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and on behalf of others similarly situated

[ADDITIONAL COUNSEL ON FOLLOWING PAGE]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF ORANGE**

DANE CARTER and JOSUE CAMARGO  
LUNA, individually, and on behalf of all  
others similarly situated,

*Plaintiffs,*

vs.

QUANTUM FUEL SYSTEMS LLC, a  
California limited liability company; and  
DOES 1 through 10, inclusive,

*Defendants.*

Case No. 30-2023-01334066-CU-OE-CXC  
Related to Case No. 30-2024-01378128-CU-  
OE-CXC

*Assigned for all purposes to Hon. Melissa R.  
McCormick*

**CLASS ACTION AND PAGA  
SETTLEMENT AGREEMENT**

1 Nicole Sheth (SBN 253515)  
2 Steven D. Whang (SBN 299009)  
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9 Attorneys for Defendant Quantum Fuel Systems, LLC  
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1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between  
2 Plaintiffs Dane Carter and Josue Camargo Luna (“Plaintiffs”) and Defendant Quantum Fuel  
3 Systems LLC (“Defendant”), following a full day mediation session on February 27, 2025, with  
4 Steven Serratore, Esq. The Agreement refers to Plaintiffs and Defendant collectively as “Parties,”  
5 or individually as “Party” and shall be effectuated upon and subject to the following terms and  
6 conditions.

7 The Parties agree that the Action shall be, and is, subject to Court approval, ended, settled,  
8 resolved, and concluded by agreement of Defendant to pay the settlement amount of One Million  
9 Two Hundred and Fifty Thousand Dollars and Zero Cents (\$1,250,000), as provided in Section  
10 1.23 below (“Gross Settlement Amount”) pursuant to the terms and conditions of this Settlement  
11 and for the consideration set forth herein, including but not limited to, a full, final, and forever  
12 release of all claims by Plaintiffs, Class, and Aggrieved Employees as set forth herein.

13 1. **DEFINITIONS.**

14 1.1 “Actions” means Plaintiffs’ lawsuits alleging class action wage and hour violations  
15 against Defendant captioned *Carter, et al. v. Quantum Fuel Systems LLC*, Orange County  
16 Superior Court, Case No. 30-2023-01334066-CU-OE-CXC, filed on June 29, 2023 (“Class  
17 Action”) and Case No. 30-2024-01378128-CU-OE-CXC, filed on February 8, 2024 (“PAGA  
18 Action”).

19 1.2 “Administrator” means Apex Class Action, the neutral entity the Parties have agreed to  
20 appoint to administer the Settlement and who will be responsible for the administration of  
21 Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and  
22 related matters under this Settlement. The Parties each represent that they do not have any  
23 financial interest in the Administrator or otherwise have a relationship with the Administrator that  
24 could create a conflict of interest.

25 1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross  
26 Settlement Amount to reimburse its reasonable fees and expenses in accordance with the  
27 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary  
28 Approval of the Settlement, as defined in Section 3.2.3.

1.4 “Aggrieved Employee” means all current and former hourly, non-exempt employees employed by Defendant in the State of California at any time during the PAGA Period.

1.5 “Class” means all current and former hourly, non-exempt employees who were employed by Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, in the State of California, at any time during the Class Period.

1.6 “Class Counsel” means John G. Yslas, Jeffrey C. Bils, Aram Boyadjian and Andrew Sandoval of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to one-third (1/3) of the GSA (currently \$416,666.67), as defined in Section 3.2.2.

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed \$30,000.00, and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, or, as applicable, other taxpayer identification number, and number of Workweeks and PAGA Pay Periods.

1.10 “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).

1.11 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form,

without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from January 2, 2019 through April 28, 2025.

1.14 “Class Representatives” mean the named Plaintiffs Dane Carter and Josue Camargo Luna in the Actions.

1.15 “Class Representative Service Payments” or “Enhancement Awards” mean the payment to the Class Representatives, from the Gross Settlement Amount, subject to Court approval, in exchange for their general release and in recognition of Plaintiffs’ efforts for initiating the Actions and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Orange.

1.17 “Defendant” means named Defendant Quantum Fuel Systems, LLC.

1.18 “Defense Counsel” means Nicole Sheth, Steven D. Whang, and Paige Waldberg of Kaufman Borgeest & Ryan LLP.

