

David Keledjian (SBN 309135)
David Arakelyan (SBN 337076)
D.LAW, INC.
250 N Madison Avenue, 2nd Floor
Pasadena, CA 91101-1639
Tel.: (818) 962-6465 / Fax: (818) 962-6469
d.keledjian@d.law, d.arakelyan@d.law

Attorneys for Plaintiff ILIANA REYES, on behalf
of herself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA

ILIANA REYES, on behalf of herself and all
others similarly situated, and the general
public,

Plaintiff,

v.

FIRSTAMERICA AUTOMOTIVE, INC., a
Delaware corporation; FIRSTAMERICA
AUTOMOTIVE, LLC, a Delaware
corporation; SONIC AUTOMOTIVE, INC., a
business entity of unknown form; BEVERLY
HILLS BMW, a business entity of unknown
form; ECHO PARK AUTOMOTIVE, a
business entity of unknown form; and DOES
1 through 50, inclusive,

Defendants.

Case No. C23-02820

[Assigned for all purposes to the Hon. Benjamin
Reyes II, Dept. 16]

**DECLARATION OF DAVID
ARAKELYAN IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION
FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT**

*[Filed concurrently with Notice of Motion and
Motion; Memorandum of Points and
Authorities; [Proposed] Order; and [Proposed]
Judgment]*

Date: June 10, 2026

Time: 9:00A.M.

Dept.: 16

Complaint Filed: November 6, 2023

FAC Filed: January 10, 2024

Trial Date: None Set

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

1. I am an attorney licensed and admitted to practice before all courts of the State of California, the United States District Court for the Central, Eastern, and Northern Districts of California. I am Associated Attorney at D.Law, Inc. and counsel for Plaintiff ILIANA REYES (“Plaintiff”), on behalf of herself, the State of California, and all other similarly situated employees of Defendants FIRSTAMERICA AUTOMOTIVE, INC., a Delaware corporation; FIRSTAMERICA AUTOMOTIVE, LLC, a Delaware corporation; SONIC AUTOMOTIVE, INC., a business entity of unknown form; BEVERLY HILLS BMW, a business entity of unknown form; ECHO PARK AUTOMOTIVE, a business entity of unknown form (collectively “Defendants”) (hereinafter Plaintiff and Defendant are collectively referred to as the “Parties”).

12
13
14
15

16

17
18
19
20
21
22
23
24
25

26
27
28

5. On January 10, 2024, Plaintiff filed a First Amended Complaint in the Los Angeles Superior Court, adding a cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.].

6. On April 25, 2024, this Court issued an Order, compelling Plaintiff's claim to arbitration. After arbitrating the claims with the ADR Services, Inc. for over a year, the Parties attended a class and PAGA mediation on August 18, 2025, and reached a settlement.

7. To reiterate, the amount available for distribution to Class Members who do not opt out of the settlement is \$1,800,000.00 (One Million Eight Hundred Thousand Dollars and Zero Cents) (“Gross Settlement Amount” or “GSA”), less the following deductions: (1) up to one-third (33% 1/3) of the GSA, or \$600,000.00, to Class Counsel for Attorneys’ Fees, and up to \$25,000.00 costs to Class Counsel for reimbursement of reasonable expenses incurred to prosecute the Action (the actual costs as of this filing are \$20,414.26); (2) up to \$10,000.00 to the Plaintiff as an Enhancement Award for service as the class representative; and (3) up to \$31,000.00 to the Settlement Administrator for its fees and costs to administer the Settlement (actual costs were \$30,490.00). (Exh. 1, ¶¶ 3.2.1; 3.2.2; 3.2.3.) Additionally, the Parties allocated \$200,000.00 of the GSA to the payment of PAGA Penalties, with \$150,000 (or 75%) going to the LWDA and \$50,000 (or 25%) allocated to the Individual PAGA Payments. (Exh. 1, ¶ 3.2.5.)

8. From my experience in wage and hour litigation, the present settlement has resulted in a substantial benefit to Class Members. In fact, the Individual Class Payment will average **\$205.90 per participating class member**, the highest payment is **\$530.49**, and the lowest payment is **\$5.30** (Declaration of Beth Paris, “Paris Decl.,” ¶ 16.) Similarly, the *highest* individual PAGA Payment to an Aggrieved Employee is approximately **\$28.22**, the *average* individual PAGA Payment is approximately **\$10.94**, and the *lowest* individual PAGA Payment is approximately **\$0.28**. (*Id.*, ¶ 18.)

SETTLEMENT ADMINISTRATION

9. After preliminary approval of Apex Class Action Administration Solutions (“Apex” or “Administrator”), on March 10, 2026, the Administrator sent the Notice of Proposed Class Action Settlement and Hearing Date for Final Approval of Settlement (“Class Notice”) to the Class

Members' last-known addresses and made significant efforts to locate Class Members, including performing skip traces on those employees who could not be located. (Paris Decl., ¶ 7 – 8.)

10. Of the 4,569 Class Members who were sent notices, 202 Class Notices were returned to Apex by the Post Office, and 165 Class Notices were re-mailed, with 37 Class Notices deemed undeliverable. (Paris Decl., ¶¶ 6, 8 – 9.) Class Notices were distributed in accordance with the Court's preliminary approval order, and the response was excellent. Here, the deadline for submitting a Request for Exclusion from the Settlement, disputing the workweeks (pay periods) and objecting to the Settlement was April 24, 2026, and the extended response deadline for these was May 8, 2026. (*Id.*, ¶ 10.) As of May 13, 2026, **zero class members objected** to the settlement, **eight class members opted out** of the Settlement Agreement, and **one class member** submitted a workweek dispute. (*Id.*, ¶¶ 11 – 13.) Therefore, there is a total of 4,561 participating Class Members as of May 4, 2026, which constitutes a 99.82% participation rate. (*Id.* at ¶ 14.) At the time of the preliminary approval, Defendants had identified 4,571 class members as of the date of mediation (August 2025), but the number was subsequently decreased to 4,569 based on the final review of the data by Defendants for the end of the Class Period.

11. The fact that there was a 99.82% participation rate indicates that the persons most affected by Defendants' alleged practices and who stand to benefit most from the settlement agree that this is an outstanding result and a strong indication that the settlement is fair and adequate, and that Class Members found it to be so.

12. Apex requests an administration expenses payment of \$30,490.00 (*Id.* at ¶ 19.)

REQUEST FOR ATTORNEYS' FEES AND COSTS

13. The preliminarily approved settlement calls for the payment of up to \$600,000.00 in attorneys' fees, plus up to \$25,000.00 for Class Counsel's costs (Class Counsel's actual costs in this matter are \$20,414.26) (see **Exhibit 3**). This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case and the risk they assumed by taking it in the first place. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the administration of the settlement.

