

**CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE OF
CLAIMS**

This Class Action and PAGA Settlement Agreement and Release of Claims is entered into by and between Plaintiff Christopher Pacheco (“Plaintiff”), individually and on behalf of all others similarly situated, and Defendant AmeriCredit Financial Services, Inc. (“Defendant”) (collectively with Plaintiff, the “Parties”), and is approved by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval. The Parties agree as follows:

A. Definitions

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

1. “Action” or “Lawsuit” means and refers to the case captioned *Christopher Pacheco v. AmeriCredit Financial Services, Inc.* initiated on November 15, 2023, and pending in Superior Court of the State of California, County of Los Angeles, Case No. 23STCV28126.

2. “Aggrieved Employees” means all current and former non-exempt hourly-paid employees of Defendant who worked in the State of California at any time during the PAGA Period.

3. “Agreement,” “Settlement Agreement and Release,” “Settlement,” or “Stipulation” shall mean this Class Action and PAGA Settlement Agreement and Release of Claims, including any attached Exhibits.

4. “Class Claims” or “Released Class Claims” will include all claims arising during the Class Period: (1) that were pleaded in the First Amended Complaint filed in the Action; and (2) that could have been alleged in the Action based on the facts alleged in the First Amended Complaint, and include, but are not limited to, claims for (i) failure to pay all regular wages, minimum wages and overtime wages due (including off-the-clock and rounding claims); (ii) failure to pay all wages at the correct rate of pay (including meal period premiums, rest break premiums, sick pay, vacation wages, and reporting time pay); (iii) failure to provide meal periods or compensation in lieu thereof; (iv) failure to provide rest periods or compensation in lieu

thereof; (v) failure to correctly pay bonus or incentive pay and compensation; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely payment of wages during employment; (viii) failure to maintain complete, accurate records (including payroll records and records of work periods, meal periods, total daily hours, hours per pay period, and applicable pay rates); (ix) failure to provide complete, accurate wage statements; (x) failure to pay reporting time pay; (xi) failure to pay prevailing wages; (xii) failure to pay accrued vacation; (xiii) failure to reimburse for necessary business-related expenses; (xiv) unlawful deductions of wages; (xv) failure to pay overtime and double time at the regular rate; (xvi) failure to pay sick pay; (xvii) failure to pay vacation wages; and (xviii) unfair business practices. This release includes any and all claims pursuant to: California Labor Code sections §§ 201, 202, 203, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 226, 226(a), 226.3, 226.7, 227.3, 256, 510, 512, 551, 552, 558, 1174, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, and 2802; the California Business & Professions Code § 17200 et seq.; the California Code of Civil Procedure Section 1021.5; and the California Industrial Welfare Commission Wage Orders. This release shall apply to claims arising during the Class Period.

5. “Class Counsel” refers to D. Aaron Brock and Erica Allen Gonzales of Brock & Gonzales, LLP.

6. “Class Data” means a complete list that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator on one spreadsheet and shall include the Settlement Class Members’ full names; last known addresses; telephone numbers; Social Security Numbers; dates of employment; and the number of Workweeks worked in California as a Class Member during the Class Period and/or as an Aggrieved Employee during the PAGA Period for each Settlement Class Member.

7. “Class Period” and “Class Release Period” shall mean the time period between November 15, 2019, and Preliminary Approval of the Settlement by the Court or until December 31, 2024, whichever is earlier.

8. “Class Representative” or “Plaintiff” means and refers to Christopher Pacheco, Named Plaintiff in the Complaint in this Action seeking Court approval to serve as Class Representative.

9. “Complaint” refers collectively to any complaint or amended complaints filed in the Action.

10. “Court” means the California Superior Court, County of Los Angeles, or any other Court of competent jurisdiction.

11. “Defendant” means and refers to AmeriCredit Financial Services, Inc.

12. “Defendant’s Counsel” or “Defense Counsel” refers to B. Allison Borkenheim, and Krystal Saleh of Littler Mendelson, P.C.

13. “Effective Date” of the Settlement will be later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.

14. “Final Settlement Class” means all Participating Class Members and Aggrieved Employees.

15. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph 46(d) below.

16. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 46(c) below.

17. “Notice” means the notice of settlement of Class Action and PAGA Settlement that will be sent to the Settlement Class Members.