1.19 “Effective Date” means the date by which 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 (c) 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” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for 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” or “GSA” means \$1,250,000.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. The

Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel's Court-Approved Fees and Costs, Class Representative Service Payment and the Administration Expenses Payment. In no event, other than Defendant's share of the payroll or taxes, or, what is specifically outlined in Section 8 (Escalator Clause), will Defendant be required to pay more than the Gross Settlement Amount.

1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount, less the employee's portion of required federal and state withholdings, calculated according to the number of Workweeks worked by the Participating Class Members 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 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" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i) (2016).

1.28 "LWDA PAGA Payment" means the 75% share of the total amount allocated towards PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i) (2016).

1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement Awards, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs 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 "Operative Class Complaint" means the operative class action complaint filed in the Class Action.

1.32 "Operative PAGA Complaint" means the operative PAGA complaint filed in the PAGA Action.

1.33 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.34 “PAGA Period” means the period from October 1, 2022 through April 28, 2025.

1.35 “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*).

1.36 “PAGA Notice” means Plaintiffs’ December 5, 2023 letter (LWDA-CM-997937-23) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a) (2016).

1.37 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$75,000.00), allocated 25% to the Aggrieved Employees (\$18,750.00) and 75% to LWDA (\$56,250.00) in settlement of PAGA claims, subject to Court approval.

1.38 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.39 “Plaintiffs” mean Dane Carter and Josue Camargo Luna, the named plaintiffs in the Actions.

1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.41 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.43 “Released Parties” means Defendant and each of Defendant’s former, present, and future parents, affiliated or related entities, fictitious business names, franchisors, boards, officers, directors, shareholders, owners, members, trustees, heirs, administrators, attorneys, insurers, predecessors, successors, assigns, subsidiaries, representatives, employees, agents, payroll processors, independent contractors, managers, and affiliates.

1.44 “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.

1.45 “Response Deadline” means forty-five (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 fourteen (14) calendar days beyond the Response Deadline has expired.

1.46 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

2. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period. **RECITALS.**

2.1 On June 29, 2023, Plaintiffs filed the Class Action alleging Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for expenditures; (8) failed to produce requested employment records; and (9) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, *et seq.*

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

2.3 On February 27, 2025, the Parties participated in an all-day mediation presided over by mediator Steven Serratore, which led to this Agreement to settle these Actions.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Actions. Prior to mediation, Plaintiffs obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th

1 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130  
2 (“*Dunk/Kullar*”).

3 2.5 The Court has not granted class certification because the Parties engaged in mediation  
4 before any class certification.

5 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any  
6 other pending matter or action asserting claims that will be extinguished or affected by the  
7 Settlement.

8 3. **MONETARY TERMS.**

9 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,  
10 Defendant will pay \$1,250,000.00 to fully settle, resolve, and extinguish all claims asserted in the  
11 Actions, including without limitation all claims asserted in the PAGA Notice. The Gross  
12 Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the  
13 wage portions of the Individual Class Payments, which Defendant will pay separately. In no  
14 event, other than Defendant’s share of the payroll or taxes, or, what is specifically outlined in  
15 Section 8 (Escalator Clause), will Defendant be required to pay more than the Gross Settlement  
16 Amount.

17 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct  
18 the following payments from the Gross Settlement Amount, in the amounts specified by the Court  
19 in the Final Approval:

20 3.2.1 To Plaintiffs: A payment for the Enhancement Awards to Plaintiffs of not more than  
21 \$10,000.00, each, in addition to any Individual Class Payment and any Individual PAGA Payment  
22 the Class Representatives are entitled to receive as Participating Class Members. Defendant will  
23 not oppose Plaintiffs’ request for Enhancement Awards that do not exceed this amount. As part  
24 of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek  
25 Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the  
26 Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an  
27 Enhancement Award less than the amount requested, the Administrator will retain the remainder  
28 in the Net Settlement Amount to be distributed to Participating Class Members. The

1 Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiffs assume full  
2 responsibility and liability for employee taxes owed on the Enhancement Awards.

3 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3)  
4 of the GSA, which is currently estimated to be \$416,666.67 and a Class Counsel Litigation  
5 Expenses Payment for actual costs. Defendant will not oppose requests for these payments.  
6 Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses  
7 Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise  
8 ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel  
9 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the  
10 remainder to the Net Settlement Amount for distribution to Participating Class Members.  
11 Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising  
12 from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation  
13 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class  
14 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full  
15 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class  
16 Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant,  
17 from any dispute or controversy regarding any division or sharing of any of these Payments.