The Lodestar Method

14. Class Counsel's lodestar calculation supports the requested attorneys' fees. The lodestar calculation typically proceeds in three steps. First, a trial court must determine a baseline guide or "lodestar" figure based on the time spent and reasonable hourly compensation for each attorney involved in the case. *Serrano v. Priest* (1975) 20 Cal.3d 25, 48. The court then sets a reasonable hourly fee to apply to the time expended, with reference to the prevailing rates in the geographical area in which the action is pending. *Bihun v. AT&T Information System* (1993) 13 Cal.App.4th 976, 997. Finally, a "multiplier" is selected with reference to the following factors: (1) the novelty and difficulty of the issues involved, (2) the skill displayed in presenting them, (3) the extent to which the nature of the litigation precluded other employment by the attorneys, and (4) the contingent nature of the fee award, based on the uncertainty of prevailing on the merits and of establishing eligibility for the award. *Serrano, supra*, 20 Cal.App.3d at 49.

15. Class Counsel charges rates commensurate with the prevailing market rates in the Los Angeles area for attorneys of comparable experience and skill in handling complex litigation. Aside from being warranted by our skill, experience, and ability, Class Counsel rates that were used in the application of the lodestar cross-check in this case are supported by the Laffey Matrix attached hereto as **Exhibit 4**.

16. As for the *Serrano* factors, all militate in favor of the requested fee award. This case raised a number of complex and contested issues, and Class Counsel exhibited skill and creativity in prosecuting and presenting them. Chief among these was the law relating to meal and rest periods, and failure to pay class members final wages.

17. This case was not straightforward. Class Counsel had to spend time researching and analyzing each of these claims and issues in order to adequately assess the liability of Defendants. Class Counsel then had to develop the evidence necessary through informal discovery to establish Defendants' liability. This was done through carefully sifting through hundreds of pages of documents.

18. In sum, Class Counsel had to come up with creative approaches to these issues in litigating the case and, ultimately, negotiating and crafting the settlement. To this end, Class Counsel

1 has devoted a tremendous amount of time and energy. As shown in the table below, Class Counsel
2 have spent a substantial number of hours working on this case. This time commitment was necessary
3 in order to research, construct, and prosecute viable legal claims in the face of stiff opposition, but
4 it has come at a cost. In particular, the time Class Counsel have devoted to this case has prevented
5 them from investing time and effort into other cases. Despite these considerations, Class Counsel
6 zealously represented Plaintiff and the Class and have obtained a favorable result.

7 19. Such is not always the case. Indeed, Class Counsel has invested time and money into
8 numerous other cases, including class actions, that have fizzled for one reason or another, leaving
9 Class Counsel completely without any compensation for effort. Here, Class Counsel has achieved a
10 beneficial settlement for the Class, but this was by no means a foregone conclusion; indeed, their
11 efforts might have well been frustrated by any number of obstacles with which they were presented
12 along the way. Nor could class certification be guaranteed. However, Class Counsel was able to
13 navigate the shoals of unpredictability to achieve a desirable result, and they have done so without
14 receiving any compensation to speak of thus far because they took this case on a contingency-fee
15 basis.

16 20. From the foregoing analysis, Class Counsel's requested attorneys' fees are fair and
17 reasonable. Class Counsel conservatively estimates that they have invested 292.1 hours of attorney
18 time in this matter. There are no Joint Prosecution or Fee Splitting Agreements with any other law
19 firm or entity.

20 21. As an Associate Attorney, my current billing rate is \$625.00 (6 years out of law
21 school), and I spent approximately 150.6 hours in this matter with a lodestar amount of \$94,125.)
22 Attorney Emil Davtyan's current billing rate is \$1,235.00 (12 years out of law school), and he spent
23 approximately 50.2 hours on this matter, with a lodestar amount of \$61,750.00. Senior Counsel
24 David Keledjian's current billing rate is \$1,045.00 (10 years out of law school), and he spent
25 approximately 64.1 hours in this matter with a lodestar amount of \$66,984.50. Managing Attorney
26 David Yeremian's current billing rate is \$1,375.00 (23 years out of law school), and he spent
27 approximately 19.2 hours in this matter with a lodestar amount of \$26,400. Attorney Kevin Burns'
28 billing rate during his tenure at D.Law, Inc. was \$475.00 (3 years out of law school), and he spent

approximately 6.4 hours in this matter, with a lodestar amount of \$3,040.00. Attorney Svetlana Hovannisyan's billing rate is \$475.00 (3 years out of law school), and she spent 1.6 hours on this matter, with a lodestar amount of \$760.00. Therefore, Class Counsel has collectively incurred 292.1 hours and \$247,977.00 in fees. (Counsel's billing records are attached as **Exhibit 5** to this Declaration.)

22. The table below summarizes Class Counsel's total hours, billables, and costs:

<u>Attorney/Firm</u>	Total Hours	Total Billables	Costs
Emil Davtyan (D.LAW)	50.2	\$61,750	\$20,414.26
David Yeremian (D.LAW)	19.2	\$26,400	
David Keledjian (D.LAW)	64.1	\$66,984.50	
David Arakelyan (D.LAW)	150.6	\$94,125	
Svetlana Hovannisyan (D.LAW)	1.6	\$760	
Kevin Burns (formerly D.LAW)	6.4	\$3,040	
TOTAL:	292.1	\$246,977.00	\$20,414.26

23. Class Multipliers routinely range from 3 to 5, and it is not uncommon that multipliers of between 5 and 10, or higher, are applied. See, e.g., *Wilson v. Bank of Am. Natl. Trust & Savs. Assn.*, No. 643872 (Cal. Sup. Ct., Aug. 16, 1982) (multiplier of 10); *Glendora Comm. Redev. Agency v. Demeter* (1984) 155 Cal.App.3d 456, 465 (affirming multiplier of 12 and expressly rejecting the argument that fee was either exorbitant or unconscionable). The fee request of \$600,000.00 results in a modest multiplier of approximately 2.43, which further evidences the reasonableness of the request.

The Percentage-of-the-Benefit Comparison

24. In settlements where a definite monetized fund is created, it is appropriate for courts to evaluate the lodestar amount as a percentage of the recovery and adjust it accordingly if the lodestar differs from the range of percentage fees freely negotiated in comparable litigation. *See Lealao v. Beneficial Calif., Inc.* (2000) 82 Cal.App.4th 19, 49-50.

25. Class Counsel took this case on a contingent-fee basis against a corporation represented by a reputable defense firm. When we take contingent cases, we must pay careful attention to the economics involved or one bad case can destroy years of work. Accordingly, in such cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the number of hours in a day is limited.

26. Contingent-fee cases present the very real risk of working hundreds, if not thousands, of hours that may never be entirely compensated. Moreover, while the case is being litigated, counsel must pay overhead (salaries, rent, etc.), provide for their own expenses, and in most cases pay the out-of-pocket expenses incurred on the plaintiff's behalf. And the prospect of a court-awarded fee does not greatly reduce the risk posed by these cases. In many cases, the prospect is nothing more than a potential that never materializes. First, you must win the case to get a court-awarded fee; even those cases that seem strongest at the onset can be lost and sometimes are lost. Second, there are always the pitfalls and unforeseen obstacles that arise along the way, such as settlement offers that the client may accept without ensuring that we receive a reasonable fee or changes in the law that substantially affect the merits of the case, or other uncertainties involving the client. Finally, there is the great risk inherent in advancing tens if not hundreds of thousands of dollars in out-of-pocket expenses. If that money were to be invested in some sort of financial investment, one would expect a reasonable rate of return on that investment. Here, however, the best we can hope to recover is our money, and then only if we are substantially successful; if we are not, all or part of this "investment" can be lost.

