. Styles For Less, Inc.*, (No. BC402921, L.A. Super. Ct.) In September 2010, the Hon. Kenneth R. Freeman granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.
- f. *Lewis v. Collabrus, Inc., et al.*, (No. 109CV-142927, Santa Clara Super. Ct.) In March 2012, the Honorable James P. Kleinberg granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.
- g. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (No. BC402739, L.A. Super. Ct.) In June 2013, the Honorable Lee Smally Edmund granted final approval of Settlement in the gross amount of \$4,700,000.00, and the court granted attorneys' fees request of 38%.
- h. *Anderson v. Total Renal Care, Inc.*, (No. BC388335, L.A. Super. Ct.) In January 2014, the Honorable William F. Highberger granted final approval of Settlement in the gross amount of \$1,500,000.00 and the court granted attorneys' fees request of 33.33%.
- i. *Rojas, et al. v. Sunview Vineyards of California, Inc.*, Eastern District (1:09-cv-00705 AWIJLT). This certified class action was approved for final settlement by the Honorable Anthony W. Ishii in October 2015, in the gross amount of \$4,550,000.00, with attorneys' fees approved in the amount of \$1,137,500.00.
- j. *Westbrook v. International Surfacing Systems*, (No. RG10510015, Alameda Super. Ct.) In August 2015, the Hon. Wynne Carvill granted final approval of Settlement in the gross amount of \$995,000.00, and the court granted attorney's fees request of 33.33%.

- 1 k. *Kane et al. v. Valley Slurry Seal*, (No. CV08-2483, Yolo Super. Ct.) In March 2016
2 after a class trial with a verdict in the class's favor, the Honorable Daniel P.
3 Maguire, awarded Kingsley Szamet & Ly and co-counsel \$996,232.72 in attorney's
4 fees.
- 5 l. *Aparacio v. Abercrombie & Fitch Stores, Inc.*, (No. BC499281, L.A. Super. Ct.) In
6 June 2016, the Hon. Kenneth Freeman granted final approval of Settlement in the
7 gross amount of \$2,000,000.00, and the court granted attorney's fees request of
8 33.33%.
- 9 m. *Isaguirre v. Guess?, Inc., Los Angeles Superior Court (BC357631)*. The matter was
10 proposed for final settlement by the Honorable Richard L. Fruin on February 19,
11 2016, in the gross amount of \$5,250,000.
- 12 n. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (BC402739).
13 The matter was approved for final settlement by the Honorable Lee Smally Edmund
14 in June 2013, in the gross amount of \$4,700,000.00, with attorney's fees request of
15 38%.
- 16 o. *Munoz, et al. v. Giumarra Vineyards Corporation*, United States District Court for
17 the Eastern District of California (Case No.: 1:09-cv-00703 - AWI – JLT). The
18 matter was approved for final settlement by the Honorable Anthony W. Ishii in
19 November 2017, in the gross amount of \$6,100,000.00, plus interest, with
20 attorney's fees benchmark award of \$1,525,000.
- 21 p. *Pineda, et al. v. Grimmway Enterprises, Inc.*, Kern County Superior Court (BCV-
22 15-101333). The matter was approved for final settlement before the Hon. Stephen
23 D. Schuett, Dept. 10, in January 2018, in the gross amount of \$9,000,000 with
24 attorneys' fees request of 33.33%.

25 111. Kingsley Szamet Employment Lawyers filed its first class certification motion in
26 the year 2000 and since that time has been appointed class counsel on dozens of wage and hour
27 class actions that have been approved for class certification. Since 2012, Kingsley Szamet
28 Employment Lawyers has moved for class certification in 15 matters and has successfully obtained

class certification in 15 of those cases. A brief sampling of which includes:

