

EVAN S. GAINES, ESQ. SBN 287668
GAINES LAW CORPORATION
4550 E. Thousand Oaks Blvd., Suite 100
Westlake Village, CA 91362
Telephone: (805) 892-8200
Facsimile: (805) 800-8928
evan@gaines.law

Attorney for Plaintiff Felipe Lemus,
on behalf of himself and all “aggrieved employees”
pursuant to Labor Code § 2698 *et seq.*

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

FELIPE LEMUS, on behalf of himself and
all “aggrieved employees” pursuant to
Labor Code § 2698 *et seq.*,

Plaintiff,

v.

TUSTIN BUICK GMC, INC., a California
corporation, and DOES 1 through 10,
inclusive,

Defendants.

CASE NO: 30-2024-01393192-CU-OE-CJC

Assigned to the Honorable Layne H. Melzer,
CX102

**SUPPLEMENTAL DECLARATION OF
EVAN S GAINES IN SUPPORT OF
UNOPPOSED MOTION FOR AN ORDER
APPROVING SETTLEMENT OF CLAIMS
BROUGHT PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004
AND ENTERING JUDGMENT**

Date: May 28, 2026

Time: 2:00 p.m.

Dept.: CX102

Reservation Number: 74647968

Complaint Filed: April 12, 2024

1 I, EVAN S. GAINES, hereby declare and state as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 the principal of Gaines Law Corporation, counsel for Plaintiff Felipe Lemus ("Plaintiff") in this
4 action. I have personal knowledge of the facts set forth herein and if called as a witness to testify
5 to them, I could and would do so competently.

6 **Tentative Ruling:**

7 2. On January 29, 2026, the Court issued a tentative ruling for Plaintiff's Unopposed
8 Motion For An Order Approving Settlement Of Claims Brought Pursuant To The Private Attorneys
9 General Act Of 2004 ("PAGA") (the "Motion") and identified necessary modifications before
10 approving the Parties' Settlement. The tentative ruling is attached hereto as **Exhibit A**.

11 **Amended Settlement Agreement:**

12 3. The Parties have executed an Amended Private Attorneys General Act (Labor Code
13 § 2698 *et seq.*) Settlement Agreement (the "Amended Settlement Agreement") that incorporates
14 the Court's requested changes, which is attached hereto as **Exhibit B**. A redline of the changes to
15 the Amended Settlement Agreement is attached hereto as **Exhibit C**.

16 4. Paragraph IV.2 has been revised to allow for 10 business days for Defendant to
17 provide information regarding the PAGA Settlement Employees, and 20 business days for the
18 Settlement Administrator to provide the spreadsheet setting forth the payment estimates.

19 5. The escalator clause has been removed.

20 6. In Section II.7, all references to dismissal of the Action have been deleted and
21 replaced with entry of judgment.

22 7. In Section II.7, the Amended Settlement Agreement now sets forth that the Court
23 will "set a Final Accounting hearing to ensure that the settlement funds will be distributed in
24 accordance with the terms stated herein."

25 8. The Effective Date of the release is now upon Defendant's deposit of the Gross
26 Settlement Amount with the Claims Administrator and not upon the Court's signing of the order
27 approving the Settlement.

1 9. Plaintiff will lodge the Individual Settlement Agreement referenced in the Amended
2 Settlement Agreement with the Court for *in camera* review at the time of the final approval hearing.

3 **Amended Notice to Aggrieved Employees:**

4 10. The Parties have drafted an Amended Notice to the aggrieved Employees, which is
5 attached as Exhibit A to the Amended Settlement Agreement (attached as **Exhibit B**). A redline of
6 the Amended Notice is attached hereto as **Exhibit D**.

7 11. The specific awards and disbursements have been revised to reflect the amounts set
8 forth in the Amended Order (discussed below).

9 12. The Amended Notice now specifies how the Gross Settlement Amount is allocated
10 to PAGA Penalties, the LWDA, and the Aggrieved Employees (in both percentage terms and dollar
11 amounts), as well as the method of calculating the individual Aggrieved Employee payments.

12 13. The Amended Notice now provides an explanation of what PAGA is, the scope of
13 the released claims, and notifies the Aggrieved Employees that they cannot opt out of the settlement
14 and that even if they do not cash their checks, they will be bound by the release.

15 14. The description of the release in the Amended Notice now conforms to the release
16 set forth in the Amended Settlement Agreement.

17 **Proposed Order:**

18 15. The Parties have drafted an AMENDED [PROPOSED] ORDER APPROVING
19 SETTLEMENT AND JUDGMENT (the “Amended Order”)¹. The proposed Amended Order is
20 attached hereto as **Exhibit E**. A redline of the changes to the Amended Order is attached hereto as
21 **Exhibit F**.

22 16. The Amended Order has been amended to be titled AMENDED [PROPOSED]
23 ORDER APPROVING SETTLEMENT AND JUDGMENT.

24 17. The Amended Order now includes the definitions of the PAGA Settlement
25 Employees and PAGA Period.

26
27 ¹ Plaintiff will formally file the Amended Order once this declaration has been filed so the correct
28 ROA number can be referenced.

18. The specific awards and disbursements have been revised to account for the changes in attorney's fees (reduced to 30% of the Gross Settlement Amount, or \$73,500) and costs (omitting postage).

19. The Amended Order states the specific ROA number of this Declaration which the Amended Settlement Agreement is attached to.

20. The Amended Order sets forth a Final Accounting hearing date of April 8, 2027, which is approximately ten months from the continued hearing date of Plaintiff's motion.

21. All references to dismissal of the action have been deleted and replaced with entry of judgment.

Counsel's Costs:

22. My firm's total revised costs total \$13,644.00 and include, among other expenses, filing fees, future costs, and mediation fees (postage has been omitted pursuant to the Court's tentative ruling). A true and correct copy of an itemized list of costs incurred by my firm in this action is attached hereto as **Exhibit G**. These costs were reasonably incurred in litigating this matter.

Upload to LWDA

23. Concurrently with the filing of this Motion, I am transmitting the Settlement Agreement (and these approval documents) to the LWDA, in compliance with Labor Code § 2699(1)(2). Evidence of submission is attached hereto as **Exhibit H**.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on May 4, 2026, at Westlake Village, California.

EVAN S. GAINES

1 **PROOF OF SERVICE AND CERTIFICATION**

2 I am employed in the County of Ventura, State of California. I am over the age of 18 and not a party to the
3 action. My business address is 4550 E. Thousand Oaks Blvd., Suite 100 Westlake Village, CA 91362.

4 _____ (For messenger) my business address is:

5 On May 4, 2026, I served the foregoing document described as **SUPPLEMENTAL DECLARATION OF**
6 **EVAN S GAINES IN SUPPORT OF UNOPPOSED MOTION FOR AN ORDER APPROVING**
7 **SETTLEMENT OF CLAIMS BROUGHT PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT**
8 **OF 2004 AND ENTERING JUDGMENT** on the interested parties in this action by placing a true copy thereof
9 enclosed in sealed envelopes addressed as follows:

10 **John Mavros - jmavros@fisherphillips.com**
11 **Harrison Zator - hzator@fisherphillips.com**
12 **Stephanie Crisp - scrisp@fisherphillips.com**
13 **Bri Huschke - bhuschke@fisherphillips.com**

14 On the above date:

15 _____ (BY x U.S. MAIL/ BY ☐ CERTIFIED MAIL, RETURN RECEIPT REQUESTED) The sealed
16 envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice
17 of collection and processing correspondence for mailing. It is deposited with United States postal
18 service on that same day in the ordinary course of business. I am aware that on motion of party served,
19 service is presumed invalid if postal cancellation date or postage meter date is more that one day after
20 date of deposit for mailing in affidavit.

21 _____ (BY FEDERAL EXPRESS OR OTHER OVERNIGHT SERVICE) I deposited the sealed envelope in
22 a box or other facility regularly maintained by the express service carrier or delivered the sealed
23 envelope to an authorized carrier or driver authorized by the express carrier to receive documents.

24 X (BY ELECTRONIC SERVICE) The above-stated document was submitted for service by electronic
25 transmission via email on the counsel of record listed above.

26 X (UPLOADED TO LWDA WEB PORTAL) I caused the above-described documents to be delivered
27 to the Labor & Workforce Development Agency via online process at the PAGA Filing website
28 (www.dir.ca.gov) in accordance with the procedure imposed by the LWDA.

I certify that the above document was printed on recycled paper.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 4, 2026, at Westlake Village, California.

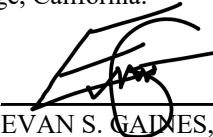
23 
24 _____
25 EVAN S. GAINES, ESQ.