27. Class Counsel is well acquainted with the contingent-fee market throughout California, particularly as it pertains to wage-and-hour and class-action litigation. Class Counsel has

1 negotiated numerous contingency-fee agreements with plaintiffs, both as individuals and as
2 representatives in class-action suits. Many of those agreements required that counsel receive a fee
3 under certain scenarios that exceed one-third of the recovery. Class counsel in contingency-fee cases
4 typically receive attorneys' fees equal to or greater than a third of the gross settlement amount. An
5 award of attorneys' fees equivalent to one-third of the common fund is commensurate with judicial
6 precedent. See *Crandall v. U-Haul* (Los Angeles County Sup. Ct., Case No. BC178775), the
7 Honorable Steven Czuleger awarded a 40% attorney fee request in an overtime-exemption class
8 action; in *Bushnell v. Cremer, Inc.* (Orange County Sup. Ct., Case No. 657778), the Honorable
9 Donald E. Smallwood awarded attorneys' fees in the amount of 38%; in *Abzug v. Kerkorian*
10 CA000981 (Los Angeles County Sup. Ct., November 1990), the Honorable R. William Schoettler
11 awarded a 45% fee; in *Haitz v. Meyer, et al.*, Alameda County Sup. Ct., 8-201990 No. 572968-3,
12 the court awarded a 40% fee; in *Elliott v. Clothestime* (Orange County Sup. Ct., Case No. 01-
13 CC00333) the Honorable Jonathan Cannon awarded a 40% fee in a wage-and-hour class action
14 which had not yet proceeded to the class certification stage; in both *Rippee v. Boston Market*
15 *Corporation*, Case No.: 05 CV 1359 BTM (JMA) and *Barile v. Boston Market Corporation*, Case
16 No.: 05 CV 1360 BTM (JMA), the Honorable Judge Barry T. Moskowitz awarded a 40% fee to
17 plaintiff's counsel in wage-and-hour class actions that had not proceeded to the class-certification
18 stage.

19 28. In light of the foregoing, the fee request in an amount equal to one-third of the Gross
20 Settlement Amount is well within the bounds that have been established by the above-cited
21 authority. Defendant has no objection to an award of fees in the amount requested. Moreover, the
22 Class Notice mailed to Class Members stated the amount of fees requested by Class Counsel;
23 however, not a single Class Member has objected to an award of fees in the amount requested.

24 Costs

25 29. The preliminarily approved settlement calls for the payment of Class Counsel's costs
26 of up to \$25,000.00. The actual total costs incurred in litigating this Action for Class Counsel are
27 \$20,414.26. Class Counsel's Cost Log are attached as **Exhibit 3** (D.Law Cost Log) to this
28 Declaration. Class Counsel incurred costs including, but not limited to, filing fees (e.g. complaints,

1 stipulations, motions), service of process, mediation fees, expert analysis fees, and attorney-service
2 costs for court filings, all of which were necessarily and reasonably incurred to prosecute this Action
3 and achieve a settlement that significantly benefits the Class. Thus, Class Counsel requests a
4 reimbursement of their incurred actual costs in the amount of \$20,414.26.

5 **ENHANCEMENT AWARD TO THE NAMED PLAINTIFF IS REASONABLE**

6 30. Plaintiff is entitled to a reasonable service payment for their efforts and initiative in
7 bringing and helping to prosecute this Action. Plaintiff assumed great risk by challenging
8 Defendants' wage-and-hour policies and bringing suit against Defendants. Plaintiff spent time better
9 apprising herself of her rights, deciding whether remedial action should be taken, how it should be
10 taken, searching for attorneys, and finally contacting their attorneys, who spent many hours with
11 him discussing the case and the law. In the end, Plaintiff decided to vindicate not only her own rights
12 but also those of their fellow employees by filing a class action lawsuit.

13 31. The courage it took to stand up to Defendants should not be underestimated. Few
14 people want to confront their employers, let alone sue them. By suing her former employer, Plaintiff
15 contends that she increased the risk of retaliation by prospective employers to which she may apply
16 in the future.

17 32. But Plaintiff did not allow her fear of the potential repercussions of being a class
18 representative to deter her from acting for the benefit of Class Members. She has devoted a
19 substantial amount of time to helping Class Counsel effectively develop and prosecute this Action
20 at every stage of the litigation. Plaintiff conferred with Class Counsel on numerous occasions to
21 discuss every aspect of this case; provided information about Defendants; responded to extensive
22 discovery, including in arbitration proceedings; reviewed documents; produced documents;
23 identified witnesses; monitored the progress of the litigation and arbitration proceedings; took the
24 time to apprise herself of the facts, issues, and law regarding the claims at issue, spent time with
25 Class Counsel discussing the terms of the settlement and reviewing and executing the Settlement
26 Agreement. In all, Plaintiff estimates that she has devoted numerous hours in preparing the Action
27 and seeing it through to settlement.

28 ///

1 33. Plaintiff spent a significant amount of time with Class Counsel detailing their
2 knowledge of Defendants' practices and assisting in the prosecution of this Action. She has
3 diligently, adequately, and fairly represented Class Members and has not placed her interests above
4 any member of the putative class. Class Counsel believes that Plaintiff is entitled to an enhancement
5 award for the time and effort she has devoted to this case. Defendants have agreed not to oppose it.
6 Such payments to class representatives are a common feature of settlements negotiated by Class
7 Counsel, and trial courts routinely approve them. In light of the foregoing, Class Counsel believes
8 the Class Representative Service Payment in the amount of \$10,000.00 to the named Plaintiff is fair
9 and reasonable.

10 34. California trial courts routinely approve enhancement payments to class
11 representatives in wage-and-hour class-action settlements. See, e.g., *Bennett v. Countrywide*
12 *Financial Corporation* (2005) San Diego Sup. Ct. Case No. GIC840981 (\$35,000); *Hogue v. WH*
13 *Smith of Nevada, Inc.* (2004) San Diego Sup. Ct. Case No. GIC830653 (\$20,000); *Fiez v. Brown*
14 *Group Retail Inc., d.b.a. Famous Footwear* (2003) Orange County Sup. Ct. Case No. 01CC00381
15 (\$35,000 to the current employee of defendant and \$20,000 to former employee); *Barry v. Cost*
16 *Plus, Inc.* (2003) OCSC No. 01CC00380 (\$35,000 for each named plaintiff); *Lajoie v. The Picture*
17 *People, Inc.* (2003) Orange County Sup. Ct. Case No. 01CC00324 (\$25,000 each for two named
18 plaintiffs); *Franco v. Vans, Inc.* (2002) Orange County Sup. Ct. Case No. 01CC03995 (\$35,000 for
19 each named plaintiff); *Crandall v. U-Haul Corporation* (2001) Los Angeles Sup. Ct. Case No. BC
20 178775 (\$20,000 for each named plaintiff); *Joel v. Athlete's Foot Group* (2001) Los Angeles Sup.
21 Ct. Case No. BC 234231 (\$25,000). Plaintiff's Class Representative Service Payment request is
22 substantially less than the enhancements approved in these cases; therefore, it is reasonable

23 **Qualifications and Adequacy of Class Counsel**

24 35. D.Law (formerly known as Davtyan Law Firm) prosecutes wage and hour cases,
25 including class actions and PAGA actions on behalf of employees and others who have had their
26 rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs'
27 counsel of record in numerous wage and hour and employment class action and PAGA action cases
28 pending in both state and federal court.

