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Attorney for Plaintiff
MELCHOR GARCIA, et. al.

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

MELCHOR GARCIA, an individual, on behalf of
himself and all similarly situated aggrieved
employees,

Plaintiffs,

v.

WESTERN TIRE EQUIPMENT AND SUPPLY
COMPANY, a California Corporation; CHRIS
DERALAS, an individual; MANUEL MANOS,
an individual; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 24STCV11528

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT; CLASS
NOTICE**

Complaint Filed: May 7, 2024
Trial Date: Not Yet Assigned

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff MELCHOR GARCIA (“Plaintiff”) and defendant WESTERN TIRE
3 EQUIPMENT AND SUPPLY COMPANY, a California Corporation; CHRIS DERALAS, an
4 individual; MANUEL MANOS, an individual, (collectively referred to as “Defendants”). The
5 Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS.**

7 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations and a
8 PAGA claim against Defendant, as well as individual defendants Chris Deralas and Manuel
9 Manos, filed in the Superior Court of the State California for the County of Los Angeles, Case
10 Number 24STCV11528.

11 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the
12 Parties have agreed to appoint to administer the Settlement.

13 1.3. “Administration Expenses Payment” means the amount the Administrator will be
14 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
15 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
16 with Preliminary Approval of the Settlement.

17 1.4. “Aggrieved Employee” means all of Defendant’s non-exempt employees in
18 California during the PAGA Period.

19 1.5. “Class” means all of Defendant’s non-exempt employees in California during the
20 Class Period of May 7, 2020, through the date of preliminary court approval of the settlement.

21 1.6. “Class Counsel” means Michael C. Robinson, Jr. and Orion S. Robinson of
22 Robinson Di Lando, a Professional Law Corporation.

23 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
24 mean the amounts allocated to Class Counsel for reasonable attorneys’ fees and expenses,
25 respectively, incurred to prosecute the Action.

26 1.8. “Class Data” means Class Member identifying information in Defendant’s
27 possession including the Class Member’s name, last-known mailing address, Social Security
28 number, and number of Class Period Work Weeks and PAGA Paychecks.

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as
either a Participating Class Member or Non-Participating Class Member (including a Non-

Participating Class Member who qualifies as an Aggrieved Employee).

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

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation.

1.12. "Class Period" means the period from May 7, 2020, through the date of preliminary court approval of the settlement.

1.13. "Class Representative" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.

1.14. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Los Angeles.

1.16. "Defendant" means named Defendant Western Tire Equipment and Supply Company.

1.17. "Defendants" means named Defendants Western Tire Equipment and Supply Company, Chris Deralas, and Emmanuel Manos.

1.18. "Defense Counsel" means Michele Collender, April Szabo, and Andrea Cervantes of Atkinson, Andelson, Loya, Ruud & Romo.

1.19. "Effective Date" means the date by which all of the following have occurred:

- (1) The Court has approved the Settlement;
- (2) The Court has issued the Final Order, dismissed all of Plaintiff's claims with prejudice against all Defendants in their entirety, and entered Judgment in accordance with the terms described herein; and
- (3) The judgment is final, meaning that (i) it is appealable and (ii) either (a) no appeal has been taken from the judgment as of the date on which all times to appeal therefrom have expired, or (b) an appeal or other review proceeding of the judgment having been commenced, such appeal or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for re-hearing en banc, petitions for writ of certiorari, or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the judgment order in its entirety.

1.20. "Final Approval" means the Court's order granting final approval of the Settlement.

1.21. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.22. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.23. "Gross Settlement Amount" means \$420,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses. The Gross Settlement Amount is an all-in amount without any reversion to Defendant and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement Amount and shall be a separate additional obligation of Defendant. Except for these employer payroll taxes, if any, the Gross Settlement Amount shall be the complete and only payment from Defendant to resolve the Action as to all Defendants under the terms set forth herein.

1.24. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Work Weeks worked during the Class Period.

1.25. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the Aggrieved Employee's number PAGA Paychecks.

1.26. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.27. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

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

1.29. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA

1 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
2 Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be
3 paid to Participating Class Members as Individual Class Payments.

4 1.30. "Non-Participating Class Member" means any Class Member who opts out of the
5 Settlement by sending the Administrator a valid and timely Request for Exclusion.