EXHIBIT A

118	Lemus vs. Tustin Buick GMC, Inc. 2024-01393192	Motion – Other (MOTION FOR AN ORDER APPROVING SETTLEMENT OF CLAIMS BROUGHT PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT) Plaintiff Felipe Lemus’s Motion for Approval of PAGA Settlement is CONTINUED to May 28, 2026, at 2:00 p.m. in Department CX102 in order to give Plaintiff’s counsel an opportunity to address the issues identified below. This is a PAGA-only action. On 4/12/2024, Plaintiff Felipe Lemus filed a PAGA complaint against Defendant Tustin Buick GMC, Inc., alleging a single cause of action for PAGA civil penalties. (ROA #2.) Defendant answered on 6/3/2024. (ROA #19.) On 9/3/2025, Plaintiff filed the instant Motion for Approval of PAGA Settlement and submitted for the Court’s review the Private Attorney General Act (Labor Code § 2698 <i>et seq.</i>) Settlement Agreement (“Settlement Agreement”) and proposed notice/cover letter to aggrieved employees that will accompany the payment to them. The motion seeks approval of the parties’ proposed settlement of Plaintiff’s PAGA claims for the non-reversionary gross settlement amount (GSA) of \$245,000. The Court concludes that an attorneys’ fee award totaling \$73,500 or 30% of the GSA, constituting a 1.44 multiplier of the lodestar amount, is fair, adequate, and reasonable for a settlement of this size, including considering the action’s contingent nature and the results achieved. The Court also concludes that litigation costs should not include overhead or nonrecoverable items such as postage. Therefore, the Court deducts from the requested amount \$18.12 for claimed postage. Further, the Court has identified the following issues with the moving papers, which must be addressed by Plaintiff’s counsel before approval can be granted: 1. Paragraph IV.2 of the Settlement Agreement provides that need not supply the settlement administrator with information to create the requisite anonymized spreadsheet until 20 days after the Effective Date. Thus, it may not be possible for the administrator to create the requisite spreadsheet within 10 days of the Effective Date, as required by this paragraph. Thus, this provision must be revised to provide the administrator with a sufficient number of days to complete the creation of the anonymized spreadsheet.
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2. The Settlement Agreement includes an escalator clause. But this is a motion to have the settlement fully approved, and so a specific GSA must be approved upon the granting of this motion. At this point, the parties should know or be able to determine the number of Aggrieved Employees and qualifying pay periods based on the PAGA Period.
3. The Settlement Agreement states in the Recitals section that the settlement contemplates the court dismissing the action with prejudice. (Settlement, ¶ II.7.) The Court finds that dismissal upon entry of the order approving the PAGA settlement and judgment is inappropriate given that Defendant may not fund the settlement until after entry of judgment, and the settlement funds will not have been distributed to the aggrieved employees until after entry of judgment. Further, upon entry of an order approving a PAGA settlement and judgment, the Court will set a Final Accounting hearing to ensure that the settlement funds will be distributed in accordance with the settlement terms. Notably, CRC 3.769(h), referencing class actions, provides that “[t]he court may not enter an order dismissing the action at the same time as, or after, entry of judgment.” The Court finds this procedure appropriate in this similar PAGA representative action and finds a dismissal inappropriate.
4. The effective date of the release is after Defendant’s full funding of the GSA, as Defendant has 30 days until after the effective date to fund the GSA, but the release is upon the effective date. (Settlement, ¶¶ III.3, III.5.) Plaintiff’s counsel must either explain why releasing the claims before settlement funds are fully paid is in the best interests of the Aggrieved Employees, or amend the settlement agreement to release claims only after Defendant has paid the settlement funds.
5. The Settlement Agreement references a separate Confidential Settlement Agreement And General Release Of All Claims (“Individual Settlement Agreement”) that Plaintiff entered into with Defendant. Plaintiff has not provided the Court with a copy of this separate Individual Settlement Agreement, but the Court needs to review this agreement as part of evaluating whether the instant PAGA settlement is fair, adequate, and reasonable. Given that this Individual Settlement Agreement is purportedly confidential, Plaintiff’s counsel may submit the agreement for the Court review in camera by lodging a copy with the Court either before or at the hearing.

Plaintiff’s counsel must also provide a revised notice/cover letter to aggrieved employees that will accompany the payment to them, with the following revisions:

1. The specific awards and disbursements should be revised to reflect the amounts set forth in this order.
2. The notice/cover letter should specify how much of the GSA is being allocated to PAGA penalties, and then how much of the PAGA penalties will be allocated to the LWDA vs. the Aggrieved Employees, both in percentage terms and in dollar amounts.
3. Per this department's Guidelines for Approval of Class Action Settlements & PAGA Settlements at ¶ III.10, the notice/cover letter should, at least briefly, provide an explanation of what PAGA is; describe the scope of the released claims; explain how the individual payments will be calculated; and notify the aggrieved employees that they cannot opt out of the settlement and that even if they do not cash their checks, they will be bound by the release.
4. The description of the release must conform to the release as set forth in any amended settlement agreement that addresses the Court's concern with the scope of the release, as set forth above.

Plaintiff's counsel must also provide a revised [Proposed] Order Approving PAGA Settlement and Judgment with the following revisions:

1. The Court prefers use of a combined "Order Approving PAGA Settlement and Judgment."
2. The specific awards and disbursements should be revised to reflect the amounts set forth in this order.
3. The proposed order and judgment should reference by name and ROA number the declaration(s) to which the Settlement Agreement and any amendments thereto are attached.
4. The proposed order and judgment should include the definitions of the PAGA Settlement Employees and the PAGA Period.
5. Counsel should not leave blank but should instead propose a realistic Final Accounting hearing date, taking into account the deadlines associated with funding the settlement, mailing distributions, allowing the check-cashing deadline to pass, and depositing uncashed check funds pursuant to the terms of the settlement agreement. The Court usually sets these hearings 9-10 months after final approval if the check-cashing deadline is 180 days. The parties must report to the Court the total amount that was actually paid to Aggrieved Employees and all others in accordance with the settlement agreement. All supporting papers must also be filed at least sixteen (16) court days—

		not 15 calendar days—before the Final Accounting hearing date. 6. All references to dismissal of the action should be deleted per the Court’s concern with entering such a dismissal, as set forth above. The Court further refers Plaintiff’s counsel to the “Guidelines for Approval of Class Action Settlements & PAGA Settlements” posted on the Court’s website for Department CX102, available at https://voypubapps.occourts.org/complex-civil-calendar. Plaintiff’s counsel must file supplemental papers addressing the Court’s concerns no later than sixteen (16) court days prior to the continued hearing date. Counsel must also provide redlined versions of all revised papers and an explanation of how the pending issues were resolved with precise citation to any revisions. A supplemental declaration or brief that simply asserts the issues have been resolved is insufficient and will result in a continuance. Plaintiff to give notice of this ruling, including to the LWDA, within five (5) court days, and file proof of service.
119	David Goldman v. LBG Real Estate Companies, LLC 2025-01498037	Motion – Other (Petition For Hearing to Determine Validity of Third Party Claim) The Court has reviewed and considered all the papers and evidence submitted in connection with Plaintiff/Judgment Creditor David Goldman’s petition for hearing to determine the validity of the third-party claim filed by The Leslie Lundin Living Trust, August 15, 2008 and (b) The Beiswenger Family Trust Dated June 20, 2005 (collectively, “Third-Party Claimants”). The Court rules as follows on Goldman’s objections (ROA #46) to the declaration of Jenny Tran (ROA #43): • Objection No. 1 – SUSTAIN (states legal conclusion) • Objection No. 2 – OVERRULE • Objection No. 3 – OVERRULE (objection does not specify start of portion being objected to) • Objection No. 4 – SUSTAIN IN PART as to phrase, “The funds in the Sunwest Bank account are not an asset of LBG Real Estate Companies, LLC” (states legal conclusion); OVERRULE IN PART as to remainder Based on the papers and evidence submitted thus far, the Court is inclined to determine that the Third-Party Claim is invalid because Third-Party Claimants, who bear the burden of proof on this petition, have not satisfied their burden of establishing a

EXHIBIT B

AMENDED PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Subject to the approval of the Court, this Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiff **Felipe Lemus**, acting in a private attorney general capacity, on behalf of the State of California on behalf of himself and all PAGA Settlement Employees, and Defendant **Tustin Buick GMC, Inc.** (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Felipe Lemus v. Tustin Buick GMC, Inc.*, pending in the Orange County Superior Court of the State of California, Case No. 30-2024-01393192-CU-OE-CJC.

2. “Complaint” means the Complaint in the Action.

3. “Defendant” means Tustin Buick GMC, Inc.

4. “Effective Date” of the Settlement means the date upon which the Court enters the Final Order.

5. “Final Order” refers to the order of the Court granting approval of this PAGA Settlement Agreement on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties and entry of judgment.

6. “PAGA Gross Settlement Amount” is the sum of Two Hundred Forty-Five Thousand Dollars and Zero Cents (\$245,000.00), which represents the total amount payable by Defendant Tustin Buick GMC, Inc. under this Settlement Agreement for the release of the Released Claims and includes payments to all PAGA Settlement Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, and payment to the Settlement Administrator.