18. “Notice Response Deadline” is forty-five (45) calendar days from when the Notice is mailed to the Settlement Class Members.

19. “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiff, who submit a valid and timely objection to the terms of this Agreement with respect to the Class Claims pursuant to Paragraph 69(a) below.

20. “PAGA” shall refer to the California Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698–2699.5.

21. “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for civil penalties pursuant to PAGA based on the allegations stated in the PAGA Notice and that were or could have been pled in the Complaint based on the facts alleged therein, including but not limited to all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged in Named Plaintiff’s PAGA Letter to the LWDA and the Action, including PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 226, 226(a), 226.3, 226.7, 227.3, 246, 256, 510, 512, 551, 552, 558, 1174, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, and for any and all claims pursuant to California’s Labor Code and Wage Orders, and including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 225.5, 226, 226.3, 558, 1174.5, 1197.1, and 2698 *et seq.*

22. [Intentionally Left Blank.]

23. “PAGA Notice” shall refer to the notice sent by Plaintiff, by and through counsel to the LWDA and to Defendant, alleging that Defendant engaged in violations of the California Labor Code and California Wage Order(s).

24. “PAGA Period” and “PAGA Release Period” shall mean the period commencing November 8, 2022, and ending on the date of preliminary approval of the Settlement by the Court or December 31, 2024, whichever is earlier.

25. “Participating Class Member” means any and all Settlement Class Members who receive an Individual Settlement Amount for the Class Claims and who do not opt out of the settlement of the Class Claims by submitting timely and valid Requests for Exclusion.

26. “Parties” or “Settling Parties” mean Plaintiff, the Settlement Class Members, the Aggrieved Employees, and Defendant, collectively.

27. “Preliminary Approval Date” means the date the Court enters an order granting preliminary approval of the Settlement Agreement.

28. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs.

29. “QSF” means the Qualified Settlement Fund managed by the Settlement Administrator for the benefit of the Final Settlement Class, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

30. “Release” shall mean the complete release and discharge of the Class Claims by Plaintiff and all of the Participating Class Members, the complete release and discharge of the PAGA Claims by Plaintiff and all of the Aggrieved Employees against Defendant.

31. “Released Parties” shall mean AmeriCredit Financial Services, Inc. and its present, former, or future parent and/or subsidiary corporations, and their and AmeriCredit Financial Services, Inc.’s past, present and/or future, direct and/or indirect, owners, officers, directors, members, managers, managing agents, representatives, employees, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, contractors, joint venturers, and any and all agents, legal representatives, and/or attorneys of all of the foregoing entities or individuals.

32. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 69(a) below.

33. “Service Payment” or “Service Award” means the amount approved by the Court to be paid to Class Representative in addition to their Individual Settlement Amount as Participating Class Members.

34. “Settlement Administration Costs” means the costs payable from the Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due diligence, reporting and remittance obligations, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement Amount.

35. “Settlement Administrator” refers to Simpluris which the Parties have mutually agreed will provide the Notice to the Class Members and distribute the settlement amounts as described in this Agreement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

36. “Settlement Amount” or “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph 46(a) below.

37. “Settlement Class Member” or “Class Member” refers to individual members of the Settlement Class.

38. “Settlement Class” and “Settlement Class Members” refers to a current and former non-exempt, hourly-paid employees of Defendant who worked in the State of California at any time during the Class Period (“Class”);

39. “Workweeks Worked” for each Settlement Class Member and Aggrieved Employee means any workweek during the Class Period and/or the PAGA Period, as applicable, in which the Settlement Class Member and/or Aggrieved Employee was employed by Defendant as a non-exempt employee in California and worked at least one shift during the workweek for Defendant. Workweeks Worked shall not include weeks where a Settlement Class Member and/or Aggrieved Employee only had sick time, vacation time, was on leave, or otherwise did not record

any actual work time in Defendant's timekeeping system. Workweeks Worked will be calculated based on Defendant's business records.

B. General Terms

40. On November 15, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide compliant meal periods and premiums in lieu thereof; (4) failure to provide compliant rest periods and premiums in lieu thereof; (5) failure to timely pay wages during employment; (6) failure to timely pay wages upon termination; (7) failure to provide compliant wage statements; (8) failure to maintain requisite payroll records; (9) failure to reimburse necessary business expenses; and (10) violations of California Business and Professions Code section 17200, *et seq.* On December 16, 2024, Plaintiff filed a First Amended Complaint adding a cause of action against Defendant for violation of the Private Attorneys General Act, Labor Code §§ 2698. *et seq.* The First Amended Complaint is the operative complaint in the Action.