- a. *Lewis v. Collabrus, Inc., Santa Clara County Superior Court (109CV-142927), approved for Class Certification in 2011.*
- b. *Melendrez v. JK Communications*, No. BC497692, (L.A. Super. Ct., filed December 19, 2012) (court granted contested class certification and appointed Kingsley Szamet Employment Lawyers as class counsel).
- c. *Amaro, et al v. Gerawan Farming, Inc.*, No. 1:14-cv-00147-DAD-SAB (E.D. Cal., filed February 3, 2014) (court granted contested class certification and appointed Kingsley Szamet Employment Lawyers as class counsel).
- d. *Suarez v. Mazatlan, Inc.*, No. 37-2015-00002978-CU-OE-CTL (S.D. Super. Ct., filed January 27, 2015) (court granted contested class certification and appointed Kingsley Szamet Employment Lawyers as class counsel).
- e. *Ruiz v. Daniel C. Salas Harvesting, Inc.*, Kings County Superior Court (16 C 0214). contested class certification granted in June 2020.
- f. *Weldon v. Geo Corrections & Detentions, LLC*, Kern County Superior Court (BCV-16-102833), contested class certification granted in 2018.
- g. *Patton v. Skyler Electric*, Nevada County Superior Court, (CU17-082544), contested class certification granted in June 2020.
- h. *Hameister v. Jaco Oil Company*, Kern County Superior Court (BCV-17-102876), contested class certification granted in August 2020.

112. Class Counsel is experienced in the handling of wage and hour class actions and supports this Settlement. Based on its analysis, Class Counsel believes that this settlement is fair and reasonable and in the best interest of the Class.

113. After factoring in the risks explained above, Class Counsel believes that the proposed settlement is fair and reasonable.

114. This allocation distributes Agreement funds proportionally to each class member's potential damages and should therefore be approved as fair, adequate, and reasonable.

SERVICE AWARD TO THE NAMED PLAINTIFF

1 115. The Class Representative is entitled to an enhancement for his valiant effort and
2 time expended in this matter. The time spent by Edgar Estrada is significant and includes
3 researching and retaining competent counsel; providing information to Class Counsel regarding
4 the nature of the work at Defendant; compiling relevant documents; working closely with Class
5 Counsel to develop the theories of liability and martial relevant evidence; regularly discussing the
6 status of the case with Class Counsel; discussing the case via telephone with many Settlement
7 Class Members; providing formal discovery responses; and responding promptly to Class
8 Counsel's communications regarding settlement.

9 116. As set forth in the Agreement, Plaintiff will also be entering into a general release
10 of liability pursuant to Civil Code Section 1542.

11 117. Class Counsel considers this to be a fair and reasonable enhancement. The
12 enhancement takes into consideration the time, effort, and expense incurred by Plaintiff in coming
13 forward to litigate this matter on behalf of all Settlement Class Members. Plaintiff will provide a
14 detailed declaration with the Final Approval Motion detailing his participation and further
15 justification for the enhancement.

16 **SUBMISSION TO THE LABOR WORKFORCE DEVELOPMENT AGENCY**

17 118. Proof of submission of Plaintiff's Motion, all related documents, and copy of the
18 email from the LWDA confirming receipt is attached to the Declaration of Eric B. Kingsley as
19 Exhibit "2."

20 **EXHIBITS**

21 119. Attached hereto as Exhibit "1" is a true and correct copy of the fully-executed Class
22 Action and PAGA Settlement Agreement ("Agreement").

23 120. Attached hereto as Exhibit "2" is a true and correct copy of the proof of submission
24 of Plaintiff's Motion, all related documents, and copy of the email from the LWDA confirming
25 receipt.

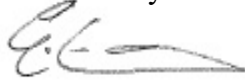
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1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct.

3 This Declaration was executed this 8th day of October, 2025, in Encino, California.

4 

5 _____
Eric B. Kingsley

EXHIBIT "1"

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Edgar Estrada (“Plaintiff”) and Defendant United Auto and Truck, Inc. (“Defendant” or “United Auto”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned EDGAR ESTRADA, an individual, on behalf of himself and others similarly situated, PLAINTIFF v. UNITED AUTO AND TRUCK, INC., and DOES 1 thru 50, inclusive, DEFENDANTS, Case No. 23STCV18569 initiated on August 4, 2023 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means “all persons who are employed or have been employed as a non-exempt employee by United Auto and Truck, Inc., in the State of California from August 4, 2022 to March 1, 2025”
- 1.5. “Class” means “All non-exempt employees who worked for Defendant in California at any time between August 4, 2019 through March 1, 2025.
- 1.6. “Class Counsel” means Kingsley Szamet Employment Lawyers.
- 1.7. “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.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, , and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

- 1.10. “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.
- 1.11. “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, with a Spanish translation, if applicable, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from August 4, 2019, through March 1, 2025
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means named Defendant United Auto and Truck, Inc.
- 1.17. “Defense Counsel” means Fisher & Phillips LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means \$170,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below.