7. “Individual PAGA Payment” means the pro rata amount to be paid to each PAGA Settlement Employee from the twenty-five percent (25%) portion of the PAGA Payment allocated to employees; such individual share to be based on the number of pay periods during which a PAGA Settlement Employee worked for Tustin Buick GMC, Inc. during the PAGA Period. The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA penalties by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period pay periods.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “LWDA Letter” means the letters Plaintiff submitted to the LWDA on February 7, 2024.

10. “Net Settlement Amount” or “PAGA Payment” is the amount remaining to distribute to the LWDA and PAGA Settlement Employees after the following amounts, if approved by the Court, are subtracted from the PAGA Gross Settlement Amount: (a) Plaintiff’s Attorneys’ Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67)); (b) Plaintiff’s Costs up to Sixteen Thousand Dollars and Zero Cents (\$16,000.00); and (c) PAGA Settlement Administration costs not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00).

11. “Parties” means Plaintiff and Defendant.

12. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

13. “PAGA Period” means the time period from February 7, 2023 through May 5, 2025. Defendant states there are 6,508 pay periods worked during the PAGA Period by 291 PAGA Settlement Employees.

14. “PAGA Representative Counsel” means Gaines Law Corporation, located at 4550 East Thousand Oaks Boulevard, Suite 100, Westlake Village, California 91362.

15. “PAGA Settlement Administration Costs” means the cost, not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00), to be paid to the Settlement Administrator for administering the Settlement, including sending checks and Settlement Notices to the PAGA Settlement Employees.

16. “PAGA Settlement Employee” or “PAGA Settlement Employees” means and includes all current and former non-exempt employees who worked for Tustin Buick GMC, Inc. in the State of California during the PAGA Period.

17. “Plaintiff” means Felipe Lemus.

18. “QSF” means qualified settlement fund.

19. “Released Claims” means all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter, including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 246, 510, 512, 558, 1194, 2699, *et seq.*, and 2802, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

20. “Released Parties” means Defendant Tustin Buick GMC, Inc., its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys from all claims, demands, rights and liabilities as set forth above..

21. “Settlement Administrator” means ILYM Group, Inc.

22. "Settlement Notice" means an explanatory letter to be sent by the Settlement Administrator to PAGA Settlement Employees, substantially in the form attached hereto as **Exhibit A**.

II. RECITALS

1. Tustin Buick GMC, Inc. employed Plaintiff during the PAGA Period.

2. On February 7, 2024, Plaintiff provided written notice to the LWDA and Defendant pursuant to Labor Code section 2699.3 of *inter alia* alleged violations of the California Labor Code and Industrial Welfare Commission Orders.

3. On April 12, 2024, Plaintiff filed the Action, pursuant to PAGA, on behalf of the State of California and other aggrieved employees alleging multiple violations of the California Labor Code and Industrial Welfare Commission Wage Orders by Defendant.

4. Defendant generally denies all of Plaintiff's allegations in the Action, including all PAGA claims, and further specifically denies that Defendant or any of the Released Parties committed or engaged in any misconduct, statutory or regulatory violations, wrongdoing, or other actionable conduct of any kind.

5. The Parties have independently analyzed and investigated the facts and law relevant to this case through informal discovery and pre-settlement disclosures, including, but not limited to, the employment policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter; a sampling of all timekeeping and payroll records for employees on whose behalf the Complaint and/or the LWDA Letter are asserted by Plaintiff; and summaries of data pertaining to the number of employees allegedly affected by the policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter.

6. After evaluating the strengths and weaknesses of their respective positions, after considering the time, expense, and risk associated with litigating this case to judgment, and after engaging in arm's-length settlement negotiations through informed counsel, the Parties agreed to fully and finally, and exclusively, resolve the Released Claims as to Plaintiff and the PAGA Settlement Employees, subject to Court approval.

7. This Settlement contemplates the entry of an Order by the Court approving the payment allocated for settlement of PAGA penalties to the LWDA, Plaintiff and PAGA Settlement Employees, enter judgment of the Action, and set a Final Accounting hearing to ensure that the settlement funds will be distributed in accordance with the terms stated herein.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission**. Nothing in this Settlement Agreement or the judgment to be entered in this Action pursuant to the terms of this Settlement Agreement shall be construed to be an admission: (1) by Plaintiff that his claims do not have merit or (2) by Defendant of any liability or wrongdoing as to Plaintiff, the PAGA Settlement Employees or any other person, and Defendant generally denies any such liability or wrongdoing. Defendant specifically denies any liability to

Plaintiff or any other allegedly aggrieved employee for any alleged violation of his/her/their rights, or for any alleged violation of any order, law, statute, duty or contract. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **PAGA Gross Settlement Amount.** Tustin Buick GMC, Inc. shall pay Two Hundred Forty-Five Thousand Dollars and Zero Cents (\$245,000.00) as the PAGA Gross Settlement Amount. Tustin Buick GMC, Inc. will not pay more than the PAGA Gross Settlement Amount to resolve the claims covered by this Agreement, except as otherwise stated in this Agreement. Defendant shall deposit the PAGA Gross Settlement Amount with the Settlement Administrator within 30 days of the Effective Date.

3. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the PAGA Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to be distributed to the LWDA and PAGA Settlement Employees:

- a. **Plaintiff's Attorneys' Fees and Costs.** Defendant will not oppose Plaintiff's request for Plaintiff's Attorneys' Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67)) and Plaintiff's Costs up to Sixteen Thousand Dollars (\$16,000.00) incurred in prosecuting this Action. In the event the Court approves a payment of less than the amount of fees and costs requested by Plaintiff, the difference will be added to the PAGA Payment.
- b. **Administration Cost.** Defendant will not oppose the Settlement Administrator's costs, not to exceed Four Thousand Dollars (\$4,000.00), for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the PAGA Payment.

4. **PAGA Payment.** A portion of the PAGA Payment will be allocated to the LWDA and the remainder will be allocated to PAGA Settlement Employees in settlement of the Released Claims. The PAGA Payment will be subject to Court approval consistent with California Labor Code section 2699.3(b)(4). Upon approval, the PAGA Payment shall be allocated as follows:

- a. Seventy-five percent (75%) will be paid to the LWDA, as required by California Labor Code section 2699(i).
- b. Twenty-five percent (25%) will be paid to the PAGA Settlement Employees, divided on a pro rata basis among them and distributed by the Settlement Administrator as Individual PAGA Payments, as required by California Labor Code section 2699(i).
- c. The payments will be reported as penalties on IRS Forms 1099 issued to the LWDA and each PAGA Settlement Employee. The Settlement Administrator will be responsible for issuing to PAGA Settlement

Employees and PAGA Representative Counsel any 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.

5. **Representative PAGA Release.** Upon the deposit of the PAGA Gross Settlement Amount with the Settlement Administrator, Plaintiff, as an individual, and as the representative of the PAGA Settlement Employees, the LWDA and the State of California, hereby forever and completely releases and discharges the Released Parties of and from all of the Released Claims, and thus, Plaintiff, the PAGA Settlement Employees, LWDA and the State of California will be forever barred from pursuing any of the Released Claims defined herein against Released Parties which arose during periods of employment in a non-exempt position in California during the PAGA Period. The Parties understand and agree that this release is limited to the Released Claims and does not otherwise impact the individual rights or claims of the PAGA Settlement Employees. In accordance with *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985, a judgment in “a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 . . . is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding,” which the Final Order shall so reflect. Pursuant to *Arias* and *Cardenas v. McLane Foodservice, Inc.*, 796 F.Supp.2d 1246 (2011), the Final Order and judgment in this Action shall be binding on the PAGA Settlement Employees, LWDA, State of California and its agencies as to the Released Claims which arose during the PAGA Period, regardless of whether their settlement checks are cashed or not. The Parties further understand and agree that the continued effectiveness of this PAGA Release is contingent upon Defendant’s payment of the PAGA Gross Settlement Amount. If Defendant defaults on any of its payment obligations under this Agreement, the PAGA Release set forth in this paragraph shall become ineffective until such default is cured in full.

6. **Separate Release and Individual Settlement by Plaintiff.** In addition to this Agreement, Plaintiff has entered into separate Confidential Settlement Agreement And General Release Of All Claims (“Individual Settlement Agreement”) with Defendant for all of his separate individual (non-PAGA) claims arising out of his employment with Defendant, in exchange for a full release of those claims. The Parties acknowledge and agree that the Individual Settlement Agreement and the covenants, promises and released claims contained therein shall not serve to modify or limit Plaintiff’s right to continue with this Action and seek the Court’s approval of this PAGA Settlement; however, Plaintiff shall have no right to be the representative of a class action lawsuit against Defendant. The Parties further agree that if for any reason the Effective Date does not occur with regard to this Settlement and/or the Final Order is not entered, then the Individual Settlement Agreement shall also be null and void.

7. **Filing of Request for Approval of PAGA Settlement by Plaintiff’s Counsel**

Plaintiff’s counsel shall be responsible for filing a joint stipulation or motion for approval of the Settlement. Plaintiff shall provide the requisite notice of this Settlement Agreement to the LWDA on or before the date Plaintiff requests approval of this Settlement Agreement from the Court. If the Court approves this Settlement, the Parties shall request that the Court enter a Final Order approving the settlement.