18 3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to  
19 exceed \$6,990.00 except for a showing of good cause and as approved by the Court. To the extent  
20 the Administration Costs are less or the Court approves payment of less than requested, the  
21 Administrator will retain the remainder in the Net Settlement Amount to be distributed to  
22 Participating Class Members.

23 3.2.4 To Each Participating Class Member: The Settlement Administrator will calculate  
24 the total number of Work Weeks for all Participating Class Members who worked during the  
25 Class Period. An Individual Class Payment is calculated by (a) dividing the Net Settlement  
26 Amount by the total number of Workweeks worked by all Participating Class Members during  
27 the Class Period, and (b) multiplying the result by each individual Participating Class Member's  
28 Workweeks. The Settlement Administrator will determine the total number of Work Weeks

worked during the Class Period for each Participating Class Member.

3.2.4.1 Tax Allocation of Individual Class Payments. Ten percent (10%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and will be reported on an IRS W-2 Form. The remaining 90% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for statutory damages, reimbursements, 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. Defendant shall not make as part of this Settlement, nor be required to make, any deductions, nor pay any monthly contributions for any insurance, retirement, 401(k) or profit-sharing plans, or any benefit plans related to monies paid as a result of this Settlement.

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 \$75,000.00 to be paid from the Gross Settlement Amount, with 75% (\$56,250.00) allocated to the LWDA PAGA Payment and 25% (\$18,750.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment for all Aggrieved Employees worked during the PAGA Period by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$18,750.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. The Settlement Administrator will determine the total number of Pay Periods worked during the PAGA Period for each Aggrieved Employee. 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 to be distributed to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

**4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there are 230 Class Members who collectively worked a total of 27,000 workweeks during the Class Period.

4.2 Class Data. Not later than seven (7) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Class Data shall not be disclosed to Plaintiff, Class Counsel or any other person without prior approval from Defendant's counsel or as ordered by a Court, except that the Administrator shall provide to all counsel without need for any prior approval from Defendant's counsel a spreadsheet with a summary including allocation of funds, number of class members, number of workweeks, number of PAGA aggrieved employees and pay periods, whether the escalator clause is triggered, and a class list with employees identified only by number including each employee's compensable workweeks, estimated individual settlement payment, payment ratio, PAGA pay periods, and estimated individual PAGA settlement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement

Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). 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 the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (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

1 by the Class Member prior to the void date.

2 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA  
3 Payment check is uncashed and canceled after the void date, the Administrator shall transmit the  
4 funds represented by such checks to the California Controller's Unclaimed Property Fund in the  
5 name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of  
6 California Code of Civil Procedure Section 384, subd. (b).

7 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall  
8 not obligate Defendant to confer any additional benefits or make any additional payments to Class  
9 Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

14 5.1 **Plaintiffs' Release.** Plaintiffs forever discharge Released Parties, as defined in  
15 Section 1.43, from all claims, transactions, debts, liabilities, demands, actions, causes of action,  
16 or occurrences, of every nature and description that accrued during the Class Period, under state  
17 law and the Wage Orders of the California Industrial Welfare Commission, that were alleged or  
18 which could have been alleged based on the factual allegations in the Actions, including, but not  
19 limited to (a) all claims that were, or reasonably could have been, alleged, based on the facts  
20 contained in the Operative Class Complaint; (b) all claims that were, or reasonably could have  
21 been alleged based on facts contained in the Operative PAGA Complaint, Plaintiffs' PAGA  
22 Notice, or ascertained during the Actions and released under 5.2 below; and (c) all claims arising  
23 under California Labor Code Sections 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194,  
24 1194.2, 1197, 1198, 2800, 2802, and/or those arising under the Industrial Welfare Commission,  
25 including IWC Wage Orders 5-2001. California Business and Professions Code section 17200 et  
26 seq., California Code of Regulations, title 8, Section 11160, California Civil Code sections 3287,  
27 3289, and 3294, and California Code of Civil Procedure section 1021.5, Fair Employment and  
28 Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the

1 California Labor Code, and all equivalent claims under federal law (“Plaintiffs’ Release”).  
2 Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any  
3 claims for vested benefits, unemployment benefits, disability benefits, social security benefits,  
4 workers’ compensation benefits that arose at any time, or based on occurrences outside the Class  
5 Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in  
6 addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless,  
7 that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different  
8 or additional facts or Plaintiffs’ discovery of them. The above release language shall also be  
9 included in the Class Notice.