1 36. D.Law is well-qualified and has ample experience, knowledge, and resources to act as
2 counsel and represent Plaintiff and the putative Class and aggrieved employees in this action. Our
3 practice is exclusively focused on employment matters and representing plaintiffs in wage and hour
4 actions with the same or similar causes of actions brought forth in the matter pending before this
5 Court.

6 37. D.Law has litigated and successfully resolved many wage and hour class action cases
7 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. *De La Rosa*
8 *v. The Coca Cola Company et al.* (Superior Court of California in Napa, 17CV000787), *Harvey v.*
9 *Bed Bath & Beyond of California Limited Liability Company* (Superior Court of California in
10 Alameda, RG17885153), *Paredes v. Bottling Group LLC et. al.* (Superior Court of California in
11 Kern), *Ramirez v. Harris Ranch Beef Company* (Superior Court of California in Fresno,
12 16CECG04103), *Gates v. Gate Gourmet, Inc. et. al.* (Southern District of California, 16-cv-01084-
13 L-AGS), *Hargrave v. Antelope Valley Hospital* (Superior Court of California in Los Angeles,
14 BC663252), *Ramirez v. Milton Roy et. al.* (Superior Court of California in Los Angeles, BC 632
15 276), *Hawkins v. AvalonBay Communities* (Superior Court of California in Santa Clara,
16 17CV316492), *Jones Tharpe et al. v. Sprint Corporation et al.* (Superior Court of California in Los
17 Angeles, BC644645), *Ortega et al. v. Nestle Waters North America, Inc. et al.* (Superior Court of
18 California in Los Angeles, BC623610), *Schultz v. Jimbo's Natural Family, Inc.* (Superior Court of
19 California in San Diego, 37-2017-00022348-CUE-OE-CTL), *Ambrose v. Victor Valley Global et*
20 *al.* (Superior Court of California in San Bernardino, CIVDS1709289), *Puerta-Gildardo v. Real Time*
21 *Staffing Services LLC et. al.* (Superior Court of California in Los Angeles, BC565445), *Vargo v.*
22 *Pregis Innovative Packaging LLC* (Superior Court of California in Tulare, 270836), *Conlin v. Aegis*
23 *Senior Communities LLC* (Northern District of California, 17-cv-05534-LHK), *Galarza v.*
24 *Kloeckner Metals Corporation* (Central District of California, 2:17-cv-04910-FMO), *Estes v. L3*
25 *Technologies, Inc. et al.* (Southern District of California, 3:17-cv-02356-H-JMA), *Rowser v. Trunk*
26 *Club, Inc.* (Central District of California, 2:17-cv-05064-DSF-RAO), *Leach v. The Claremont*
27 *Colleges, Inc.* (Superior Court of California in Los Angeles, BC686451), *Vaesau v. PCT*
28 *Enterprises, Inc. dba Precision Cabinets* (Superior Court of California, County of Contra Costa

1 MSC18-02404), *Terry v. TF Louderback, Inc. dba Bay Area Beverage Company* (Superior Court of
2 the State of California, County of Contra Costa, MSC18-00859), *Roach v. Westcare California, Inc.*
3 (Superior Court of California in Kern County, BCV-17-102367-SDS), *Patton v. Church & Dwight*
4 *Co., Inc.* (Central District of California, EDCV 18-903-MWF (KKx)), *Juarez v. ISL Employees, Inc.*
5 (Superior Court of California in Madera, MCV074787), *Ferraro v. USC Verdugo Hill s Hospital,*
6 *et al.* (Superior Court of California in Los Angeles, 18STCV09463), *Ford v. Account Control*
7 *Technology, Inc., et al.* (Superior Court of California in Los Angeles, 19STCV09369), *Ornelas v.*
8 *iStorage, et al.* (Superior Court of California in San Francisco, CGC-18-571421), *Martinez v.*
9 *Ronpak, Inc.* (Superior Court of California in Riverside, RIC1901307), *Barrera et al. v. Exclusive*
10 *Wireless, Inc.* (Superior Court of California in Stanislaus, 9000687), *Barajas v. Mancha*
11 *Development Company LLC* (Superior Court of California in Orange County, 30-2018-00974707-
12 CU-OE-CXC), *Prado v. IMAX Corporation dba IMAC Worldwide Home* (Superior Court of
13 California in San Bernardino, CIVDS1820265), *Rodriguez v. ND Industries, Inc.* (Superior Court
14 of California in Los Angeles, 19STCV38096), *Singletary v. Motel 6 Operating LP, et al.* (Southern
15 District of California, 3:20-cv-0270-LAB-AHG), *Quizon v. CF Watsonville East, LLC, et al.*
16 (Superior Court of California in Santa Cruz, 20CV01868), *Stephenson v. Bakersfield Dodge, Inc.*
17 (Superior Court of California in Kern, BCV-20-102693), *Bacerra v. Hugo Boss Retail, Inc.*
18 (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), *Walker v. Ariat*
19 *International, Inc.* (Superior Court of California in Alameda, HG19026439), *Orr v. Petvet Care*
20 *Centers (California) Inc.* (Superior Court of California in Santa Clara, 19CV354063), *Jimenez v.*
21 *OEC Distribution Services, Inc.* (Superior Court of California in San Bernardino, CIVDS1915743),
22 *Virdi v. Absolute Security International* (Superior Court of California in San Bernardino, CIVDS
23 1909589), *Raj v. First Transit, Inc* (Superior Court of California in Sacramento, 34-2021-00295895-
24 CU-OE-GDS), *Marchbanks v. Torrid Administration, Inc.* (Superior Court of California in San
25 Diego, 37-2020-00008179-CU-OE-NC), among others.

26 38. I am an Associate Attorney at D.Law, focusing exclusively on class action and PAGA
27 cases. I was admitted to the California Bar in May of 2021. I received both my B.A. and J.D. from
28 University of California, Los Angeles (UCLA). Since graduating from law school, I have practiced

1 exclusively in the area of employment law, including both defense side and Plaintiff side positions.

2 39. During my career, I have represented employees in wage-and-hour class action lawsuits
3 as counsel, and I have worked to obtain six and seven figure settlements against a range of
4 defendants. These cases have involved the gamut of wage-and-hour claims, including claims for
5 failure to pay minimum wages, unpaid wages and overtime, failure to provide meal breaks,
6 inaccurate pay statements, and failure to pay timely wages - similar to claims at issue in the present
7 matter.

8 40. I am experienced in prosecuting employment matters, particularly class actions. In
9 addition to the present case, I am also class counsel for dozens of other putative wage-and-hour
10 class-action lawsuits pending in various state and federal jurisdictions throughout California.