As part of the request to approve the Settlement, Plaintiff shall submit a proposed Order granting approval of this Settlement. The Court shall retain jurisdiction to enforce the terms of

this Agreement. This Settlement is expressly conditioned upon the Court entering such a Final Order, approving this Settlement as set forth herein, and entry of judgment, disposing of the Action in its entirety and ensuring that this Settlement has a *res judicata* effect.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Settlement Administrator will be responsible for establishing a QSF and issuing payments and appropriate tax forms to PAGA Settlement Employees, the LWDA, and Plaintiff's counsel.

2. **Provision of Information for PAGA Settlement Employees.** Within ten (10) business days after the Effective Date, Tustin Buick GMC, Inc. will provide the information regarding the PAGA Settlement Employees to the Settlement Administrator. This information will include the name, most recently known address, social security number, and total pay periods worked by each of the PAGA Settlement Employees in a non-exempt position in California during the PAGA Period. The Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

The Settlement Administrator will calculate the amount to be received by each PAGA Settlement Employee. Within twenty (20) business days of the Effective Date, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated individual settlement payments to each PAGA Settlement Employee, and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for PAGA Settlement Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Settlement Employees' addresses.

Within ten (10) calendar days of receiving the PAGA Gross Settlement Amount, the Settlement Administrator will issue payments to: (a) PAGA Settlement Employees along with an explanatory letter accompanying the payment ("Settlement Notice"); (b) the LWDA; (c) Plaintiff's counsel; and (d) itself. The Settlement Notice shall be mailed to each PAGA Settlement Employee with their disbursement.

The Settlement Administrator will post the Settlement Agreement, Notice Letter, and Final Order and Judgment on its website for at least 30 days after entry of Judgment.

4. **Undeliverable Notices.** Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip trace, or other search using the name, address or social security number of the PAGA Settlement Employees involved, and will then perform a single re-mailing. Individual PAGA Payment checks will remain negotiable for one hundred eighty (180) calendar days from issuance, and PAGA Settlement Employees will have one hundred eighty (180) calendar days from the date of issuance to cash their Individual PAGA Payment checks. If a PAGA Settlement Employee's check is returned to the Settlement

Administrator with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to that PAGA Settlement Employee to that address, but this re-mailing will not extend the 180-day period to cash a check. Funds represented by Individual PAGA Payment checks returned as undeliverable and those Individual PAGA Payment checks remaining un-cashed for more than one hundred eighty (180) calendar days after issuance will be paid to the California State Controller in the name of the PAGA Settlement Employee who did not cash the check, from which the PAGA Settlement Employee may claim the funds. Neither Defendant, Defense Counsel, Plaintiff's Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period.

Defendant fully discharges its obligations to those PAGA Settlement Employees who are entitled to an Individual PAGA Payment through the Settlement Administrator's mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Settlement Employees.

5. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed one hundred percent (100%) as penalties and paid via IRS Form 1099 issued to each PAGA Settlement Employee. The Parties and their counsel make no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

1. **Mutual Preparation and Drafting.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties through informed counsel and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors and assigns.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Settlement Agreement, the Action, and Plaintiff's claims, except as otherwise set forth specifically herein.

4. **Authority.** Defendant represents and warrants that the undersigned have the authority to act on behalf of Defendant and to bind Defendant to the terms of this Settlement Agreement.

5. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California.

6. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them, and acknowledge and represent that this Settlement Agreement contains the entire understanding

between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Claims. Excluded from this Section is a separate settlement agreement related to Plaintiff's individual claims. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

7. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions, without prejudice. Neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect.

8. **Continuing Jurisdiction.** After approval of this Settlement and entry of the judgment in the Action, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement and judgment, (ii) Settlement administration matters, and (iii) such matters as may be appropriate under court rules or as set forth in this Settlement Agreement. The Parties further agree that this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure Section 664.6 and California Rules of Court Rule 3.769(h) and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and PAGA Settlement Employees to interpret and enforce the terms, conditions and obligation of the Agreement.

9. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest.

10. **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

11. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile, DocuSign, and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

12. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

13. **Invalidity of Any Provision.** Before declaring any provision of this Settlement 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 Settlement Agreement valid and enforceable. Invalidation of any material portion of this

Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

14. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

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

16. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

17. **Dispute(s).** Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

18. **Non-Evidentiary Use.** Neither this Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or their respective counsel in the Action or in any other action or proceeding except for purposes of establishing the Released Claims have been settled; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

19. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

20. **No Public Comment.** Neither the Parties nor their counsel shall make or issue any public statements to the press or any other third party, nor post any information on websites or other public forums, concerning the Action in any way.

21. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

22. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be

fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

23. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation or enforcement of the settlement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 04 / 29 / 2026

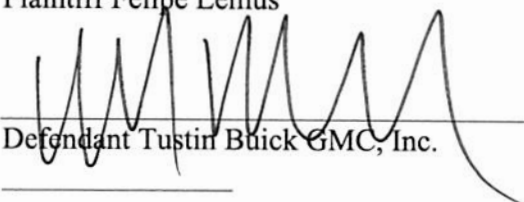
By:



Plaintiff Felipe Lemus

Dated: 5/4/26

By:



Defendant Tustin Buick GMC, Inc.

Approved as to form:

GAINES LAW CORPORATION

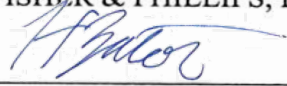
Dated: April 29, 2026



Evan S. Gaines Esq.
Attorneys for Plaintiff Felipe Lemus

FISHER & PHILLIPS, LLP

Dated: May 4, 2026



John Mavros, Esq.
Harrison Zator, Esq.
Attorneys for Defendant
Tustin Buick GMC, Inc.

EXHIBIT A

«DATE»

«FIRST_NAME» «LAST_NAME»

«ADDRESS 1»

«ADDRESS 2»

Re: Settlement Payment from *Lemus v. Tustin Buick GMC, Inc.*

Dear «FIRST_NAME» «LAST_NAME»

By order of the Orange County Superior Court, enclosed is the payment to which you are entitled from the settlement of the *Felipe Lemus v. Tustin Buick GMC, Inc.* litigation filed in the Orange County Superior Court, Case No. 30-2024-01393192-CU-OE-CJC (the “Lawsuit”).

The Lawsuit was filed against Tustin Buick GMC, Inc. (referred to as “Defendant”) under the California Private Attorneys General Act of 2004, Cal. Labor Code §§ 2698, *et seq.* (abbreviated “PAGA”) for alleged violations of the California Labor Code. Felipe Lemus (“Plaintiff”) alleged this PAGA claim on behalf of the State of California and all current and former non-exempt employees who worked for Defendant Tustin Buick GMC, Inc. in the State of California from February 7, 2023 through May 5, 2025 (“PAGA Members”). You have been identified as a PAGA Member, on whose behalf the case was brought.

Plaintiff’s Lawsuit against Defendant is for civil penalties pursuant to PAGA, a law that allows Plaintiff to attempt to stand in the shoes of the government and to seek penalties on the government’s behalf and on behalf of those employees who Plaintiff claims were “aggrieved” by Defendant’s alleged unlawful conduct. Specifically, Plaintiff alleges that Defendant failed to comply with wage-and-hour laws as to non-exempt employees who worked for Defendant.

In the Lawsuit, Plaintiff claimed Defendant owed civil penalties under PAGA for violating certain provisions of the California Labor Code, including allegations that Defendant: (1) failed to pay all meal and rest period premiums, overtime wages, double time wages, vacation wages, and sick pay wages at the correct rates; (2) failed to provide rest periods; (3) failed to provide meal periods; (4) failed to reimburse business expenses; (5) failed to pay wages timely upon separation of employment; and (6) failed to provide complete and accurate itemized wage statements under Labor Code § 226. Defendant vigorously denies that it violated any provisions of the California Labor Code and contends that its policies and practices regarding the payment of wages, rounding, meal periods and rest breaks, expense reimbursement, and wage statements were fully compliant. Nevertheless, without admitting any wrongdoing, Defendant has agreed resolve the Lawsuit by way of settlement to avoid further costs associated with ongoing litigation.

The Orange County Superior Court has not ruled on the merits of the Lawsuit, but it has approved the settlement between the Parties, including the settlement amount to be paid by Defendant. The settlement of this Lawsuit and Order Approving PAGA Settlement and Judgment releases only claims for civil penalties alleged under PAGA and does not in any way otherwise affect or release any individual PAGA Member’s rights.