10 5.2 Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For purposes  
11 of Plaintiffs’ Release, Plaintiffs expressly waive and relinquish the provisions, rights, and  
12 benefits, if any, of section 1542 of the California Civil Code, which reads:

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

17 Thus, subject to and in accordance with this Agreement, even if Plaintiffs may hereafter  
18 discover facts in addition to or different from those they now know or believe to be true, Plaintiffs,  
19 upon the Effective Date, shall be deemed to have fully, finally, and forever settled and released  
20 any and all claims against the Released Parties that were alleged or could have been alleged in  
21 the Actions, as well as any other claims, whether known or unknown, suspected or unsuspected,  
22 contingent or non-contingent, that now exist, upon any theory of law or equity, including without  
23 limitation, conduct which is negligent, intentional, with or without malice, or a breach of any  
24 duty, law, or rule, without regard to the subsequent discovery or existence of such different or  
25 additional facts. Plaintiffs’ Civil Code section 1542 Release does not extend to any claims or  
26 actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits,  
27 disability benefits, social security benefits, workers’ compensation benefits that arose at any time,  
28 or based on occurrences outside the Class Period.

1        5.3 Release by Participating Class Members Who Are Not Aggrieved Employees: All  
2 Participating Class Members, on behalf of themselves and their respective former and present  
3 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released  
4 Parties from: (i) all claims transactions, debts, liabilities, demands, actions, causes of action or  
5 occurrences of every nature and description that accrued during the Class Period, under state law  
6 and the Wage Orders of the California Industrial Welfare Commission, that were alleged or which  
7 could have been alleged based on the factual allegations in the First Amended Complaint in the  
8 Action, including, but not limited to: that were alleged, or reasonably could have been alleged,  
9 based on the facts stated in the Operative Class Complaint and ascertained in the course of the  
10 Action including, failure to pay wages, failure to authorize and permit rest periods, failure to  
11 indemnify for business expenses, failure to issue proper wage statements, failure to timely pay  
12 wages, failure to maintain required payroll records, failure to provide meal periods, and related  
13 allegations for the Class Period and (b) all claims arising under California Labor Code Sections  
14 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, 2802, and/or  
15 those arising under the Industrial Welfare Commission Wage Orders, California Business and  
16 Professions Code section 17200 et seq., California Code of Regulations, title 8, Section 11160,  
17 California Civil Code sections 3287, 3289, and 3294, and California Code of Civil Procedure  
18 section 1021.5. Except as set forth in Section 5.4 of this Agreement, Participating Class Members  
19 do not release any other claims, including claims for vested benefits, wrongful termination,  
20 violation of the Fair Employment and Housing Act, unemployment insurance, disability, social  
21 security, workers' compensation, or claims based on facts occurring outside the Class Period.  
22 (collectively the "Released Class Claims"). The above release language shall also be included in  
23 the Class Notice.

24        5.4 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-  
25 Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of  
26 themselves and their respective former and present representatives, agents, attorneys, heirs,  
27 administrators, successors, and assigns, the Released Parties from any and all claims, debts,  
28 liabilities, demands, actions, or causes of action of every nature and description that accrued

1 during the PAGA Period, under state law and the California Labor Code, that were alleged or  
2 which could have been alleged based on the exhausted claims and factual allegations in Plaintiff's  
3 notices sent to the LWDA and alleged in the operative complaint, regardless of whether the  
4 Aggrieved Employees opt-out of the Settlement Agreement, including claims for civil penalties  
5 based on unpaid wages, including but not limited to failure to pay minimum wages, straight time  
6 compensation, overtime compensation, double time compensation and interest; failure to timely  
7 pay regular and final wages; failure to reimburse business expenses; missed meal period and rest  
8 period wages and premiums; meal period waivers and on-duty meal period waivers; payment for  
9 all hours worked; wage statements and paystubs, including wage statements and paystubs  
10 furnished or available in physical, electronic, or other forms; failure to keep accurate records;  
11 penalties, including recordkeeping penalties, wage statement penalties, minimum-wage penalties,  
12 and waiting-time penalties; statutory penalties and civil penalties; and attorneys' fees and costs.  
13 Without limiting the foregoing, the PAGA Released Claims include claims for civil penalties  
14 arising under California Labor Code Sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7,  
15 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2698 et seq., 2800, and 2802,  
16 and/or those arising under the Industrial Welfare Commission Wage Orders; PAGA; and/or those  
17 arising under the Industrial Welfare Commission Wage Orders; California Code of Regulations,  
18 title 8, Section 11160; and California Code of Civil Procedure section 1021.5s (collectively the  
19 "Released PAGA Claims"). The above release language shall also be included in the Class Notice.