11 41. Attorney David Keledjian is a Senior Counsel at D.Law where he manages a significant
12 number of class action and PAGA cases. Mr. Keledjian was admitted to the California Bar in
13 December 2008. He received his J.D. from Trinity Law School in May of 2015. Since graduating
14 from law school, Mr. Keledjian dedicated virtually his entire career on the practice of employment
15 law. He has significant experience specifically working on wage and hour class actions from the
16 plaintiff's side as well as the defense side, with the majority of his experience coming from the
17 plaintiff's side.

18 42. Mr. Keledjian's experience in litigating employment wage and hour matters has been
19 integral in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally
20 negotiating fair and reasonable class action settlements. Practice in the narrow field of wage and
21 hour litigation requires skill and knowledge concerning the constantly evolving substantive law
22 (state and federal), as well as the procedural law of class action litigation. In this action, Mr.
23 Keledjian is fully equipped to use the skills and knowledge he has developed. Therefore, on the
24 account of his resources, experience, and knowledge, Mr. Keledjian is well qualified to act as Class
25 Counsel and represent Plaintiff and the putative Class Members in this action.

26 43. Attorney David Yeremian is Managing Attorney at D.Law and counsel of record for
27 Plaintiff. Mr. Yeremian graduated from UC Berkeley in 1997 and received his law degree and MBA
28 from UCLA in 2001. Mr. Yeremian has been honored as a Super Lawyers Rising Star in 2009, 2010,

1 2012-2015 and has been named and honored as a Super Lawyer. Since 2007, Mr. Yeremian has
2 focused exclusively on representing employees, including in wage-and-hour class actions. During
3 his career, Mr. Yeremian has represented employees in hundreds of wage-and-hour class action
4 lawsuits as lead or co-lead counsel (including in the Central, Southern, Eastern, and Northern
5 Districts of California), and has obtained six and seven-figure settlements against a range of
6 defendants, including Fortune 500 companies.

7 44. The collective experience of the D.Law attorneys in litigating employment wage and hour
8 matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a
9 case, and generally negotiating fair and reasonable class and representative action settlements.
10 Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the
11 constantly evolving substantive law (state and federal), as well as the procedural law of class and
12 representative action litigation. In this action, the attorneys at D.Law are fully equipped to use the
13 skills and knowledge developed over decades of prosecuting and defending wage and hour class
14 actions to fairly and adequately represent the interests of the Class Members and aggrieved
15 employees. Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law
16 are well-qualified to act as class counsel and represent the Plaintiff and the putative Class Members
17 and aggrieved employees in this action.

18 45. We understand the responsibilities owed as counsel to the Settlement Class Members and
19 aggrieved employees we represent. The attorneys at D.Law thoroughly investigated the claims
20 asserted in this action, and have remained committed to dedicating the resources necessary to
21 represent the Settlement Class and vigorously pursue their claims. Based upon my experience and
22 understanding of the claims and defenses in this action, I believe the settlement is fair, adequate,
23 and reasonable for the Class Members and Aggrieved Employees and all involved, and that the
24 Settlement is well within the range of reasonableness that would permit it to be finally approved. I
25 am not aware of any conflict of interest with Plaintiff or any other Class Member that would interfere
26 with the duties as Class Counsel.

27 ///

28 ///

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

8
9
0
1
2
3
4
5
6
7
8
9
20
21
22
23
24
25
26
27
28

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

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 ILIANA REYES (“Plaintiff”) and Defendants FIRSTAMERICA AUTOMOTIVE, LLC fdba FIRSTAMERICA AUTOMOTIVE, INC.; SONIC AUTOMOTIVE, INC.; FAA BEVERLY HILLS, INC., *dba* BEVERLY HILLS BMW; and ECHOPARK AUTOMOTIVE (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

- 1.1 “Action” means the Plaintiff’ lawsuit alleging wage and hour violations against Defendants captioned Iliana Reyes v. FirstAmerica Automotive, Inc, et al. initiated on November 6, 2023, and pending in Superior Court of the State of California, County of Contra Costa, Case No. C23-02820.
- 1.2 “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.
- 1.3 “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4 “Aggrieved Employee” means all non-exempt hourly employees of Defendants within the state of California during the PAGA Period.
- 1.5 “Class and PAGA Pay Period” means any calendar semi-monthly period during which an Aggrieved Employee worked for Defendants for at least one day during the Class and PAGA Period.
- 1.6 “Class and PAGA Period” means the period from August 1, 2021, to September 30, 2025. References herein throughout to Class Period and PAGA Period are intended to refer collectively to the Class and PAGA Period, as both class and PAGA periods are the same.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Counsel” means David Yeremian, David Keledjian, David Arakelyan of D.Law, Inc.
- 1.9 “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class and PAGA Pay Periods.

- 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 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).
- 1.12 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.13 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14 “Class Representatives” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representatives.
- 1.15 “Class” means all persons employed by Defendants, collectively or separately, and/or any staffing agencies and/or any other third parties in hourly or non-exempt positions in California during the Class Period.
- 1.16 “Court” means the Superior Court of California, County of Contra Costa.
- 1.17 “Defendants” means named Defendants FIRSTAMERICA AUTOMOTIVE, LLC fdba FIRSTAMERICA AUTOMOTIVE, INC.; SONIC AUTOMOTIVE, INC.; FAA BEVERLY HILLS, INC., dba BEVERLY HILLS BMW; and ECHOPARK AUTOMOTIVE.
- 1.18 “Defense Counsel” means John Boggs, Dave Reese, and Daniel Padova of FINE, BOGGS & PERKINS LLP.
- 1.19 “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.

- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.22 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.23 “Gross Settlement Amount” means One Million Eight Hundred Thousand Dollars and Zero Cents (\$1,800,000.00) which is the total amount Defendants agree to pay under the Settlement except and subject to the escalation provision under Paragraph 8 below and Defendants’ payment of employer-side taxes on that portion of the settlement proceeds designated as wages. 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.
- 1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Class and PAGA Pay Periods worked during the Class Period.
- 1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Class and PAGA Pay Periods worked during the PAGA Period.
- 1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 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 “LWDA” means the California Labor and Workforce Development Agency, under Labor Code section 2699, subd. (i).
- 1.29 “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.
- 1.30 “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.

- 1.31 “PAGA Notice” means Plaintiff’s November 6, 2023, letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.32 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$50,000.00) and the 75% to LWDA (\$150,000.00) in settlement of PAGA claims.
- 1.33 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35 “Plaintiff” means ILIANA REYES, the named Plaintiff in the Action.
- 1.36 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.37 “Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAA Settlement.
- 1.38 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.39 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.40 “Released Parties” means: Defendants and all of their respective parent, subsidiary and affiliated entities, including all corporations, partnerships, members, divisions and joint ventures, all officers, directors, shareholders, managers, supervisors, partners, employees, agents, attorneys, insurers of defendants, successors and assigns, specifically including but not limited to the following:
 - 1.40.1 EchoPark Automotive, Inc. (Colma, Long Beach, Roseville)
 - 1.40.2 FirstAmerica Automotive, LLC dba Autobahn Motors
 - 1.40.3 FirstAmerica Automotive, LLC dba Concord Honda
 - 1.40.4 FirstAmerica Automotive, LLC dba Concord Toyota
 - 1.40.5 FirstAmerica Automotive, LLC dba Honda of Hayward
 - 1.40.6 FirstAmerica Automotive, LLC dba Honda of Serramonte
 - 1.40.7 FirstAmerica Automotive, LLC dba Honda of Stevens Creek
 - 1.40.8 FirstAmerica Automotive, LLC dba Lexus of Marin
 - 1.40.9 FirstAmerica Automotive, LLC dba Lexus of Serramonte
 - 1.40.10 FirstAmerica Automotive, LLC dba Poway Honda
 - 1.40.11 FirstAmerica Automotive, LLC dba Stevens Creek BMW
 - 1.40.12 FAA Beverly Hills, Inc., dba Beverly Hills BMW
 - 1.40.13 Ontario L, LLC dba Crown Lexus