The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

- 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. "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 Payment, 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.
- 1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. "PAGA Period" means the period from August 4, 2022 to March 1, 2025.
- 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. "PAGA Notices" means Plaintiff's August 4, 2023 letter and amended letter dated April 23, 2025 to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500.00) and the 75% to LWDA (\$7,500.00) in settlement of PAGA claims.

- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Edgar Estrada, the named plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2*** below.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3***below.
- 1.41. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.42. “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.
- 1.43. "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.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. “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 August 4, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for violations of Labor Code §§ 201, 202, 203, 226, 226(a), 226.7, 1198, 2802, Wage Order 4-2001 California Code of Regulations, Title 8, Section 11040, and violation of Business & Professions Code § 17200. [On October 13, 2023, Plaintiff filed a First Amended Class and Representative Action Complaint adding an additional claim for penalties under Labor Code § 2699 et seq., the Private Attorneys General Act (“PAGA”), for the causes of action alleged

previously. As part of the Settlement, Plaintiff agrees to amend his complaint and notice to the LWDA to allege additional causes of action for: (a) Failure to Provide Meal Periods in Violation of Labor Code § 226.6; (b) Failure to Pay all Wages and Overtime Wages in Violation of Labor Code §§ 1118.12, 1194, 1184.2, 1197, 1197.1, 1198 prior to filing a Motion for Preliminary Approval.

- 2.2. On June 30, 2025, Plaintiff filed a Second Amended Complaint. The Second Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notices.
- 2.4. The Parties engaged in direct negotiations conducted at an arm’s length, which led to this Agreement to settle the action.
- 2.5. Prior to [negotiating the Settlement], Plaintiff obtained, through formal and informal discovery, Class time and pay records, Class wage statements, the Class list, and Plaintiff’s personnel file. Plaintiff’s 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*”).
- 2.6. The Court has not granted class certification.
- 2.7. 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. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$170,000.00 and no more 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. 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 Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$5,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative 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. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.33%, which is currently estimated to be \$56,666.67 and a Class Counsel Litigation Expenses Payment of not more than \$6,000.00. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff 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 Plaintiff's Counsel arising from any claim to any portion 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.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$6,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$6,500.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 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 Payments. 20% 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. 80% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions 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 \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated to the LWDA PAGA Payment and 25% (\$2,500.00) 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 (\$2,500.00) 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 to date, Defendant estimates there are 56 Class Members who collectively worked a total of 5,648 Workweeks, and 35 Aggrieved Employees who worked a total 2,660 of PAGA Pay Periods.

4.2. Class Data. Not later than [e.g., 15 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. 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 14 days after the Effective Date.
- 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 returned 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, 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 and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b)..

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notices, or ascertained during the Action and released under 5.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: 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 from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All 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 Complaint, the PAGA Notice and Amended Notice, and ascertained in the course of the Action.

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 Defendant's Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and Defendant 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 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel 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 Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members; ; (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)); and all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff 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.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions 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.

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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 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, 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.

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. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. 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. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

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 6.2 and 6.3 of this Agreement, regardless of 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 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 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 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 be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination 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 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also 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 Class Counsel and 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).

- 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 and attach copies of all Requests for Exclusion and objections received.
- 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. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff 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), the number of written objections and attach the Exclusion List. 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** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 56 Class

Members and 5,648 Total Workweeks during the Class period and (2) there were 35 Aggrieved Employees who worked 2,660 Pay Periods during the PAGA Period.