20 6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiffs will prepare and file a motion  
21 for preliminary approval ("Motion for Preliminary Approval").

22 6.1 **Plaintiffs' Responsibilities**. Plaintiffs will prepare all documents necessary for obtaining  
23 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the  
24 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*  
25 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)  
26 (2016)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA  
27 Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming  
28 willingness and competency to serve and disclosing all facts relevant to any actual or potential

conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (1)(2) (2016)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order 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 to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 Costs. 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

1 Employer Identification Number for purposes of calculating payroll tax withholdings and  
2 providing reports to state and federal tax authorities.

3 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that  
4 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation  
5 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into  
6 the QSF prior to distribution by the Administrator will become part of the NSA for distribution  
7 to Participating Class Members.

8 7.4 Notice to Class Members.

9 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator  
10 shall notify Class Counsel that the list has been received and state the number of Class Members,  
11 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

12 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days  
13 after receiving the Class Data, the Administrator will send to all Class Members identified in the  
14 Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with  
15 Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first  
16 page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class  
17 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of  
18 Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class  
19 Notices, the Administrator shall update Class Member addresses using the National Change of  
20 Address database.

21 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class  
22 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice  
23 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding  
24 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class  
25 Notice to the most current address obtained. The Administrator has no obligation to make further  
26 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the  
27 USPS a second time.

28 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks

1 and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond  
2 the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-  
3 mailed. The Administrator will inform the Class Member of the extended deadline with the re-  
4 mailed Class Notice.

5 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise  
6 discovers any persons who believe they should have been included in the Class Data and should  
7 have received Class Notice, the Parties will expeditiously meet and confer in person or by  
8 telephone, and in good faith in an effort to agree on whether to include them as Class Members.  
9 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class  
10 Members, and the Administrator will send, via email or overnight delivery, a Class Notice  
11 requiring them to exercise options under this Agreement not later than 14 days after receipt of  
12 Class Notice, or the deadline dates in the Class Notice, whichever are later.

13 7.5 Requests for Exclusion (Opt-Outs).

14 7.5.1 8.5.1 Plaintiffs may not request exclusion from the Class. Class Members who  
15 wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax,  
16 email, or mail, a signed written Request for Exclusion not later than 45 days after the  
17 Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class  
18 Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her  
19 representative that reasonably communicates the Class Member's election to be excluded from  
20 the Settlement and includes the Class Member's name, address and email address or telephone  
21 number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by  
22 the Response Deadline. The date of the initial mailing of the Notice Packet, and the date the signed  
23 request for exclusion was postmarked, shall be conclusively determined according to the records  
24 of the Settlement Administrator. The Settlement Administrator shall immediately provide copies  
25 of all Requests for Exclusion to Class Counsel and Defense Counsel and shall report the number  
26 of Requests for Exclusion that it receives, to the Court, in its declaration to be provided in advance  
27 of the Final Approval Hearing.

28 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails

1 to contain all the information specified in the Class Notice. The Administrator shall accept any  
2 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the  
3 person as a Class Member and the Class Member's desire to be excluded. The Administrator's  
4 determination shall be final and not appealable or otherwise susceptible to challenge. If the  
5 Administrator has reason to question the authenticity of a Request for Exclusion, the  
6 Administrator may demand additional proof of the Class Member's identity. The Administrator's  
7 determination of authenticity shall be final and not appealable or otherwise susceptible to  
8 challenge.

9 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion  
10 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and  
11 bound by all terms and conditions of the Settlement, including the Participating Class Members'  
12 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating  
13 Class Member actually receives the Class Notice or objects to the Settlement. A Class Member  
14 cannot submit both a Request for Exclusion and an Objection. If a Class Member subjects both  
15 an Objection and Request for Exclusion, the Request for Exclusion will control and the Objection  
16 will be void.

17 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a  
18 Non-Participating Class Member and shall not receive an Individual Class Payment or have the  
19 right to object to the class action components of the Settlement. Because future PAGA claims are  
20 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who  
21 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in  
22 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

23 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)  
24 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for  
25 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks  
26 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member  
27 may challenge the allocation by communicating with the Administrator via fax, email or mail. All  
28 written disputes must contain the Class Member's address, telephone number, and a reference to

the Action. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

**7.7 Objections to Settlement.**

7.7.1 The Plaintiff may not object to the Settlement. 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 Enhancement Award.