- 1.40.14 SAI Long Beach B, Inc. dba Long Beach BMW
- 1.40.15 SAI Los Angeles JagLR, Inc. dba Jaguar Land Rover Los Angeles
- 1.40.16 SAI Monrovia B, Inc. dba MINI of Monrovia
- 1.40.17 SAI Newport Beach JagLR, Inc. dba Jaguar Land Rover Newport Beach
- 1.40.18 SAI Pasadena LR, Inc. dba Land Rover Pasadena
- 1.40.19 SAI San Jose JagLR, Inc. dba Jaguar Land Rover San Jose
- 1.40.20 SAI Santa Monica JagLR, Inc., dba Jaguar Land Rover Santa Monica
- 1.40.21 Sonic Buena Park H, Inc. dba Buena Park Honda
- 1.40.22 Sonic Calabasas M, Inc. dba Mercedes-Benz of Calabasas
- 1.40.23 Sonic Harbor City H, Inc. dba Carson Honda
- 1.40.24 Sonic Santa Monica M, Inc. dba W.I. Simonson
- 1.40.25 Sonic Walnut Creek M, Inc. dba Mercedes-Benz of Walnut Creek

(hereinafter the entities identified in 1.41.1 through 1.41.23 collectively, with the Defendants, the “Released Parties”). (Plaintiff and the Defendants are collectively referred to as “the parties”)

- 1.41 "Response Deadline" means 45 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.
- 1.42 “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 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. **RECITALS.**

- 2.1 On November 6, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for 1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); 2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); 3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198); 4) Failure to Pay Proper Reporting Time Wages; 5) Failure to Pay Proper Sick Pay (Lab. Code § 246); 6) Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a)); 7) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); 8) Failure to Indemnify (Lab. Code § 2802); and 9) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.). Subsequently, on January 10, 2024, Plaintiff filed her First Amended Complaint (“FAC”), adding a tenth cause of action for Civil Penalties pursuant to the Private Attorneys General Act (“PAGA”), Labor Code § 2698, *et seq.*

The FAC is the operative complaint in the Action (the “Operative Complaint.”) Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice on November 6, 2023.
- 2.3 On August 18, 2025, the Parties participated in an all-day mediation presided over by Lonnie Giamela, which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiff obtained, through informal discovery, time and pay data for Class Members and the Aggrieved Employees along with Defendants’ handbooks, policies, and procedures in effect during the Class Period. Plaintiff was able to retain experts, who analyzed the relevant data and produced a damage analysis report. Plaintiff’ 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”).
- 2.5 The Court has not granted class certification.

3. **MONETARY TERMS.**

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants shall pay One Million Eight Hundred Thousand Dollars and Zero Cents (\$1,800,000.00) 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. The GSA is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendants will pay separately.

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 Defendants.

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

- 3.2.1 To Plaintiff: Class Representative Service Payments to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member).

Defendants 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 Payments, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payments 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 Payments.

- 3.2.2** To Class Counsel: A Class Counsel Fees Payment of not more than 33.3%, which is currently estimated to be Six Hundred Thousand Dollars and Zero Cents (\$600,000.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). Defendants will not oppose requests for these payments provided that they 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' 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 Defendants harmless, and indemnifies Defendants, 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 Thirty-One Thousand Dollars and Zero Cents (\$31,000.00) 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 \$31,000.00, 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 Class and PAGA Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by the

number of Class and PAGA Pay Periods worked by each individual Participating Class Member.

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. The 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 Two Hundred Thousand Dollars (\$200,000.00) to be paid from the Gross Settlement Amount, with 75% (\$150,000.00) allocated to the LWDA PAGA Payment and 25% (\$50,000.00) 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 (\$25,000.00) by the total number of Class and PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Class and PAGA 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 Data.** Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants 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. Defendants have 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 Defendants 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.
- 4.2 **Funding of Gross Settlement Amount.** Defendants shall fully fund the Gross Settlement Amount—and also fund the amounts necessary to fully pay Defendants' share of payroll taxes—by transmitting the funds to the Administrator no later than within 15 days after the Administrator provides Defendant with the final payment calculations, including the amount of the employer-side payroll taxes.
- 4.3 **Payments from the Gross Settlement Amount.** Within 14 days after Defendants fund 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.
- 4.3.1 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.

- 4.3.2 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.
- 4.3.3 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 No Kid Hungry ("Cy Pres Recipient"). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 4.3.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants 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 Defendants 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 their 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—including, but expressly not limited to, 1) failure to provide meal periods; 2) failure to provide rest periods; 3) failure to pay hourly wages and overtime; 4) failure to pay proper reporting time wages; 5) failure to pay proper sick pay; 6) failure to provide accurate written wage statements; 7) failure to timely pay wages when due, including at separation; 8) failure to indemnify for employment expenses; and 9) unfair competition—and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff' PAGA Notice, or

ascertained during the Action and released under 5.3, below (“Plaintiff Release.”) Plaintiff 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.

- 5.2 Plaintiff’s Separate Individual Action and Release Agreement.** Notwithstanding the foregoing, the Parties agree that nothing in this Agreement shall be construed to release any of the claims or the relief sought separately by Plaintiff on an individual basis, including, but not limited to claims alleged in her individual arbitration matter with ADR Services, Inc., Case No. 24-3118-SGB. The Parties have reached agreement to resolve such claims in full and have or will contemporaneously finalize a separate settlement agreement to resolve such individual claims. It is the express intention of the Parties that, together, this Agreement and the separate individual agreement between the Parties to resolve claims in arbitration, shall fully and completely release all claims known and unknown between Plaintiff and the Released Parties, notwithstanding the language of California Civil Code section 1542, which provides that ***“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.”*** 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.
- 5.3 Release by Participating Class Members:** 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, any and all claims involving any alleged 1) Failure to Provide Meal Periods; 2) Failure to Provide Rest Periods; 3) Failure to Pay Hourly Wages and Overtime; 4) Failure to Pay Proper Reporting Time Wages; 5) Failure to Pay Proper Sick Pay; 6) Failure to Provide Accurate Written Wage Statements; 7) Failure to Timely Pay All Final Wages; 8) Failure to Indemnify; and 9) Unfair Competition and (10) PAGA Penalties during the PAGA Period. Except as set forth in Section 5.1 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.
- 5.4 Release by 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 facts stated in the Operative Complaint, the PAGA Notice, or as 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 **Plaintiff 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/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from the Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, the Administrator and/or the proposed *Cy Pres*; (v) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient.
- 6.2 **Responsibilities of Counsel.** Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a 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.
- 6.3 **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 Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC 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 to state and federal tax authorities.
- 7.3 **Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 **Notice to Class Members.**
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, and Class and PAGA 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, 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 Class 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 Class and PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 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, Defendants or Class Counsel are 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, whichever is 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 45 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 5.2 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 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Class and PAGA Pay Periods. Each Class Member shall have 45 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 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 Class and PAGA Pay Periods 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 Class and PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Class and PAGA 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 45 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 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).
- 7.8.2 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 Class and PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.3 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 Class and PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.4 Administrator's Declaration. Not later than 21 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.