The Court has approved this settlement and release of claims subject to Defendant’s payment of the entire Gross Settlement Amount. The released claims in this Lawsuit constitutes all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the

State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter, including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 246, 510, 512, 558, 1194, 2699, *et seq.*, and 2802, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

The total gross settlement amount is \$245,000.00. The Court has allowed for attorney's fees of \$73,500.00, reimbursement of litigation costs totaling \$13,644.00, and settlement administration costs of \$4,000.00. The remaining funds, totaling \$153,856.00, shall be distributed 75% (\$115,392.00) to the Labor and Workforce Development Agency and 25% (\$38,464.00) to the Aggrieved Employees. Each individual share to be based on the number of pay periods during which a PAGA Member worked for Tustin Buick GMC, Inc. from February 7, 2023 through May 5, 2025 (the "PAGA Period"). The Settlement Administrator will calculate each individual share by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA penalties by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period pay periods.

You are receiving this payment due under the settlement. PAGA Members cannot opt out of this Settlement and even if you do not cash your check, you will still be bound by the released claims, above. You have 180 days to cash the settlement check. If you do not cash your check by this date, the money will be transferred to the State of California Unclaimed Property Fund, from which you may recover the money at a future time. You will receive an IRS Form 1099 for the amount of your settlement check, if required by law. If you have lost or misplaced your settlement check, you should contact the Administrator at the toll-free number shown at the top of this letter. It is strongly recommended that all checks be cashed immediately upon receipt. Defendant will not in any manner retaliate against any individual who cashes their settlement check.

You are not a party to the Lawsuit, but you and the State of California will be bound by the order in this matter approving the settlement and entering judgment in the Lawsuit, as well as to the release of claims in this Lawsuit, only as to civil penalties under PAGA. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter) or visit the following website: **INSERT WEBSITE**.

**PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH ANY
QUESTIONS ABOUT THE LAWSUIT OR THE SETTLEMENT**

EXHIBIT C

AMENDED PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Subject to the approval of the Court, this Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiff **Felipe Lemus**, acting in a private attorney general capacity, on behalf of the State of California on behalf of himself and all PAGA Settlement Employees, and Defendant **Tustin Buick GMC, Inc.** (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Felipe Lemus v. Tustin Buick GMC, Inc.*, pending in the Orange County Superior Court of the State of California, Case No. 30-2024-01393192-CU-OE-CJC.

2. “Complaint” means the Complaint in the Action.

3. “Defendant” means Tustin Buick GMC, Inc.

4. “Effective Date” of the Settlement means the date upon which the Court enters the Final Order.

5. “Final Order” refers to the order of the Court granting approval of this PAGA Settlement Agreement on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties and entry of judgment.

6. “PAGA Gross Settlement Amount” is the sum of Two Hundred Forty-Five Thousand Dollars and Zero Cents (\$245,000.00), which represents the total amount payable by Defendant Tustin Buick GMC, Inc. under this Settlement Agreement for the release of the Released Claims and includes payments to all PAGA Settlement Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, and payment to the Settlement Administrator.

7. “Individual PAGA Payment” means the pro rata amount to be paid to each PAGA Settlement Employee from the twenty-five percent (25%) portion of the PAGA Payment allocated to employees; such individual share to be based on the number of pay periods during which a PAGA Settlement Employee worked for Tustin Buick GMC, Inc. during the PAGA Period. The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA penalties by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period pay periods.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “LWDA Letter” means the letters Plaintiff submitted to the LWDA on February 7, 2024.

10. “Net Settlement Amount” or “PAGA Payment” is the amount remaining to distribute to the LWDA and PAGA Settlement Employees after the following amounts, if approved by the Court, are subtracted from the PAGA Gross Settlement Amount: (a) Plaintiff’s Attorneys’ Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67)); (b) Plaintiff’s Costs up to Sixteen Thousand Dollars and Zero Cents (\$16,000.00); and (c) PAGA Settlement Administration costs not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00).

11. “Parties” means Plaintiff and Defendant.

12. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

13. “PAGA Period” means the time period from February 7, 2023 through May 5, 2025. ~~As of May 5, 2025, Tustin Buick GMC, Inc. estimated~~ Defendant states there ~~were approximately~~ are 6,765,508 pay periods worked during the PAGA Period by ~~approximately 306,291~~ PAGA Settlement Employees. ~~Final updated figures will be provided to the Settlement Administrator following the approval of the settlement.~~

14. “PAGA Representative Counsel” means Gaines Law Corporation, located at 4550 East Thousand Oaks Boulevard, Suite 100, Westlake Village, California 91362.

15. “PAGA Settlement Administration Costs” means the cost, not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00), to be paid to the Settlement Administrator for administering the Settlement, including sending checks and Settlement Notices to the PAGA Settlement Employees.

~~15.16.~~ “PAGA Settlement Employee” or “PAGA Settlement Employees” means and includes all current and former non-exempt employees who worked for Tustin Buick GMC, Inc. in the State of California during the PAGA Period.

~~16.17.~~ “Plaintiff” means Felipe Lemus.

~~17.18.~~ “QSF” means qualified settlement fund.

~~18.19.~~ “Released Claims” means all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter, including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 246, 510, 512, 558, 1194, 2699, *et seq.*, and 2802, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

~~19.20.~~ “Released Parties” means Defendant Tustin Buick GMC, Inc., its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys from all claims, demands, rights and liabilities as set forth above..

~~20-21.~~ “Settlement Administrator” means ILYM Group, Inc.

~~21.1. “PAGA Settlement Administration Costs” means the cost, not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00), to be paid to the Settlement Administrator for administering the Settlement, including sending checks and Settlement Notices to the PAGA Settlement Employees.~~

22. “Settlement Notice” means an explanatory letter to be sent by the Settlement Administrator to PAGA Settlement Employees, substantially in the form attached hereto as **Exhibit A**.

II. RECITALS

1. Tustin Buick GMC, Inc. employed Plaintiff during the PAGA Period.

2. On February 7, 2024, Plaintiff provided written notice to the LWDA and Defendant pursuant to Labor Code section 2699.3 of *inter alia* alleged violations of the California Labor Code and Industrial Welfare Commission Orders.

3. On April 12, 2024, Plaintiff filed the Action, pursuant to PAGA, on behalf of the State of California and other aggrieved employees alleging multiple violations of the California Labor Code and Industrial Welfare Commission Wage Orders by Defendant.

4. Defendant generally denies all of Plaintiff’s allegations in the Action, including all PAGA claims, and further specifically denies that Defendant or any of the Released Parties committed or engaged in any misconduct, statutory or regulatory violations, wrongdoing, or other actionable conduct of any kind.

5. The Parties have independently analyzed and investigated the facts and law relevant to this case through informal discovery and pre-settlement disclosures, including, but not limited to, the employment policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter; a sampling of all timekeeping and payroll records for employees on whose behalf the Complaint and/or the LWDA Letter are asserted by Plaintiff; and summaries of data pertaining to the number of employees allegedly affected by the policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter.

6. After evaluating the strengths and weaknesses of their respective positions, after considering the time, expense, and risk associated with litigating this case to judgment, and after engaging in arm’s-length settlement negotiations through informed counsel, the Parties agreed to fully and finally, and exclusively, resolve the Released Claims as to Plaintiff and the PAGA Settlement Employees, subject to Court approval.

7. This Settlement contemplates the entry of an Order by the Court approving the payment allocated for settlement of PAGA penalties to the LWDA, Plaintiff and PAGA Settlement Employees, and the dismissal with prejudice of the Action, enter judgment of the Action, and set a Final Accounting hearing to ensure that the settlement funds will be distributed in accordance with the terms stated herein.

III. **OPERATIVE TERMS OF SETTLEMENT AGREEMENT**

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement or the judgment to be entered in this Action pursuant to the terms of this Settlement Agreement shall be construed to be an admission: (1) by Plaintiff that his claims do not have merit or (2) by Defendant of any liability or wrongdoing as to Plaintiff, the PAGA Settlement Employees or any other person, and Defendant generally denies any such liability or wrongdoing. Defendant specifically denies any liability to Plaintiff or any other allegedly aggrieved employee for any alleged violation of his/her/their rights, or for any alleged violation of any order, law, statute, duty or contract. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **PAGA Gross Settlement Amount.** Tustin Buick GMC, Inc. shall pay Two Hundred Forty-Five Thousand Dollars and Zero Cents (\$245,000.00) as the PAGA Gross Settlement Amount. Tustin Buick GMC, Inc. will not pay more than the PAGA Gross Settlement Amount to resolve the claims covered by this Agreement, except as otherwise stated in this Agreement. Defendant shall deposit the PAGA Gross Settlement Amount with the Settlement Administrator within 30 days of the Effective Date.

3. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the PAGA Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to be distributed to the LWDA and PAGA Settlement Employees:

- a. **Plaintiff's Attorneys' Fees and Costs.** Defendant will not oppose Plaintiff's request for Plaintiff's Attorneys' Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Eighty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$81,666.67)) and Plaintiff's Costs up to Sixteen Thousand Dollars (\$16,000.00) incurred in prosecuting this Action. In the event the Court approves a payment of less than the amount of fees and costs requested by Plaintiff, the difference will be added to the PAGA Payment.
- b. **Administration Cost.** Defendant will not oppose the Settlement Administrator's costs, not to exceed Four Thousand Dollars (\$4,000.00), for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the PAGA Payment.