41. Defendant denies the allegations in the Complaint, denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged.

42. Defendant denies Plaintiff's claims and allegations and contends that the Action is not suitable for class certification and/or representative treatment.

43. Class Representative believes he can proceed with his class, and the representative claims that the Action is meritorious and that class certification is appropriate.

44. The Parties have thoroughly investigated the underlying facts and circumstances of the Action. This has included conducting extensive exchanges of informal discovery, including Defendant's employee handbooks and related written policies and practices, the production of records of Settlement Class Members and Aggrieved Employees, and the production of payroll and timekeeping records for Settlement Class Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law

and potential defenses to the claims of the Settlement Class Members and Aggrieved Employees. Class Counsel has diligently investigated the Class Members' claims against Defendant. Based on the foregoing data and their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interests of the Settlement Class Members and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

45. On September 5, 2024, the Parties participated in an all-day mediation presided over by mediator Ann Kotlarski which led to this Agreement to settle the Action.

46. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement shall be construed as an admission by Defendant of any wrongdoing or violation of any statute, law, wage order, or liability in any capacity regarding the claims or allegations in the Action.

47. Stipulation for Class Certification and Representative Treatment. For settlement purposes only, Defendant will stipulate that the Settlement Class Members described herein who do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement class and that the Aggrieved Employees are appropriate for representative treatment for purposes of settlement. This stipulation to certification and representative treatment is in no way an admission that class action certification and/or representative treatment is proper and shall not be admissible in this or in any other action except for the sole purposes of enforcing this Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties' stipulation to class certification and representative treatment as part of the Settlement shall become null and void *ab initio* and shall have no bearing on and shall not be admissible in connection with the issue of whether or not class certification and/or representative treatment would be appropriate in any other context. Defendant expressly reserves its rights and declares that it will continue to oppose class certification, representative treatment, and the substantive merits of the case should

the Court fail to issue Final Approval. Plaintiff expressly reserves his right and declares that he will continue to pursue class certification and representative treatment and a trial should the Court fail to issue Final Approval.

C. Terms of Settlement

48. The financial terms of the Settlement are as follows:

(a) Gross Settlement Amount: The Parties agree to settle this Action for Two Hundred Forty-Eight Thousand Dollars and No Cents (\$248,000.00) (“the Settlement Amount”). The Settlement Amount is the maximum amount that will be paid by Defendant, and includes Individual Settlement Amounts, all attorneys’ fees of Class Counsel, costs and expenses, the Service Payment to Class Representative, all Settlement Administration Costs, and payment to the Labor Workforce Development Agency (LWDA) for PAGA penalties. Defendant shall separately pay the employer’s share of applicable payroll taxes.

(b) Based on a review of its records to date, Defendant estimates that there are 55 Class Members who worked a total of approximately 7,109 Workweeks through September 5, 2023, the Mediation Date.

(c) Net Settlement Amount: The “Net Settlement Amount” is defined as the Settlement Amount less attorneys’ fees payable to Class Counsel as approved and awarded by the Court not to exceed Eighty-Two Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$82,666.67), costs payable to Class Counsel and approved by the Court, not to exceed Twenty Thousand Dollars and No Cents (\$20,000.000), the Service Payment of Ten Thousand Dollars and No Cents (\$10,000) payable to the Class Representative as approved and awarded by the Court, the Settlement Administration Costs not to exceed Fifteen Thousand Dollars and No Cents (\$15,000), as approved and awarded by the Court, and the PAGA Amount consisting of Fifteen Thousand Dollars and No Cents (\$15,000.00) payable to the LWDA and Five Thousand Dollars and No Cents (\$5,000.00) payable to Aggrieved Employees as described in Paragraph 48(d) below. In the event that the Court reduces the attorneys’ fees and litigation costs or Service

Award, Settlement Administration Costs, or either increases or decreases the amount allocated to the PAGA Amount, the Net Settlement Amount shall be increased or decreased accordingly.