7.8.5 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, Defendants estimate that there are 4,571 potential Aggrieved Employees and potential Class Members who have collectively worked during 178,833 Class and PAGA Periods within the coterminous Class Period and PAGA Period. Should the final calculated number of Class and PAGA Pay Periods show an increase in Class and PAGA Pay Periods of more than 10% above the estimate (e.g., more than 196,716 Class and PAGA Pay Periods, the "Escalation Threshold"), the Gross Settlement Amount shall increase by the same proportion by which the final amount of Class and PAGA Pay Periods exceeds the Escalation Threshold. By way of example, if the final number of Class and PAGA Pay Periods were 200,000, the Gross Settlement Amount would increase by a factor of 1.016674, which is the ratio of 200,000 to the Escalation Threshold of 196,716.

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, Defendants may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, 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, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants 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”). 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 under CCP Section 664.6 and as otherwise allowed by law to ensure the continuing implementation of the provisions of this settlement, including (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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that 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, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve 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 Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants 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 from a class member, or issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants 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, with any 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 Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement. The Parties specifically agree that any amendments to the Settlement Agreement may be made by stipulation.
- 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, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors 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 Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or 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 Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make 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:

12.17.1 To Plaintiff:

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

12.17.2 To Defendants:

FINE, BOGGS & PERKINS LLP
John Boggs
jboggs@employerlawyers.com
Dave Reese
dreese@employerlaweyers.com
Daniel Padova
dpadova@employerlawyers.com
111 W. Ocean Blvd., Suite 2400
Long Beach, CA 90802
(562) 366-0861 tel

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

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF/CLASS REPRESENTATIVE

DATED: November 26, 2025

Signed by:

By: _____
Plaintiff **ILIANA REYES**

DEFENDANTS

DATED: _____, 2025

By: _____
Stephen K. Coss
Authorized to sign on behalf of Defendants
FIRSTAMERICA AUTOMOTIVE, LLC fdba
FIRSTAMERICA AUTOMOTIVE, INC.;
SONIC AUTOMOTIVE, INC.; FAA
BEVERLY HILLS, INC., dba BEVERLY
HILLS BMW; and ECHOPARK
AUTOMOTIVE

APPROVED AS TO FORM:

DATED: _____, 2025

FINE, BOGGS & PERKINS LLP

By: _____
John Boggs
Dave Reese
Daniel Padova
Attorneys for Defendants

DATED: November 26, 2025

DLAW, INC.

By:  _____
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiff

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF/CLASS REPRESENTATIVE

DATED: _____, 2025

By: _____
Plaintiff ILIANA REYES

DEFENDANTS

DATED: Nov. 26, 2025


By: Stephen K. Coss (Nov 26, 2025 16:26:48 EST)
Stephen K. Coss, Senior VP & General Counsel, Sonic Automotive, Inc.
Authorized to sign on behalf of Defendants
FIRSTAMERICA AUTOMOTIVE, LLC fdba
FIRSTAMERICA AUTOMOTIVE, INC.;
SONIC AUTOMOTIVE, INC.; FAA
BEVERLY HILLS, INC., dba BEVERLY
HILLS BMW; and ECHOPARK
AUTOMOTIVE

APPROVED AS TO FORM:

DATED: 11/26, 2025

FINE, BOGGS & PERKINS LLP

By: _____
John Boggs
Dave Reese
Daniel Padova
Attorneys for Defendants

DATED: _____, 2025

DLAW, INC.

By: _____
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiff

EXHIBIT 2

EXHIBIT 2

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

Iliana Reyes v. FirstAmerica Automotive, Inc, et al
Contra Costa Superior Court, Case No. C23-02820

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 Defendants FIRSTAMERICA AUTOMOTIVE, INC.; FIRSTAMERICA AUTOMOTIVE, LLC; SONIC AUTOMOTIVE, INC.; BEVERLY HILLS BMW; and ECHO PARK AUTOMOTIVE (“Defendants”) for alleged wage and hour violations. The Action was filed by a former employee of Defendant, Plaintiff ILIANA REYES (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of hourly employees (“Class Members”) who worked for Defendant during the Class Period (August 1, 2021 through September 30, 2025); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for Defendant during the PAGA Period (August 1, 2021 through September 30, 2025) (“Aggrieved Employees”).

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

Based on Defendants’ 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 Defendants’ records showing that **you worked [REDACTED] Pay Periods** during the Class Period and **you worked [REDACTED] Pay Periods** during the PAGA Period. If you believe that you worked more pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or 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 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 Defendants.

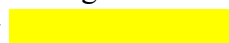
If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (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 Defendants, 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.

Defendants 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 Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and 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 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  Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on . You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many Pay Periods 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 Pay Periods and number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, reporting time wages, sick pay, final wages, and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: David Yeremian, David Keledjian, David Arakelyan of D.Law, Inc. (“Class Counsel.”)

Defendants strongly deny violating any laws or failing to pay any wages and contend they have complied with all applicable laws.

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

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

In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator, Lonnie Giamela, 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 Defendants 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, Defendants do 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) Defendants have 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. Defendants Will Pay \$1,800,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement Amount (GSA) into an account controlled by the Administrator of the Settlement within 15 days after the Court grants Final Approval of the Class and PAGA Action Settlement.

The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives’ 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, Defendants will fund the Gross Settlement 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 \$600,000.00 (33.3% of the Gross Settlement to Class Counsel for attorneys’ fees and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- b. Up to \$10,000.00 in Class Representative Awards to the named Plaintiff for filing the Action, working with Class Counsel and representing the Class. The Class Representative's Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- c. Up to \$31,000.00 to the Administrator for services administering the Settlement.
- d. Up to \$100,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 35% 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 Pay Periods.
- 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, penalties etc. ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendants 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 irrevocably lost to you because they will be paid to a non-profit organization or foundation ("Cy Pres").
- 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 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, 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 [REDACTED] 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 to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff 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, Apex Class Action LLC (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 Pay Periods, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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.

Except as set forth in Section 5 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:

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 Notice and ascertained in the course of the Action.

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 Pay Periods worked by all Participating Class Members, and (b) multiplying the result by the number of Pay Periods worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$50,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Pay Periods 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 [REDACTED] to challenge the number of 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 Defendants' calculation of Pay Periods based on Defendants' 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 Defendants' 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 *Iliana Reyes v. FirstAmerica Automotive, Inc, et al*, Contra Costa Superior Court, Case No. C23-02820, 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 [REDACTED], 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 Defendants are asking the Court to approve. At least 14 days before the [REDACTED] 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 are requesting as Class Representative Service Awards. 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 <https://apexclassaction.com/support/> or the Court's website <https://odyportal.cc-courts.org/portal>.