7.7.2 Participating Class Members may send written objections, signed by the Objecting Class Member or his or her attorney, along with supporting papers, 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). The date of the initial mailing of the Notice Packet, and the date the signed objection was postmarked, shall be conclusively determined according to the records of the Settlement Administrator. The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within five (5) business days of receipt. The Court retains final authority with respect to consideration and admissibility of any Class Member objections. If a Class Member objects to the Settlement, the Class Member will remain a member of the Class and if the Court approves this Agreement, the Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Class Member who does not object.

1           7.7.3 Non-Participating Class Members have no right to object to any of the class action  
2 components of the Settlement.

3           7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be  
4 performed or observed by the Administrator contained in this Agreement or otherwise.

5           7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish,  
6 maintain and use an internet website to post information of interest to Class Members including  
7 the date, time and location for the Final Approval Hearing and copies of the Settlement  
8 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;  
9 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation  
10 Expenses Payment and Enhancement Award; the Final Approval Order; and the Judgment. The  
11 Administrator will also maintain and monitor an email address and a toll-free telephone number  
12 to receive Class Member calls, faxes and emails.

13           7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will  
14 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later  
15 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the  
16 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names  
17 and other identifying information of Class Members who have timely submitted valid Requests  
18 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class  
19 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for  
20 Exclusion from Settlement submitted (whether valid or invalid).

21           7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports  
22 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class  
23 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether  
24 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods  
25 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA  
26 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment  
27 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and  
28 objections received.

1           7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to  
2 address and make final decisions consistent with the terms of this Agreement on all Class Member  
3 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision  
4 shall be final and not appealable or otherwise susceptible to challenge.

5           7.8.5 Administrator's Declaration. Not later than 14 days before the date by which  
6 Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator  
7 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in  
8 Court attesting to its due diligence and compliance with all of its obligations under this  
9 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned  
10 as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total  
11 number of Requests for Exclusion from Settlement it received (both valid or invalid), the number  
12 of written objections and attach the Exclusion List. The Administrator will supplement its  
13 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible  
14 for filing the Administrator's declaration(s) in Court.

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

23       8. **ESCALATOR CLAUSE**. Based on its records, Defendant represents there are 230 Class  
24 Members who collectively worked a total of 27,000 Workweeks during the Class Period. Should  
25 the Workweeks increase more than 10% (i.e. more than 29,700 workweeks), the GSA will  
26 increase on a proportional basis equal to the percentage increase in the number of Workweeks  
27 worked by the Class Members above the 10% (for example, if the final number of total  
28 workweeks increases by 15%, the GSA will increase 5%). If this provision is triggered so as to

1 increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement  
2 Amount allocated to attorneys' fees will increase proportionally such that the total amount of  
3 attorneys' fees remains one-third of the Gross Settlement Amount after the upward adjustment  
4 required by this provision is implemented.

5 9. **MOTION FOR FINAL APPROVAL.** Not later than 16 (sixteen) court days before the  
6 calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file  
7 in Court, a Motion for Final Approval of the Settlement that includes a request for approval of  
8 the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order;  
9 and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide  
10 drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class  
11 Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and  
12 in good faith, to resolve any disagreements concerning the Motion for Final Approval.

13 9.1 **Response to Objections.** Each Party retains the right to respond to any objection raised  
14 by a Participating Class Member, including the right to file responsive documents in Court no  
15 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or  
16 accepted by the Court.

17 9.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final  
18 Approval on any material change to the Settlement (including, but not limited to, the scope of  
19 release to be granted by Class Members), the Parties will expeditiously work together in good  
20 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final  
21 Approval. The Court's decision to award less than the amounts requested for the Enhancement  
22 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or  
23 Administrator Costs Payment shall not constitute a material modification to the Agreement within  
24 the meaning of this paragraph.

25 9.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the  
26 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes  
27 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration  
28 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

1        9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and  
2 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class  
3 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective  
4 counsel, and all Participating Class Members who did not object to the Settlement as provided in  
5 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-  
6 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new  
7 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the  
8 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'  
9 obligations to perform under this Agreement will be suspended until such time as the appeal is  
10 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount  
11 of the Net Settlement Amount.