(d) Individual Settlement Amounts for the Settlement Class: The Settlement Administrator will use the Class Data provided by Defendant to calculate each Participating Class Member's and Aggrieved Employee's Individual Settlement Amount based on the following formula:

i. PAGA Amount: \$20,000 of the Gross Settlement Amount has been designated to the PAGA claims. Twenty-five percent (25%) or \$5,000.00, shall be paid out to Aggrieved Employees, while seventy-five percent (75%), or \$15,000.00, will be paid to the LWDA. Each Aggrieved Employee shall receive a portion of the \$5,000.00 proportionate to the number of pay periods worked by each Aggrieved Employees during the PAGA Period compared to the total number of xs worked by all Aggrieved Employees during the PAGA Period. Aggrieved Employees shall have their settlement amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement Administrator will issue a Form 1099.

ii. Class Amount: The Net Settlement Amount shall be allocated to each Participating Class Member based on his/her/their proportionate Workweeks Worked during the Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the numerator of which is the Participating Class Member's total Workweeks Worked during the Class Period, and the denominator of which is the total Workweeks Worked by all Participating Class Members during the Class Period. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Amounts for each Participating Class Member so that the amount actually distributed to Participating Class Members equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

(e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts will be allocated for tax purposes based on the allegations in the Action as follows: thirty-three percent (33%) will be paid as wages subject to withholding of all applicable local, state, and

federal taxes; and sixty-seven percent (67%) will be paid as interest and as civil penalties (pursuant to, *e.g.*, California Labor Code sections 203, 226) from which no taxes will be withheld. The Settlement Administrator will issue to each Participating Class Member an Internal Revenue Service Form W-2 and comparable state forms with respect to the wage allocation and a Form 1099 with respect to the civil penalties and interest allocations.

(f) Service Payment to Class Representative: The amount awarded to Class Representative as a Service Payment will be set by the Court in its discretion, not to exceed \$10,000. Defendant agrees not to oppose this request. The Service Payment to Class Representative will be paid out of the Gross Settlement Amount. Class Representative will be issued IRS Form 1099 in connection with this payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on this payment. The Parties agree that any amount awarded by the Court as the Service Payment to Plaintiff less than the requested amount shall not be a basis for Plaintiff or Class Counsel to void this Stipulation. Should the Court approve a lesser amount for any Service Payment, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. In the event of any appeal of the amount of any Service Payment (if any) approved by the Court, if, after the exhaustion of any such appellate review, additional amounts not awarded to Class Representative shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.

(g) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by Class Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Settlement Amount (approximately \$82,666.67), plus reasonable litigation costs not to exceed \$20,000.00 ("Attorneys' Fees and Cost Award"). For purposes of this Settlement, Defendant agrees not to oppose any application for attorneys' fees provided for herein including but not limited to any contention by Class Counsel that attorneys' fees should be based on the common fund theory. The Attorneys' Fee and Cost Award shall be paid from the Gross Settlement Amount, and except for this award, Defendant shall have no further obligation to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by

Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. Any Court order awarding less than the amount sought by Class Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if any) approved by the Court, final funding and administration of the portion of the attorneys' fees and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate review. If, after the exhaustion of any such appellate review, additional amounts not awarded as attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the Participating Class Members and/or Aggrieved Employees. It is understood and agreed by the Parties, Class Counsel and Defendant's counsel that no amounts designated herein as Class Counsel's attorney's fees or expenses are accessible or otherwise available to Class Counsel until the payment amount and method are agreed to by Class Counsel and the Settlement Administrator pursuant to a distribution agreement and the Joint Prosecution and Fee-Sharing Agreement. IRS Form 1099s shall be issued to Class Counsel reflecting the amount of attorneys' fees and costs awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class Counsel and any other attorney representing or claiming to represent the Class Members shall be the sole responsibility of Class Counsel.

(h) Settlement Administration Costs: The fees and other charges of the Settlement Administrator will be paid from the Gross Settlement Amount, not to exceed \$15,000.00, subject to Court approval, unless approved by all Parties and the Court.

(j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant's Counsel in this regard. Plaintiff and Final Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective Settlement Amounts described herein. Income tax withholding will also be made pursuant to applicable federal, state, and/or local withholding codes

or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the “Code”) and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes.