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 [REDACTED]**. 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 as *Iliana Reyes v. FirstAmerica Automotive, Inc, et al*, Contra Costa Superior Court, Case No. C23-02820, 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 [REDACTED] at [REDACTED] in Department [REDACTED] of the Contra Costa Superior Court, Martinez-Wakefield Taylor Courthouse, located at 725 Court Street, Martinez, CA 94553. 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 Contra Costa County Superior Court Remote Appearances Link (<https://www.cc-courts.org/calendars/court-calendars.aspx>). 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 <https://apexclassaction.com/support/> 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 [the Settlement Administrator's](https://apexclassaction.com/support/) website at <https://apexclassaction.com/support/>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://odyportal.cc-courts.org/portal>) and entering the Case Number for the Action, Case No. C23-02820. You can also make an appointment to personally review court documents in the Clerk's Office at the Los Angeles Spring Street County Courthouse by calling (925) 608-1000.

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

Class Counsel:

D.Law, Inc.

Emil Davtyan

emil@d.law

David Yeremian

d.yeremian@d.law

David Keledjian

d.keledjian@d.law

David Arakelyan

d.arakelyand@d.law

450 N. Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

Settlement Administrator:

Name of Company: Apex Class Action LLC

Email Address: claims@apexclassaction.com

Mailing Address: P.O. Box 54668, Irvine, CA 92619

Telephone: 800-355-0700

Fax Number: 949-989-4428

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 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.

EXHIBIT 3

EXHIBIT 3

Reyes v. FirstAmerica Automotive, Inc, et al.

Litigation Costs

Date	Details	Provider	Total
11/6/23	LWDA Submission	LWDA	\$ 75.00
11/6/23	LWDA Postage	USPS	\$ 67.06
11/13/23	Summons & Complaint	Proceed	\$ 1,495.30
11/14/23	Process of Service (FirstAmerica Automotive, Inc.)	Proceed	\$ 77.25
11/14/23	Process of Service (FirstAmerica Automotive, LLC)	Proceed	\$ 77.25
11/15/23	Plf's Peremptory Challenge	Proceed	\$ 128.75
11/16/23	Process of Service (Beverly Hills BMW)	Proceed	\$ 77.25
11/21/23	Process of Service (Echo Park Automotive)	Proceed	\$ 206.00
11/21/23	Process of Service (Sonic Automotive, Inc)	Proceed	\$ 206.00
11/22/23	Proof of Service (11.22.23)	Proceed	\$ 17.10
11/22/23	ADR Arbitration Submission	ADR Services, Inc.	\$ 463.05
12/11/23	Proof of Service (12.11.23)	Proceed	\$ 17.10
1/9/24	Plf's Ntc of Unavailability	Proceed	\$ 11.33
1/26/24	First Amended Complaint	Proceed	\$ 15.04
4/10/24	Opposition to Def's MTC arb	Proceed	\$ 15.04
4/17/24	Case Management Conference Statement	Proceed	\$ 15.04
10/2/24	Court Reporter re Mtn to Compel Arbitration Hearing	Express Network	\$ 1,222.81
10/7/24	Ntc of Change of Address	Proceed	\$ 15.19
11/27/24	Stipulation and Order to Continue Further CMC	Proceed	\$ 35.79
8/4/25	Mediation	Giamela (Mediator), Esq., Lonnie D.	\$ 5,000.00
8/18/25	Document Retrieval	Los Angeles Superior Court	\$ 21.80
9/10/25	Expert Analysis Fee	Desmond, Marcello, Amster, LLC	\$ 9,312.50
9/29/25	Notice of Remote Appearance	Proceed	\$ 17.53
12/2/25	Motion for Preliminary Approval	Proceed	\$ 79.63
12/5/25	Joint Stipulation and Proposed Order to Extend Deadline to File Approval Motion	Proceed	\$ 38.23
12/11/25	Additional Expert Analysis and Declaration Fee	Desmond, Marcello, Amster, LLC	\$ 1,575.00
2/6/26	Joint Stipulation and Proposed Order to Extend Deadline to File Approval Motion	Proceed	\$ 17.53
2/12/26	Proposed Order re Granting Plf's Mtn for Preliminary Approval	Proceed	\$ 17.53
TBD	Motion for Final Approval	Proceed	\$ 79.63
TBD	Notice of Entry of Order	Proceed	\$ 17.53

Total	\$ 20,414.26
--------------	---------------------

EXHIBIT 4

EXHIBIT 4

LAFFEY MATRIX

[History](#)
[Case Law](#)
[See the Matrix](#)
[Contact us](#)
[Home](#)

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/25- 5/31/26	1.075336	\$277	\$508	\$625	\$902	\$1,019	\$1,227
6/01/24- 5/31/25	1.080182	\$258	\$473	\$581	\$839	\$948	\$1,141
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1,057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406

6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* $\frac{1}{2}$ Years Out of Law School $\frac{1}{2}$ is calculated from June 1 of each year, when most law students graduate. $\frac{1}{2}$ 1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\frac{1}{2}$ 4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $\frac{1}{2}$ 1-3" from June 1, 1996 until May 31, 1999, would move into tier $\frac{1}{2}$ 4-7" on June 1, 1999, and tier $\frac{1}{2}$ 8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT 5

EXHIBIT 5

Row Labels	Sum of Duration (in decimals)
Anna Iwata	0.2
Ashley Lopez	0.1
Brent Insua	2.3
Briana Choi	0.1
David Arakelyan	150.6
David Keledjian	64.1
David Yeremian	19.2
Emil Davtyan	50.2
Janet Linares	2.2
Jordan Floyd	6.6
Katheryn Perez	3.5
Kevin Burns	6.4
Lana Hovhannisyan	1.6
Linda Bobadilla	0.1
Grand Total	307.2

Attorney
David Keledjian
David Arakelyan
Lana Hovhannisyan
Kevin Burns
David Yeremian
Emil Davtyan
Total

Paralegal
Akiko Iwata
Janet Linares
Ashley Lopez
Katheryn Perez
Jordan Floyd
Brent Insua
Briana Choi
Linda Bobadilla
Total

Grand Total
Attorneys
Paralegals
Total

Total Time	Rate	Total Billable A
64.1	\$ 1,045.00	\$ 66,984.50
150.6	\$ 625.00	\$ 94,125.00
1.6	\$ 475.00	\$ 760.00
6.4	\$ 475.00	\$ 3,040.00
19.2	\$1,375	\$ 26,400.00
50.2	\$ 1,235.00	\$ 61,750.00
292.1		\$ 246,977.00

Total Time	Rate	Total Billable A
0.2	\$ 250.00	\$ 50.00
2.2	\$ 250.00	\$ 550.00
0.1	\$ 250.00	\$ 25.00
3.5	\$ 250.00	\$ 875.00
6.6	\$ 275.00	\$ 1,815.00
2.3	\$ 275.00	\$ 632.50
0.1	\$ 250.00	\$ 25.00
0.1	\$ 250.00	\$ 25.00
15.1		\$ 3,997.50

Total Time	Total Billable A
292.1	\$ 246,977.00
15.1	\$ 3,997.50
307.2	\$ 250,974.50

EXHIBIT 6

EXHIBIT 6