12        9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the  
13 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material  
14 modification of this Agreement (including, but not limited to, the scope of release to be granted  
15 by Class Members), the Plaintiffs and Defendant shall each have the right, but not the obligation,  
16 to void the Settlement, which either Party must do by giving written notice to the other Party, the  
17 final reviewing court, and the Court no later than thirty (30) court days after the final reviewing  
18 court's decision vacating, reversing, or materially modifying the Final Order becomes final and  
19 non-appealable. The Parties shall nevertheless expeditiously work together in good faith to  
20 address the appellate court's concerns and to obtain Final Approval and Entry of Judgment,  
21 sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after  
22 remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the  
23 Enhancement Award or any payments to Class Counsel shall not constitute a material  
24 modification of the Judgment within the meaning of this paragraph, as long as the Gross  
25 Settlement Amount remains unchanged.

26        10. **AMENDED JUDGMENT**. If any amended judgment is required under Code of Civil  
27 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended  
28 judgment.

1 **11. ADDITIONAL PROVISIONS.**

2 11.1 No Admission of Liability, Class Certification or Representative Manageability for  
3 Other Purposes. This Agreement represents a compromise and settlement of highly disputed  
4 claims. Nothing in this Agreement is intended or should be construed as an admission by  
5 Defendant that any of the allegations in the Operative Class Complaint or Operative PAGA  
6 Complaint has merit or that Defendant has any liability for any claims asserted; nor should it be  
7 intended or construed as an admission by Plaintiffs that Defendant's defenses in the Actions have  
8 merit. The Parties agree that class certification and representative treatment is for purposes of this  
9 Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval,  
10 or enter Judgment, Defendant reserves the right to contest certification of any class for any reason,  
11 Defendant reserves all available defenses to the claims in the Actions, and Plaintiffs reserve the  
12 right to move for class certification on any grounds available and to contest Defendant's defenses.  
13 The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing  
14 on, and will not be admissible in connection with, any litigation (except for proceedings to enforce  
15 or effectuate the Settlement and this Agreement).

16 11.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and  
17 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement  
18 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit  
19 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly  
20 or indirectly, specifically or generally, to any person, corporation, association, government  
21 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom  
22 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the  
23 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order  
24 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government  
25 agency. The Parties and their counsel agree that they will not publicize the Settlement, or issue  
26 any press releases, initiate any contact with the media, respond to any media inquiry, or have any  
27 communication with the press about the fact, amount or terms of the Settlement. In addition, the  
28 Parties and their counsel agree that they will not engage in any advertising or distribute any

1 marketing materials relating to the Settlement of this case, including but not limited to any  
2 postings on any websites, social media, and/or any professional organization, unless ordered by  
3 the Court in any manner from which Defendant's identity can reasonably be ascertained.  
4 Notwithstanding, the Parties shall undertake any and all disclosures which are required by law  
5 including providing notice of the PAGA settlement to the LWDA pursuant to statute. Each Party  
6 agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena  
7 seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately  
8 agree not to, directly or indirectly, initiate any conversation or other communication, before the  
9 filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or  
10 the matters giving rise to this Agreement except to respond only that "the matter was resolved,"  
11 or words to that effect. This paragraph does not restrict Class Counsel's communications with  
12 Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and  
14 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal  
15 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability  
16 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's  
17 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

18 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement  
19 together with its attached exhibits shall constitute the entire agreement between the Parties  
20 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or  
21 inducements made to or by any Party.

22 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and  
23 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate  
24 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate  
25 its terms, and to execute any other documents reasonably required to effectuate the terms of this  
26 Agreement including any amendments to this Agreement, except for signing the documents,  
27 including but not limited to this Settlement, that are required to be signed by the Parties.

28 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their

1 best efforts, in good faith, to implement the Settlement by, among other things, modifying the  
2 Settlement Agreement, submitting supplemental evidence and supplementing points and  
3 authorities as requested by the Court. In the event the Parties are unable to agree upon the form  
4 or content of any document necessary to implement the Settlement, or on any modification of the  
5 Agreement that may become necessary to implement the Settlement, the Parties will seek the  
6 assistance of a mediator and/or the Court for resolution.