(k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY

TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

50. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no circumstances will any portion of the Settlement Amount revert to Defendant. Final Settlement Class Members will not have to make a claim to receive an Individual Settlement Amount. Individual distributions, in the form of Individual Settlement Amounts, will be made directly to each Final Settlement Class Member. The Settlement Administrator shall be responsible for accurately and timely reporting any remittance obligations with respect to unclaimed funds as a result of a Final Settlement Class Member not cashing an Individual Settlement Amount by the check cashing deadline, as set forth herein.

51. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable, and adequate, and will so represent same to the Court.

D. Release by Plaintiff and the Final Settlement Class

52. Upon the Effective Date of this Settlement, Plaintiff and each Participating Class Member, together and individually, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, shall be deemed to have fully, forever, and completely released and discharged

all of the Released Parties from, or any of them, from each of the Released Class Claims arising during the Class Release Period.

53. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

54. Upon the Effective Date of this Settlement, Plaintiff, the LWDA, and each Aggrieved Employee, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Released Parties from the Released PAGA Claims for the PAGA Release Period.

55. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as they manually signed it.

56. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released Class Claims. The Settlement Class Members shall be so notified in the Notice. This Paragraph does not apply to any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims.

57. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claims, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by the LWDA to obtain recovery based on, arising out of, and/or related to any and all of the Released PAGA Claims.

58. Class Representative, on behalf of himself and the Participating Settlement Class Members and Aggrieved Employees, acknowledges and agrees that the claims for (1) failure to pay all minimum wages; (2) failure to pay overtime wages; (3) meal and rest period violations; (4) wage statement violations; (5) failure

to reimburse for necessary business expenses; (6) waiting time penalties; (7) unfair competition; and (8) PAGA penalties are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to each of them. Class Representative, on behalf of himself and the Participating Settlement Class Members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows:

An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.

E. Release by Class Representative

59. As a material inducement to Defendant to enter into this Settlement Agreement, in addition to Class Representative's release of the Released Class Claims and Released PAGA Claims, as discussed in Section D above, Class Representative does hereby, for himself and for his respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Stipulation, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Class Representative's employment with Defendant or the remuneration for or termination of such employment (collectively, the "Class Representative's Claims").

60. Without limiting the generality of the foregoing, Class Representative also expressly releases all claims or rights against Released Parties arising out of or relating to alleged

violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any tort, including but not limited to, negligence, fraud, misrepresentation and violation of California Labor Code section 970, negligent infliction of emotional distress, intentional infliction of emotional distress, defamation, “retaliation” claims and claims for violation of public policy, any claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages, unpaid vacation benefits, unpaid sick pay, penalties, liquidated damages, other damages, overtime, failure to pay any wages at the correct rate of pay, and alleged “off the clock” work under federal and state law, including, but not limited to, California Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor Section 203, damages, or penalties pursuant to California Labor Code Section 226, meal period and rest break payments and penalties pursuant to California Labor Code Sections 226.7 and 512, failure to provide itemized wage statements pursuant to California Labor Code Section 226, statutory or civil penalties pursuant to California Labor Code Sections 210, failure to indemnify for business expenses pursuant to Labor Code section 2802, failure to provide one day of rest in seven pursuant to California Labor Code Sections 551 and 552, any other claim under the California Labor Code, including but not limited to any claims for whistleblower retaliation under Labor Code section 1102.5, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200 *et seq.*, interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys’ fees and costs, including those pursuant to California Labor Code Section 1194 *et seq.*; claims under the Private Attorneys General Act of 2004, Labor Code section 2699 *et seq.*, and the alleged violation or breach of any other state or federal statute, rule, and or regulation; including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs, or attorneys’ fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any “wrongful discharge,” “constructive discharge,” and “retaliation”

claims; any claims relating to any breach of public policy; any legal restrictions on Defendant's right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. § 209(d)(1) and California Labor Code 1197.5 (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 *et seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.* (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code § 12900 *et seq.* (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, disability, marital status, sex (including pregnancy), or age, including retaliation for reporting discrimination or harassment); (7) California Family Rights Act, Cal. Government Code § 12945.1 *et seq.* (family/medical leave); (8) California Labor Code, including Section 1720 *et seq.*, or any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (10) Executive Order 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap discrimination); (12) the Fair Labor Standards Act; (13) Employee Retirement Income Security Act, 29 U.S.C. § 1000 *et seq.* (employee benefits); (14) the California Civil Code; (15) the California Labor Code; (16) the California Constitution; (17) the National Labor Relations Act; and (18) any other federal, state, or local statute or legislation.