8.1 Increase in Compensable Work Weeks. Upon receipt of the Class Data, in the event that the number of Compensable pay periods exceed this estimate by more than 7.5%, the Administrator shall notify the Parties that of the number of Class Members. To the extent the number of Compensable pay periods in the Class Settlement Period increases by more than 7.5%, Defendant shall have the option to increase the Gross Settlement Amount by a proportionate amount. For example, if the number of pay periods increase by 8%, Defendant shall have the option to increase the Gross Settlement Amount by 1%. If Defendant elects not to increase the Gross Settlement Amount proportionately, Defendant shall notify Class Counsel of its decision in writing within ten (10) days of receiving the number of Class Members from the Administrator. Within ten (10) days of receipt of such written notice from Defendant, Plaintiff shall have the option to terminate this Settlement Agreement via written notice to Defense Counsel and the Parties will be restored to their positions prior to the Settlement and the Settlement shall be null and void.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, 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; 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 withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff 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"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning 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 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is 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. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that 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 Plaintiff 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 (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, 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, 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 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, 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 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 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 Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 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 a 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 Plaintiff, 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.
- 12.9 Modification of Agreement. The Parties separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement. The Parties specifically agree that any amendments to the Settlement Agreement may be made by stipulation.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use 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, Plaintiff 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.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Kingsley Szamet Employment Lawyers
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
To Defendant:

FISHER & PHILLIPS LLP
Lonnie D. Giamela
Lirit King
444 South Flower Street, Suite 1500 Los Angeles, CA 90012

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

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.

DATED: 08/19/2025

By: 
PLAINTIFF Edgar Estrada

DATED: _____

By: _____
DEFENDANT United Auto and Truck, Inc.

DATED: August 19, 2025

KINGSLEY SZAMET EMPLOYMENT LAWYERS

By: 
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
Attorneys for Plaintiff and the proposed class

DATED: _____

FISHER & PHILLIPS LLP

By: _____
Lonnie D. Giamela
Lirit King
Attorneys for Defendant

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

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.

DATED: _____

By: _____
PLAINTIFF Edgar Estrada

DATED: Sep 24, 2025

By:  _____
DEFENDANT United Auto and Truck, Inc.

DATED: _____

KINGSLEY SZAMET EMPLOYMENT LAWYERS

By: _____
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
Attorneys for Plaintiff and the proposed class

DATED: September 24, 2025

FISHER & PHILLIPS LLP

By:  _____
Lonnie D. Giamela
Lirit King
Attorneys for Defendant

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

*EDGAR ESTRADA, an individual, on behalf of himself and others similarly situated,
PLAINTIFF v. UNITED AUTO AND TRUCK, INC.; and DOES 1 thru 50, inclusive,
DEFENDANTS, Los Angeles County Superior Court Case No. 23STCV18569*

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against United Auto and Truck, Inc. (“Defendant” or “United Auto”) for alleged wage and hour violations. The Action was filed by a former United Auto employee Edgar Estrada (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt employees (“Class Members”) who worked for United Auto during the Class Period (August 4, 2019 through March 1, 2025); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who worked for United Auto during the PAGA Period (August 4, 2022, through March 1, 2025 (“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 \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. 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 [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] workweeks** during the PAGA Period. If you believe that you worked more workweeks 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 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 Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires 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 Class Period wage claims and PAGA Period penalty 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 Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

United Auto **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 [date]	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	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 Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff

Written Objections Must be Submitted by [date]	reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. 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 [date]	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 [date]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former United Auto employee. The Action accuses United Auto of violating California labor laws by (1) Failure to Pay all Wages and Overtime Wages in Violation of Labor Code §§ 1118.12, 1194, 1184.2, 1197, 1197.1, 1198; (2) Failure to Provide Meal Breaks in Violation of Labor Code § 226.7; (3) Failure to Provide Rest Breaks in Violation of Labor Code § 226.7; (4) Failure to Pay all Wages During Employment in Violation of Labor Code §§ 204, 210; (5) Failure to Pay all Wages at the time of Termination in Violation of Labor Code § 203; (6) Failure to Reimburse Business Expenses in Violation of Labor Code § 2802 ; (7) Failure To Provide Employment Records and Provide Accurate Wage Statements in Violation of Labor Code §§ 226, 1198.5; (8) Violation of Business & Professions Code § 17200 et seq. Based on the same claims, Plaintiff has also asserted a ninth cause of action for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Eric B. Kingsley, Kelsey M. Szamet, and Jessi Bulaon for Kingsley Szamet Employment Lawyers "Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant negotiated directly in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By

signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff 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 merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. 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. Defendant Will Pay \$170,000.00 as the Gross Settlement Amount (Gross Settlement). 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”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff 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 \$56,666.66 (33.33% of the Gross Settlement to Class Counsel for attorneys’ fees and up to \$[amount] for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000.00 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 Plaintiff will receive other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$[amount] to the Administrator for services administering the Settlement.
 - D. Up to \$10,000.00 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. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest, etc. (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. 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 Plaintiff 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 [date], 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 [date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, 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. The Proposed Settlement Will be Void if the Court Denies Final Approval. 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. Administrator. The Court has appointed a neutral company, [name] (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail 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. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, 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.