7 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not  
8 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or  
9 encumber to any person or entity and portion of any liability, claim, demand, action, cause of  
10 action, or right released and discharged by the Party in this Settlement. None of the rights,  
11 commitments, or obligations recognized under this Settlement may be assigned by any Party,  
12 Class Member, Class Counsel, or Defense Counsel without the express written consent of each  
13 other Party and their respective counsel. The representations, warranties, covenants, and  
14 agreements contained in this Settlement are for the sole benefit of the Parties under this  
15 Settlement, and shall not be construed to confer any right or to avail any remedy to any other  
16 person.

17 11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are  
18 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied  
19 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR  
20 Part 10, as amended) or otherwise.

21 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,  
22 modified, changed, or waived only by an express written instrument signed by all Parties or their  
23 representatives, and approved by the Court.

24 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure  
25 to the benefit of, the successors of each of the Parties.

26 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be  
27 governed by and interpreted according to the internal laws of the state of California, without  
28 regard to conflict of law principles.

1 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation  
2 of this Agreement. This Agreement will not be construed against any Party on the basis that the  
3 Party was the drafter or participated in the drafting.

4 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders  
5 entered during Action and in this Agreement relating to the confidentiality of information shall  
6 survive the execution of this Agreement.

7 11.14 Headings. The descriptive heading of any section or paragraph of this Agreement is  
8 inserted for convenience of reference only and does not constitute a part of this Agreement.

9 11.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement  
10 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a  
11 weekend or federal legal holiday, such date or deadline shall be on the first business day  
12 thereafter.

13 11.16 Notice. All notices, demands, or other communications between the Parties in  
14 connection with this Agreement will be in writing and deemed to have been duly given as of the  
15 third business day after mailing by United States mail, or the day sent by email or messenger,  
16 addressed as follows:

17 To Plaintiff:

18 John G. Yslas  
19 [john.yslas@wilshirelawfirm.com](mailto:john.yslas@wilshirelawfirm.com)  
Jeffrey C. Bils  
20 [jeffrey.bils@wilshirelawfirm.com](mailto:jeffrey.bils@wilshirelawfirm.com)  
Aram Boyadjian  
21 [aram.boyadjian@wilshirelawfirm.com](mailto:aram.boyadjian@wilshirelawfirm.com)  
Andrew Sandoval  
22 [andrew.sandoval@wilshirelawfirm.com](mailto:andrew.sandoval@wilshirelawfirm.com)  
**WILSHIRE LAW FIRM**  
23 660 S. Figueroa St., Sky Lobby  
Los Angeles, California 90017  
24 Telephone: (213) 513-5205  
Facsimile: (213) 381-9989

25 To Defendant:

26 Nicole Sheth (SBN 253515)  
27 Steven D. Whang (SBN 299009)  
Paige Waldberg (SBN 347512)  
28 **KAUFMAN BORGEEST & RYAN LLP**  
21700 Oxnard Street, Suite 1450

Woodland Hills, CA 91367  
Telephone: (818) 880-0992  
Facsimile: (818) 880-0993

11.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by 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.

11.18 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 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.

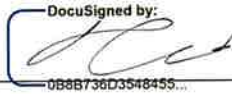
11.19 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provisions or application and, to this end, the provisions of this Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by the applicable party.

11.20 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Orange County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 10/15/2025

DocuSigned by:  
  
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Plaintiff Dane Carter

DATED: \_\_\_\_\_

Plaintiff Josue Camargo Luna

DATED: 10.17.25



Defendant Quantum Fuel Systems LLC

By: 

Position: 

Approved by counsel:

DATED: 10/13/2025

WILSHIRE LAW FIRM

BY: 

John G. Yslas

Counsel for Plaintiffs Dane Carter and Josue Camargo Luna

DATED: 10/23/2025

KAUFMAN BORGEEST & RYAN LLP

BY: 

Nicole Sheth

Counsel for Defendant Quantum Fuel Systems, LLC

IT IS SO AGREED.

By the Parties:

DATED: \_\_\_\_\_

Plaintiff Dane Carter

DATED: 10/13/2025

DocuSigned by:  
  
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Plaintiff Josue Camargo Luna

DATED: 10.17.25



Defendant Quantum Fuel Systems LLC

By:   
Position: 

Approved by counsel:

DATED: 10/13/2025

WILSHIRE LAW FIRM

BY: 

John G. Yslas

Counsel for Plaintiffs Dane Carter and Josue Camargo Luna

DATED: 10/23/2025

KAUFMAN BORGEEST & RYAN LLP

BY: 

Nicole Sheth

Counsel for Defendant Quantum Fuel Systems, LLC