61. Class Representative expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

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.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Class Representative, and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Class Representative knew of, as well as all claims that he does not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such Class Representative's claims.

F. Interim Stay of Proceedings

62. Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the Settlement.

G. Notice Process

63. Appointment of Settlement Administrator. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims or opt-out requests, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Amounts, drafting and mailing the settlement checks to Final Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities, due diligence, reporting and remittance obligations, and performing such other tasks as set forth herein or as the Parties mutually agree or that the Court orders.

64. Disputes Regarding Settlement Administration. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction

over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity of Court intervention. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Final Settlement Class Members, and/or Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

65. Class Data. Within fifteen business (15) days after entry of the Preliminary Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement Administrator will not be provided to Class Counsel and it will remain confidential, it shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court.

66. Notice. The Notice, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class Members, by first class mail, in English, within seven (7) calendar days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Settlement Class Members if any envelopes are returned.

67. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice is received by all Settlement Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other

search using the name, address, and/or Social Security number of the Class Member involved and will then perform a single re-mailing. In the event the procedures in this Paragraph are followed and the intended recipient of a Notice Packet still does not receive the Notice Packet, the Class Member shall be bound by all terms of the Settlement and any Judgment entered by the Court if the Settlement is approved by the Court. Notices will be re-mailed to any Settlement Class Member for whom an updated address is located within ten (10) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address. The Notice shall be identical to the original Notice, except that it shall notify the Settlement Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after the remailing of the Notice.

68. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an envelope has not been returned to the Settlement Administrator within thirty (30) days of the mailing that the Settlement Class Member received the Notice.

69. Disputes Regarding Class Data. Settlement Class Members are deemed to participate in the Settlement unless they opt-out. The Notice will inform Settlement Class Members of their estimated Individual Settlement Amount and the number of Workweeks Worked during the Class Period and during the PAGA Period. Settlement Class Members may dispute their Workweeks Worked if they feel they worked more workweeks in the Class Period in California than Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut Defendant's records. The Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and provide the evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Workweeks Worked and estimated Individual Settlement Amount. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Settlement Administrator to render a final decision. All disputes will be decided within five (5) business days of the Notice Response Deadline. Settlement Class Members will have until the

Notice Response Deadline to dispute Workweeks Worked, object, or opt out, unless extended by the Court. In the event that the Settlement Administrator increases the number of Workweeks Worked for any Settlement Class Member, the Settlement Administrator will then recalculate the Participating Class Members' Individual Settlement Amounts. However, in no event will Defendant be required to increase the Gross Settlement Amount.

70. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for the Parties, at least twenty-five (25) calendar days prior to the final approval hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

71. Settlement Class Members' Rights. Each Settlement Class Member will be fully advised of the Settlement, the ability to object to the provisions in the Settlement related to the Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of the Settlement. The Notice will inform the Settlement Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Class Claims provisions of the Settlement in accordance with the following guidelines:

(a) Requests for Exclusion from Participating Settlement Class. Any Settlement Class Member, other than Plaintiff, may request to be excluded from the Participating Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should be stated in words similar to this effect:

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE CONAM MANAGEMENT LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT.

Any Request for Exclusion must include the full name, address, telephone number, last four digits of the social security number or date of birth, and signature of the Settlement Class Member requesting exclusion. The Request for Exclusion must be returned by mail to the Settlement Administrator at the specified address. Any such Request must be made in accordance

with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice Response Deadline, unless the Parties otherwise agree in writing. The postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement with respect to the Class Claims, including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Agreement with respect to Class Claims; and (iii) will not be bound by this Agreement, or the Judgment, with respect to the Class Claims.

(b) Binding Effect on Final Settlement Class Members. Except for those Settlement Class Members who exclude themselves in compliance with the procedures set forth above, all Settlement Class Members will: (i) be deemed to be Final Settlement Class Members for all purposes under this Agreement; (ii) be bound by the terms and conditions of this Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.