4. **PAGA Payment.** A portion of the PAGA Payment will be allocated to the LWDA and the remainder will be allocated to PAGA Settlement Employees in settlement of the Released Claims. The PAGA Payment will be subject to Court approval consistent with California Labor Code section 2699.3(b)(4). Upon approval, the PAGA Payment shall be allocated as follows:

- a. Seventy-five percent (75%) will be paid to the LWDA, as required by California Labor Code section 2699(i).

- b. Twenty-five percent (25%) will be paid to the PAGA Settlement Employees, divided on a pro rata basis among them and distributed by the Settlement Administrator as Individual PAGA Payments, as required by California Labor Code section 2699(i).
- c. The payments will be reported as penalties on IRS Forms 1099 issued to the LWDA and each PAGA Settlement Employee. The Settlement Administrator will be responsible for issuing to PAGA Settlement Employees and PAGA Representative Counsel any 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.

5. **Representative PAGA Release.** ~~Upon the Effective Date~~Upon the deposit of the PAGA Gross Settlement Amount with the Settlement Administrator, Plaintiff, as an individual, and as the representative of the PAGA Settlement Employees, the LWDA and the State of California, hereby forever and completely releases and discharges the Released Parties of and from all of the Released Claims, and thus, Plaintiff, the PAGA Settlement Employees, LWDA and the State of California will be forever barred from pursuing any of the Released Claims defined herein against Released Parties which arose during periods of employment in a non-exempt position in California during the PAGA Period. The Parties understand and agree that this release is limited to the Released Claims and does not otherwise impact the individual rights or claims of the PAGA Settlement Employees. In accordance with *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985, a judgment in “a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 . . . is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding,” which the Final Order shall so reflect. Pursuant to *Arias* and *Cardenas v. McLane Foodservice, Inc.*, 796 F.Supp.2d 1246 (2011), the Final Order and judgment in this Action shall be binding on the PAGA Settlement Employees, LWDA, State of California and its agencies as to the Released Claims which arose during the PAGA Period, regardless of whether their settlement checks are cashed or not. The Parties further understand and agree that the continued effectiveness of this PAGA Release is contingent upon Defendant’s payment of the PAGA Gross Settlement Amount. If Defendant defaults on any of its payment obligations under this Agreement, the PAGA Release set forth in this paragraph shall become ineffective until such default is cured in full.

6. **Separate Release and Individual Settlement by Plaintiff.** In addition to this Agreement, Plaintiff has entered into separate Confidential Settlement Agreement And General Release Of All Claims (“Individual Settlement Agreement”) with Defendant for all of his separate individual (non-PAGA) claims arising out of his employment with Defendant, in exchange for a full release of those claims. The Parties acknowledge and agree that the Individual Settlement Agreement and the covenants, promises and released claims contained therein shall not serve to modify or limit Plaintiff’s right to continue with this Action and seek the Court’s approval of this PAGA Settlement; however, Plaintiff shall have no right to be the representative of a class action lawsuit against Defendant. The Parties further agree that if for any reason the Effective Date does not occur with regard to this Settlement and/or the Final Order is not entered, then the Individual Settlement Agreement shall also be null and void.

7. **Filing of Request for Approval of PAGA Settlement by Plaintiff’s Counsel**

Plaintiff's counsel shall be responsible for filing a joint stipulation or motion for approval of the Settlement. Plaintiff shall provide the requisite notice of this Settlement Agreement to the LWDA on or before the date Plaintiff requests approval of this Settlement Agreement from the Court. If the Court approves this Settlement, the Parties shall request that the Court enter a Final Order approving the settlement.

As part of the request to approve the Settlement, Plaintiff shall submit a proposed Order granting approval of this Settlement. The Court shall retain jurisdiction to enforce the terms of this Agreement. This Settlement is expressly conditioned upon the Court entering such a Final Order, approving this Settlement as set forth herein, and entry of judgment, disposing of the Action in its entirety and ensuring that this Settlement has a *res judicata* effect.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Settlement Administrator will be responsible for establishing a QSF and issuing payments and appropriate tax forms to PAGA Settlement Employees, the LWDA, and Plaintiff's counsel.

2. **Provision of Information for PAGA Settlement Employees.** Within ~~twenty (20) calendar~~ten (10) business days after the Effective Date, Tustin Buick GMC, Inc. will provide the information regarding the PAGA Settlement Employees to the Settlement Administrator. This information will include the name, most recently known address, social security number, and total pay periods worked by each of the PAGA Settlement Employees in a non-exempt position in California during the PAGA Period. The Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

The Settlement Administrator will calculate the amount to be received by each PAGA Settlement Employee. Within ~~ten (10) calendar~~twenty (20) business days of the Effective Date, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated individual settlement payments to each PAGA Settlement Employee, and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for PAGA Settlement Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Settlement Employees' addresses.

Within ten (10) calendar days of receiving the PAGA Gross Settlement Amount, the Settlement Administrator will issue payments to: (a) PAGA Settlement Employees along with an explanatory letter accompanying the payment ("Settlement Notice"); (b) the LWDA; (c) Plaintiff's counsel; and (d) itself. The Settlement Notice shall be mailed to each PAGA Settlement Employee with their disbursement.

The Settlement Administrator will post the Settlement Agreement, Notice Letter, and Final Order and Judgment on its website for at least 30 days after entry of Judgment.

4. **Undeliverable Notices.** Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip trace, or other search using the name, address or social security number of the PAGA Settlement Employees involved, and will then perform a single re-mailing. Individual PAGA Payment checks will remain negotiable for one hundred eighty (180) calendar days from issuance, and PAGA Settlement Employees will have one hundred eighty (180) calendar days from the date of issuance to cash their Individual PAGA Payment checks. If a PAGA Settlement Employee's check is returned to the Settlement Administrator with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to that PAGA Settlement Employee to that address, but this re-mailing will not extend the 180-day period to cash a check. Funds represented by Individual PAGA Payment checks returned as undeliverable and those Individual PAGA Payment checks remaining un-cashed for more than one hundred eighty (180) calendar days after issuance will be paid to the California State Controller in the name of the PAGA Settlement Employee who did not cash the check, from which the PAGA Settlement Employee may claim the funds. Neither Defendant, Defense Counsel, Plaintiff's Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period.

Defendant fully discharges its obligations to those PAGA Settlement Employees who are entitled to an Individual PAGA Payment through the Settlement Administrator's mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Settlement Employees.

5. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed one hundred percent (100%) as penalties and paid via IRS Form 1099 issued to each PAGA Settlement Employee. The Parties and their counsel make no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

~~1. **Escalator Clause.** Tustin Buick GMC, Inc. estimates there have been approximately 6,765 pay periods worked during the PAGA Period to date by approximately 306 PAGA Settlement Employees. Should the number of pay periods increase by more than 10%, this will increase the PAGA Gross Settlement Amount proportionally over the 10% increase. For example, if the number of pay periods increase by 11% through the PAGA Period, the PAGA Gross Settlement Amount shall increase by 1%.~~

2.1. Mutual Preparation and Drafting. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties through informed counsel and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

~~3-2.~~ **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors and assigns.

~~4-3.~~ **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Settlement Agreement, the Action, and Plaintiff's claims, except as otherwise set forth specifically herein.

~~5-4.~~ **Authority.** Defendant represents and warrants that the undersigned have the authority to act on behalf of Defendant and to bind Defendant to the terms of this Settlement Agreement.

~~6-5.~~ **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California.

~~7-6.~~ **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Claims. Excluded from this Section is a separate settlement agreement related to Plaintiff's individual claims. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

~~8-7.~~ **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions, without prejudice. Neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect.

~~9-8.~~ **Continuing Jurisdiction.** After approval of this Settlement and entry of the judgment in the Action, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement and judgment, (ii) Settlement administration matters, and (iii) such matters as may be appropriate under court rules or as set forth in this Settlement Agreement. The Parties further agree that this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure Section 664.6 and California Rules of Court Rule 3.769(h) and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and PAGA Settlement Employees to interpret and enforce the terms, conditions and obligation of the Agreement.

~~10-9.~~ **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest.

~~11-10.~~ **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

~~12-11.~~ **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more

counterparts. All executed counterparts, and each of them, including facsimile, DocuSign, and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

13.12. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

14.13. Invalidity of Any Provision. Before declaring any provision of this Settlement 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 Settlement Agreement valid and enforceable. Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

15.14. Severability. If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

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

17.16. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

18.17. Dispute(s). Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

19.18. Non-Evidentiary Use. Neither this Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or their respective counsel in the Action or in any other action or proceeding except for purposes of establishing the Released Claims have been settled;

provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

20-19. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

21-20. No Public Comment. Neither the Parties nor their counsel shall make or issue any public statements to the press or any other third party, nor post any information on websites or other public forums, concerning the Action in any way.