The Participating Class Members will be bound by the following release:

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 from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 6.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period..

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement (and separately 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:

- 4.5. 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 Complaint, and the PAGA Notices and ascertained in the course of the Action][including, (1) Failure to Pay all Wages and Overtime Wages in Violation of Labor Code §§ 1118.12, 1194, 1194.2, 1197, 1197.1, 1198; (2) Failure to Provide Meal Breaks in Violation of Labor Code § 226.7; (3) Failure to Provide Rest Breaks in Violation of Labor Code § 226.7; (4) Failure to Pay all Wages During Employment in Violation of Labor Code §§ 204, 210; (5) Failure to Pay all Wages at the time of Termination in Violation of Labor Code § 203; (6) Failure to Reimburse Business Expenses in Violation of Labor Code § 2802 ; (7) Failure To Provide Employment Records and Provide Accurate Wage Statements in Violation of Labor Code §§ 226, 1198.5; (8) Penalties pursuant to Labor Code §§ 2698-2699 et seq. for violations of Labor Code sections 201, 202, 203, 226, 226(a), 226.7, 1118.12, 1194, 1197, 1198, 2802, Wage Order 4-2001 California Code of Regulations, Title 8, Section 11040.

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 \$[amount] 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 [date] to challenge the number of Workweeks and/or Pay Periods credited to you. 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).

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, 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 Edgar Estrada v. United Auto and Truck, Inc. and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number 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 [date], 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 Plaintiff and Defendant are asking the Court to approve. At least 15 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff 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 Plaintiff is 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 [need details] or the Court's website [need details].

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 Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [date].** 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 (Edgar Estrada v. United Auto and Truck, Inc.) and include your name, 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 [date] at [time] in Department [7] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. 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, Plaintiff, 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 LACourtConnect (<https://www.lacourt.org/lacc/>). 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 [[www.etc.](#)] beforehand 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 Plaintiff 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 [specify whose] website at [URL of website]. 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 (<http://www.lacourt.org/casesummary/ui/index.aspx>) [confirm] and entering the Case Number for the Action, Case No. 23STCV18569. You can also make an appointment to personally review court documents in the Clerk's Office at the Spring Street Los Angeles Superior Courthouse by calling (213) 830-0800.

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

Class Counsel:

KINGSLEY SZAMET
EMPLOYMENT LAWYERS

Eric B. Kingsley

Kelsey M. Szamet

Jessi Bulaon

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kelsey@kingsleylawyers.com

jessi@kingsleylawyers.com

16133 Ventura Blvd., Suite 1200

Encino, CA 91436

Tel: (818) 990-8300

Settlement Administrator:

[Name of Company]

[Email Address]

[Mailing Address]

[Telephone]

[Fax Number]

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 Unclaimed Property Fund [website] for instructions on how to retrieve the funds] [you will have no way to recover the money].

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.

(Proof of Submission to Labor and
Workforce Development Agency)

EXHIBIT "2"

(PROOF OF SERVICE)

[CCP 1013(a)(3)]

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action. My business address is 16133 Ventura Boulevard, Suite 1200, Encino, California 91436.

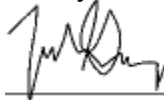
On October 8, 2025, I served all interested parties in this action the following documents described as: **DECLARATION OF ERIC B. KINGSLEY IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** by placing a true copy thereof in a sealed envelope addressed as stated on the attached service list:

Lonnie D. Giamela
lgiamela@fisherphillips.com
Lirit King
lking@fisherphillips.com
FISHER & PHILLIPS LLP
444 South Flower Street, Suite 1500
Los Angeles, California, 90012

[XX] (BY ELECTRONIC MAIL THROUGH CASE ANYWHERE): On interested parties set forth on the attached service list.

[XX] (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 8, 2025, at West Hollywood, California.



Taylor Gregg