(c) Objections to Settlement of Class Claims. Any Settlement Class Member, other than Plaintiff, may object to the terms of this Agreement with respect to the Class Claims and may appear at the Final Approval Hearing and object whether or not they have submitted a written objection as outlined herein. To submit a written objection, a Settlement Class Member shall inform the Settlement Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall include the full name, address, telephone number, dates of employment with Defendant of the Objecting Settlement Class Member, the case name and number, the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof, and, if the Objecting Settlement Class Member is represented by counsel, the name and address of his/her/their counsel. If any Objecting Settlement Class Member wishes to speak at the Final Approval Hearing with respect to the Class Claims,

that Objecting Settlement Class Member's written submission should include a request to be heard, and the Court will determine whether Objecting Settlement Class Members will be permitted to speak at the hearing. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) business days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence it files with the Court prior to the Final Approval Hearing. Any Objecting Settlement Class Member remains eligible to receive monetary compensation from the Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class Member and /or his/her/their counsel related to any objections to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure section 663. Settlement Class Members and Aggrieved Employees may not object to or opt out of the Settlement with respect to the PAGA Claims. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from the Judgment. To the extent a timely written objection is withdrawn before final approval, such an objection shall be treated as though the objection had not been made.

(d) Failure to Object. Any Settlement Class Member who desires to object with respect to the Class Claims but fails to submit a timely written objection waives any right to object and will be foreclosed from making any objection to this Settlement. Any Settlement Class Member who does not timely and properly become a party of record by intervening or filing a motion to vacate the judgment waives any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new trial, a motion under California Code of Civil Procedure section 473, and extraordinary writs.

(e) Responses to Objections. Counsel for the Parties may file a response to any objections submitted by Objecting Settlement Class Members at least two (2) court days before the date of the Final Approval Hearing.

72. Settlement Class Members will have until the Notice Response Deadline to object or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or Requests for Exclusion were timely submitted every week, and upon the request of Class Counsel or Defense Counsel.

73. Funding of the Settlement Amount. Defendant shall make a one-time deposit into the QSF of the Settlement Amount, as described in Paragraph 48(a) that is necessary to make all payments required under this Settlement, within thirty (30) calendar days after the Effective Date. Separately but on this same date (30 calendar days after Effective Date), Defendant shall pay its share of employer payroll taxes as calculated and directed by the Settlement Administrator and set forth herein.

74. Distribution of Funds. No later than seven (7) calendar days after deposit of the Settlement Amount into the QSF, the Settlement Administrator shall mail the payments to the Final Settlement Class, the payment for the attorneys' fees and costs to Class Counsel (except as provided herein and/or pursuant to a distribution agreement), any Service Payment to the Class Representative, the payment to the LWDA for PAGA penalties, and will pay itself the Settlement Administration Costs.

75. Deadline for Cashing Settlement Checks. Final Settlement Class Members shall have 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. If any Final Settlement Class Member's check is not cashed within that period, the check will be void and a stop-payment will be issued. All unclaimed funds shall be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, to be held in trust for those Participating Class Members and Aggrieved Employees who did not timely cash their Settlement checks. The Settlement Administrator shall

provide Class Counsel and Defense Counsel with an accounting of the unclaimed funds sent to the Controller of the State of California. The release will be binding upon all Final Settlement Class Members who do not cash their checks within the 180-day period. In the event that any settlement check is returned to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the individual. If a new address is located by these means, the Administrator will have five (5) business days to re-issue the check and will notify Defense Counsel and Class Counsel that a re-issued check has been sent. Neither Defendant, Defense Counsel, Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Final Settlement Class Member notifies the Settlement Administrator that they believe that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Settlement Administrator will issue a replacement check.

76. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or reports made in accordance with or pursuant to this Agreement. This provision does not, however, prevent a Party from seeking enforcement of this Agreement.

77. Without prejudice to any other remedies, the Settlement Administrator shall agree to be responsible for any breach of its obligations (whether committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

H. Duties of the Parties Prior to the Court's Approval

78. Within thirty (30) days of execution of this Agreement, Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order accomplishing the following:

(a) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members and a hearing on fees, costs, and the Service Payment;

(b) Approving as to form and content the proposed Notice;

(c) Directing the mailing of the Notice by first class mail to the Settlement Class Members;

(d) Preliminarily approving this Settlement; and

(e) Preliminarily certifying the class for purposes of this Settlement.

79. In conjunction with the Preliminary Approval Hearing, Plaintiff will submit this Settlement Agreement, and will include the proposed Notice Packet, which will include the Notice of Class Action Settlement document and proposed Mailing Envelope.