22-21. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

23-22. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

24-23. Denial of Liability. The Parties expressly recognize that the making of this Settlement Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation or enforcement of the settlement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

Dated: _____

By: _____
Plaintiff Felipe Lemus

Dated: _____

By: _____
Defendant Tustin Buick GMC, Inc.

Approved as to form:

GAINES LAW CORPORATION

Dated: _____

Evan S. Gaines, Esq.
Attorneys for Plaintiff Felipe Lemus

FISHER & PHILLIPS, LLP

Dated: _____

John Mavros, Esq.
Lyle Chan, Esq.
Attorneys for Defendant
Tustin Buick GMC, Inc.

EXHIBIT D

«DATE»

«FIRST_NAME» «LAST_NAME»

«ADDRESS 1»

«ADDRESS 2»

Re: Settlement Payment from *Lemus v. Tustin Buick GMC, Inc.*

Dear «FIRST_NAME» «LAST_NAME»

By order of the Orange County Superior Court, enclosed is the payment to which you are entitled from the settlement of the *Felipe Lemus v. Tustin Buick GMC, Inc.* litigation filed in the Orange County Superior Court, Case No. 30-2024-01393192-CU-OE-CJC (the “Lawsuit”).

The Lawsuit was filed against Tustin Buick GMC, Inc. (referred to as “Defendant”) under the California Private Attorneys General Act of 2004, Cal. Labor Code §§ 2698, *et seq.* (abbreviated “PAGA”) for alleged violations of the California Labor Code. Felipe Lemus (“Plaintiff”) alleged this PAGA claim on behalf of the State of California and all current and former non-exempt employees who worked for Defendant Tustin Buick GMC, Inc. in the State of California from February 7, 2023 through May 5, 2025 (“PAGA Members”). You have been identified as a PAGA Member, on whose behalf the case was brought.

Plaintiff’s Lawsuit against Defendant is for civil penalties pursuant to PAGA, a law that allows Plaintiff to attempt to stand in the shoes of the government and to seek penalties on the government’s behalf and on behalf of those employees who Plaintiff claims were “aggrieved” by Defendant’s alleged unlawful conduct. Specifically, Plaintiff alleges that Defendant failed to comply with wage-and-hour laws as to non-exempt employees who worked for Defendant.

In the Lawsuit, Plaintiff claimed Defendant owed civil penalties under PAGA for violating certain provisions of the California Labor Code, including allegations that Defendant: (1) failed to pay all meal and rest period premiums, overtime wages, double time wages, vacation wages, and sick pay wages at the correct rates; (2) failed to provide rest periods; (3) failed to provide meal periods; (4) failed to reimburse business expenses; (5) failed to pay wages timely upon separation of employment; and (6) failed to provide complete and accurate itemized wage statements under Labor Code § 226. Defendant vigorously denies that it violated any provisions of the California Labor Code and contends that its policies and practices regarding the payment of wages, rounding, meal periods and rest breaks, expense reimbursement, and wage statements were fully compliant. Nevertheless, without admitting any wrongdoing, Defendant has agreed resolve the Lawsuit by way of settlement to avoid further costs associated with ongoing litigation.

The Orange County Superior Court has not ruled on the merits of the Lawsuit, but it has approved the settlement between the Parties, including the settlement amount to be paid by Defendant. ~~Pursuant to California law, a portion of that settlement amount goes to the State of California’s Labor and Workforce Development Agency, (“LWDA”). Another portion of the settlement amount goes to the PAGA Members.~~ The settlement of this Lawsuit and ~~Final Approval Order~~ Approving PAGA Settlement and Judgment releases only claims for civil penalties alleged under PAGA and does not in any way otherwise affect or release any individual PAGA Member’s rights.

The Court has approved this settlement and release of claims subject to Defendant’s payment of the entire Gross Settlement Amount. The released claims in this Lawsuit constitutes

all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter, including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 246, 510, 512, 558, 1194, 2699, *et seq.*, and 2802, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

The total gross settlement amount is \$245,000.00. The Court has allowed for attorney's fees of ~~\$81,666.67~~ \$73,500.00, reimbursement of litigation costs totaling \$13,550.13 ~~\$644.00~~, and settlement administration costs of \$4,000.00. The remaining funds, totaling \$153,856.00, shall be distributed 75% (\$115,392.00) to the Labor and Workforce Development Agency and 25% (\$38,464.00) to the Aggrieved Employees. Each individual share to be based on the number of pay periods during which a PAGA Member worked for Tustin Buick GMC, Inc. from February 7, 2023 through May 5, 2025 (the "PAGA Period"). The Settlement Administrator will calculate each individual share by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA penalties by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period pay periods.

You are receiving this payment due under the settlement. PAGA Members cannot opt out of this Settlement and even if you do not cash your check, you will still be bound by the released claims, above. You have 180 days to cash the settlement check. If you do not cash your check by this date, the money will be transferred to the State of California Unclaimed Property Fund, from which you may recover the money at a future time. You will receive an IRS Form 1099-~~form~~ for the amount of your settlement check, if required by law. If you have lost or misplaced your settlement check, you should contact the Administrator at the toll-free number shown at the top of this letter. It is strongly recommended that all checks be cashed immediately upon receipt. Defendant will not in any manner retaliate against any individual who cashes their settlement check.

You are not a party to the Lawsuit, but you and the State of California will be bound by the order in this matter approving the settlement and entering judgment in the Lawsuit, as well as to the release of claims in this Lawsuit, only as to civil penalties under PAGA. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter) or visit the following website: **INSERT WEBSITE**.

**PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH ANY
QUESTIONS ABOUT THE LAWSUIT OR THE SETTLEMENT**

EXHIBIT E

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

FELIPE LEMUS, on behalf of himself and all
“aggrieved employees” pursuant to Labor Code §
2698 *et seq.*,

Plaintiff,

v.

TUSTIN BUICK GMC, INC., a California
corporation, and DOES 1 through 10, inclusive,

Defendants.

CASE NO: 30-2024-01393192-CU-OE-CJC

Assigned to the Honorable Layne H. Melzer,
CX102

**AMENDED [PROPOSED] ORDER
APPROVING SETTLEMENT AND
JUDGMENT**

Date: May 28, 2026

Time: 2:00 p.m.

Dept.: CX102

Reservation Number:

Complaint Filed: April 12, 2024

1 Plaintiff Felipe Lemus' ("Plaintiff") Motion for an Order: (1) granting approval of the
2 proposed settlement of claims brought pursuant to the Amended Private Attorneys General Act
3 (Labor Code § 2698 *et seq.*) Settlement Agreement (the "Settlement" or "Settlement Agreement");
4 (2) appointing ILYM Group, Inc. as the Settlement Administrator and approving payment of its
5 fees not to exceed \$4,000.00 from the PAGA Gross Settlement Amount; (3) directing disbursement
6 of the PAGA Gross Settlement Amount pursuant to the terms of the Settlement Agreement; (4)
7 directing payment of attorneys' fees from the PAGA Gross Settlement Amount not to exceed 30%
8 (\$73,500.00) of the PAGA Gross Settlement Amount to Plaintiff's Counsel; (5) directing
9 attorneys' litigation costs from the PAGA Gross Settlement Amount of \$13,644.00; and (6)
10 entering judgment, came on for hearing before this Court in Department CX102, the Honorable
11 Layne H. Melzer presiding, on May 28, 2026. Appearances were noted on the record.

12 Having reviewed the Settlement Agreement and duly considered the Parties' papers and
13 oral argument, and good cause appearing, **THE COURT HEREBY ORDERS AS FOLLOWS:**

14 1. All terms used herein shall have the same meaning as defined in the Settlement
15 Agreement, which is attached to the Declaration of Evan S. Gaines (ROA #) as **Exhibit D**.

16 2. The PAGA Settlement Employees refers to and includes all current and former non-
17 exempt employees who worked for Tustin Buick GMC, Inc. in the State of California between
18 February 7, 2023 through May 5, 2025 (the "PAGA Period").

19 3. This Court has jurisdiction over the claims of the PAGA Settlement Employees and
20 the State of California asserted in this proceeding and over all parties to the Action.

21 4. The Court finds that the Settlement was entered into in good faith, that the
22 Settlement is fair, reasonable and adequate, and that the Settlement satisfies the standards and
23 applicable requirements for approval of PAGA representative actions under California law. The
24 Court finds that the PAGA Gross Settlement Amount of \$245,000.00 represents a fair compromise
25 of the claims alleged in the Action, considering the maximum potential value of the claims asserted
26 and the risks inherent in further litigation.

1 5. The Court has considered the authorities and evidence presented by Plaintiff and
2 based thereon hereby approves the following awards and deductions from the PAGA Gross
3 Settlement Amount:

4 a. To Plaintiff's Counsel, Gaines Law Corporation, an award of 30%
5 (\$73,500.00) of the PAGA Gross Settlement amount in attorneys' fees and \$13,644.00 in
6 reimbursement of litigation costs. The Court finds that these amounts are fair and
7 reasonable and commensurate with applicable California law.