80. In accordance with section 2699(1)(2) of the California Labor Code, Plaintiff shall provide a copy of this Settlement Agreement to the LWDA on the same day that Plaintiff file their motion for Preliminary Approval of this Settlement with the Court.

81. Modifications. In the event the Court refuses, on its first hearing, to approve this Agreement, the Parties shall cooperate in good faith to address any issues raised by the Court. If there are nonmaterial changes that do not affect the terms and non-class payments to Plaintiff, Class Counsel, and Defense Counsel shall have authority to modify this Agreement without additional signatures of the Parties.

I. Duties of the Parties Following Court's Final Approval

82. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit a proposed Final Approval Order:

(a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

(b) Approving Class Counsel's application for an award of attorneys' fees and reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Settlement Administrator for costs of administering the Settlement; and

(c) Entering judgment approving settlement, thereby permanently barring all Participating Class Members from prosecuting any Released Class Claims against any of the Released Parties, permanent barring the Class Representative from prosecuting any claims of any nature against the Release Parties (as a product of the general release that each of them hereby provides, see Section 58, above) and permanently barring all Aggrieved Employees and the LWDA from prosecuting any Released PAGA Claims against any of the Released Parties.

J. Voiding the Agreement

83. If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Settlement Agreement which effects a fundamental change of the Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to all Parties herein at the option of any Party.

84. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay the Settlement Amount, or any amounts that otherwise would have been owed under this Settlement.

85. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator shall be borne equally by Defendant (50 percent) and Plaintiff (50 percent), unless otherwise specified in this Agreement.

K. Other Terms

86. Full and Complete Defense. This Agreement may be pleaded by any Released Party as a full and complete defense to and may be used as the basis for an injunction against, any action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted, asserting any Released Claim. The Parties agree to the admissibility of this Agreement in any subsequent action involving the prosecution of any Released Claim.

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

88. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

89. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval of the settlement and the final entry of judgment.

90. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights released and discharged by this Settlement Agreement.

91. No Admission. Defendant denies any and all liability to Plaintiff and/or any Settlement Class Member in this Action, as to any and all causes of action that were asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and compromise to avoid further substantial expense and the inconvenience and distraction of protracted litigation. Defendant has considered the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that they have asserted or could assert against

Plaintiff, have determined that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

92. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

93. Confidentiality. The Parties, Class Counsel and Defense Counsel agree to keep the Settlement confidential through the Preliminary Approval Date. Thereafter, the Parties, Class Counsel and Defense Counsel agree to make no comments to the media or otherwise publicize the terms of the Settlement.

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

95. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class Members and Aggrieved Employees:

D. Aaron Brock
ab@brockgonzales.com
Erica Allen Gonzales.
eg@brockgonzales.com
BROCK & GONZALES, LLP
6701 Center Drive West, Suite 610
Tel: (310) 294-9595
Fax: (310) 961-3673

To Defendant:

B. Allison Borkenheim
aborkenheim@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101
Tel: (619) 232-0441
Fax: (619) 232-4302

Krystal Saleh
ksaleh@littler.com
LITTLER MENDELSON, P.C.
2049 Century Park East, 5th Floor
Los Angeles, California 90067.3107
Tel: (310) 553-0308
Fax: (310) 553-5583

96. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

97. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or

describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

98. Modification. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto (except as provided herein, permitting Class Counsel and Defense Counsel to approve any such changes in writing), and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

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

100. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

101. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

102. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

103. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior

or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

104. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

105. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Final Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Final Settlement Class Member.

106. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original. Class Representative is required to affix a "wet signature" to this Settlement Agreement; an electronic signature will not be accepted.

APPROVAL AND EXECUTION BY PARTIES.

CLASS REPRESENTATIVE

Date: December __, 2024

Signed by:

481BF73E2AF2496...

Christopher Pacheco

**DEFENDANT AMERICREDIT
FINANCIAL SERVICES, INC.**

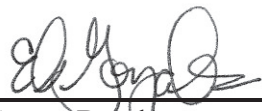
Date: December 24, 2024



By: Marci Mancuso
Its: SVP, Associate Counsel

BROCK & GONZALES, LLP

Date: December 23, 2024



Aaron Brock
Erica Allen Gonzales
Attorneys for Plaintiff

LITTLER MENDELSON, P.C.

Date: December 24, 2024



B. Allison Borkenheim
Krystal Saleh
Attorneys for Defendant