8 b. To ILYM Group, Inc., the settlement administrator, a payment of up to
9 \$4,000.00 to administer the Settlement through its conclusion, including disbursement of
10 the PAGA Gross Settlement Amount and all tax reporting associated therewith.

11 5. The amount remaining of the PAGA Gross Settlement Amount following these
12 deductions is the Net Settlement Fund of \$153,856.00. The Net Settlement Fund shall be
13 distributed 75% (\$115,392.00) to the Labor and Workforce Development Agency and 25%
14 (\$38,464.00) to the PAGA Settlement Employees.

15 6. The Court finds that the Settlement has been provided to the LWDA as required by
16 PAGA and Labor Code section 2699, subdivision (s)(2), in particular.

17 7. Upon entry of this Order, the Parties shall effectuate all terms of the Settlement
18 based on the provisions and timelines set forth in the Settlement Agreement.

19 8. The Court retains jurisdiction to enforce the Settlement Agreement pursuant to
20 Code of Civil Procedure § 664.6 and California Rules of Court 3.769(h) and as otherwise allowed
21 by law.

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1 9. The Final Accounting Hearing shall take place on April 8, 2027, in Department
2 CX102 of this Court. The Parties shall report to the Court the total amount that was actually paid
3 to Aggrieved Employees and all others in accordance with the Settlement Agreement. The
4 Settlement Administrator's Final Report shall be filed 16 court days prior to the Final Accounting
5 Hearing.

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7 **IT IS SO ORDERED.**

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9 Dated: _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT F

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7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 FOR THE COUNTY OF ORANGE

9 FELIPE LEMUS, on behalf of himself and all
10 "aggrieved employees" pursuant to Labor Code §
11 2698 *et seq.*,

12 Plaintiff,

13 v.

14 TUSTIN BUICK GMC, INC., a California
15 corporation, and DOES 1 through 10, inclusive,

16 Defendants.
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CASE NO: 30-2024-01393192-CU-OE-CJC

Assigned to the Honorable Layne H. Melzer,
CX102

**AMENDED [PROPOSED] ORDER
APPROVING SETTLEMENT OF
~~CLAIMS BROUGHT PURSUANT TO
THE PRIVATE ATTORNEYS GENERAL
ACT OF 2004, AWARDING
ATTORNEYS' FEES, COSTS, AND
REIMBURSEMENT OF SETTLEMENT
ADMINISTRATION EXPENSES, AND
DISMISSING ACTION WITH
PREJUDICE JUDGMENT~~**

Date: ~~January 29~~ May 28, 2026

Time: 2:00 p.m.

Dept.: CX102

Reservation Number: **74647968**

Complaint Filed: April 12, 2024

1 Plaintiff Felipe Lemus' (~~the~~ "Plaintiff") Motion for an Order: (1) granting approval of the
2 proposed settlement of claims brought pursuant to the ~~Private Attorneys General Act of 2004 (Cal.~~
3 ~~Labor Code § 2698 et seq.) ("PAGA") set forth in the Parties' Amended~~ Private Attorneys General
4 Act (Labor Code § 2698 et seq.) Settlement Agreement (the "Settlement" or "Settlement
5 Agreement"); (2) appointing ILYM Group, Inc. as the Settlement Administrator and approving
6 payment of its fees not to exceed \$4,000.00 from the PAGA Gross Settlement Amount; (3)
7 directing disbursement of the PAGA Gross Settlement Amount pursuant to the terms of the
8 Settlement Agreement; (4) directing payment of attorneys' fees from the PAGA Gross Settlement
9 Amount not to exceed ~~one-third (33-1/3%)~~ 30% (\$73,500.00) of the PAGA Gross Settlement
10 Amount (~~projected to be \$81,666.67~~) to Plaintiff's Counsel; (5) directing attorneys' litigation costs
11 from the PAGA Gross Settlement Amount of \$13,550.13 ~~644.00~~; and (6) ~~dismissing this Action~~
12 ~~with prejudice~~ entering judgment, came on for hearing before this Court in Department CX102, the
13 Honorable Layne H. Melzer presiding, on ~~January 29~~ May 28, 2026. Appearances were noted on
14 the record.

15 Having reviewed the Settlement Agreement and duly considered the Parties' papers and
16 oral argument, and good cause appearing,

17 **THE COURT HEREBY ORDERS AS FOLLOWS:**

18 1. All terms used herein shall have the same meaning as defined in the Settlement
19 Agreement, which is attached to the Declaration of Evan S. Gaines (ROA #) as **Exhibit D**.

20 2. The PAGA Settlement Employees refers to and includes all current and former non-
21 exempt employees who worked for Tustin Buick GMC, Inc. in the State of California between
22 February 7, 2023 through May 5, 2025 (the "PAGA Period").

23 2.3. This Court has jurisdiction over the claims of the ~~Aggrieved~~ PAGA Settlement
24 Employees and the State of California asserted in this proceeding and over all parties to the Action.

25 3.4. The Court finds that the Settlement was entered into in good faith, that the
26 Settlement is fair, reasonable and adequate, and that the Settlement satisfies the standards and
27 applicable requirements for approval of PAGA representative actions under California law. The

1 Court finds that the PAGA Gross Settlement Amount of \$245,000.00 represents a fair compromise
2 of the claims alleged in the Action, considering the maximum potential value of the claims asserted
3 and the risks inherent in further litigation.

4 4.5. The Court has considered the authorities and evidence presented by Plaintiff and
5 based thereon hereby approves the following awards and deductions from the PAGA Gross
6 Settlement Amount:

7 a. To Plaintiff's Counsel, Gaines Law Corporation, an award of ~~one-third~~30%
8 (\$73,500.00) of the PAGA Gross Settlement amount in attorneys' fees ~~(projected to be~~
9 ~~\$81,666.67~~ and \$13,~~550.13~~644.00 in reimbursement of litigation costs.- The Court finds
10 that these amounts are fair and reasonable and commensurate with applicable California
11 law.

12 b. To ILYM Group, Inc., the settlement administrator, a payment of up to
13 \$4,000.00 to administer the Settlement through its conclusion, including disbursement of
14 the PAGA Gross Settlement Amount and all tax reporting associated therewith.

15 5. The amount remaining of the PAGA Gross Settlement Amount following these
16 deductions is the Net Settlement Fund of ~~approximately \$145,783.20.~~\$153,856.00. The Net
17 Settlement Fund shall be distributed 75% (\$115,392.00) to the Labor and Workforce Development
18 Agency and 25% (\$38,464.00) to the ~~Aggrieved~~PAGA Settlement Employees.

19 6. The Court finds that the Settlement has been provided to the LWDA as required by
20 PAGA and Labor Code section 2699, subdivision (s)(2), in particular.

21 7. Upon entry of this Order, the Parties shall effectuate all terms of the Settlement
22 based on the provisions and timelines set forth in the Settlement Agreement.

23 8. The Court retains jurisdiction to enforce the Settlement Agreement pursuant to
24 Code of Civil Procedure § 664.6 and California Rules of Court 3.769(h) and as otherwise allowed
25 by law.

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5 9. The Final Accounting Hearing shall take place on
6 April 8, 2027, in Department CX102 of this Court. The Parties shall
7 report to the Court the total amount that was actually paid to Aggrieved Employees and all others
8 in accordance with the Settlement Agreement. The Settlement Administrator's Final Report shall
9 be filed ~~15 calendar~~ 16 court days prior to the Final Accounting Hearing.

10 ~~10. — This Action is DISMISSED WITH PREJUDICE.~~

11 **IT IS SO ORDERED.**

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13 Dated: _____

JUDGE OF THE SUPERIOR COURT

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EXHIBIT G

Lemus v Tustin Buick GMC, Inc.
Gaines Law Corporation Counsel's Costs

<u>EXPENSE CATEGORY</u>	<u>EXPENSE</u>
Filing fees	\$ 1,827.22
Expert Fees	\$ 1,056.74
Service Fees	\$ 350.04
Mediation Fees	\$ 10,300.00
Misc Fees	\$ 10.00
Future estimated expenses -	\$ 100.00
• <i>Filing fees and One Legal Service fees for Filing the Motion for PAGA Approval and Notice of Entry of Order (\$70 + \$30)</i>	
TOTAL EXPENSES	\$ 13,644.00

EXHIBIT H

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_____ (For messenger) my business address is:

John Mavros - jmavros@fisherphillips.com
Harrison Zator - hzator@fisherphillips.com
Stephanie Crisp - scrisp@fisherphillips.com
Bri Huschke - bhuschke@fisherphillips.com

(BY x U.S. MAIL/ BY ☐ CERTIFIED MAIL, RETURN RECEIPT REQUESTED) The sealed envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. It is deposited with United States postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more that one day after date of deposit for mailing in affidavit.

 X (BY ELECTRONIC SERVICE) The above-stated document was submitted for service by electronic transmission via email on the counsel of record listed above.

Executed on May 4, 2026, at Westlake Village, California.

EVAN S. GAINES, ESQ.