6 1.31. "Notice Packet" means the Class Notice, the Election Not to Participate in
7 Settlement form, the Work Week Dispute form, and the Objection form in English with Spanish
8 translations.

9 1.32. "PAGA Paycheck" means any paycheck an Aggrieved Employee received from
10 Defendant for at least one day worked during the PAGA Period.

11 1.33. "PAGA Period" means the period from May 1, 2023, through the date of
12 preliminary court approval of the settlement.

13 1.34. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

14 1.35. "PAGA Notice" means Plaintiff's April 30, 2024, letter to Defendants and the
15 LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

16 1.36. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from
17 the Gross Settlement Amount, \$25,000, allocated 25% to the Aggrieved Employees (\$6,250.00)
18 and the 75% to LWDA (\$18,750.00) in settlement of PAGA claims.

19 1.37. "Participating Class Member" means a Class Member who does not submit a valid
20 and timely Request for Exclusion from the Settlement.

21 1.38. "Plaintiff" means Melchor Garcia, the named plaintiff in the Action.

22 1.39. "Preliminary Approval" means the Court's Order Granting Preliminary Approval
23 of the Settlement.

24 1.40. "Preliminary Approval Order" means the proposed Order Granting Preliminary
25 Approval of the Class Action and PAGA Settlement.

26 1.41. "Released Class Claims" means all claims, rights, demands, liabilities, and causes
27 of action that are alleged in the operative Complaint of the Action, or which could have been alleged
28 by reason of, or in connection with, any matter or fact set forth or referred to in the operative
Complaint of the Action, including, but not limited to, claims for violation of: (a) California Labor
Code § 510 (unpaid overtime); (b) California Labor Code §§, 1194, 1197, and 1197.1 (unpaid
minimum wages); (c) California Labor Code §§ 226.7, 512(a), (failure to provide meal periods or

pay meal period premiums); (d) California Labor Code §§ 226.7 (failure to authorize and permit rest periods and/or pay rest period premiums); (e) California Labor Code §§ 226(a), 1174(d) (non-compliant wage statements and failure to maintain payroll records); (f) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (g) California Labor Code § 204 (failure to timely pay wages during employment); (h) California Labor Code § 2802 (unreimbursed business expenses); and (i) California Business & Professions Code §§ 17200, et seq. (unlawful business practices).

1.42. “Released PAGA Claims” means all claims for civil penalties under California Labor Code §§ 2698, et seq., that were brought or could reasonably have been brought based on the facts alleged in Plaintiff’s LWDA letter or operative Complaint in the Action during the PAGA Period..

1.43. “Released Parties” means: Defendants and each of their current and former parents, owners, members, subsidiaries, divisions, and affiliated or related persons or entities, and each of their respective officers, directors, employees, partners, shareholders, attorneys, representatives, contractors, consultants, agents, executors, and assigns (collectively, the “Released Parties”).

1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.45. “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail Objections to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 45 calendar days beyond the Response Deadline has expired.

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

1.47. “Work Week” means any week during which a Class Member worked for Defendant as a non-exempt employee for at least one day, during the Class Period.

2. RECITALS.

2.1. On May 7, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for failure to pay overtime wages, failure to pay minimum

1 wages, failure to provide meal periods or compensation in lieu thereof, failure to provide rest
2 periods or compensation in lieu thereof, failure to pay due wages at termination, failure to furnish
3 accurate wage statements, violation of Labor Code section 226(c), violation of Labor Code
4 section 1198.5, violation of Labor Code section 2802, and unfair competition. On July 9, 2024,
5 Plaintiff filed a First Amended Complaint adding a cause of action under the Private Attorney
6 General Act (“PAGA”) for civil penalties under Labor Code section 2699. The First Amended
7 Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendants
8 deny the allegations in the Operative Complaint, deny any failure to comply with the laws
9 identified in in the Operative Complaint and deny any and all liability for the causes of action
alleged.

10 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written
11 notice to Defendants and the LWDA by sending the PAGA Notice.

12 2.3. On June 2, 2025, the Parties participated in an all-day mediation presided over by
13 Gail Glick, Esq., a well-respected mediator with experience in class action and PAGA claims,
14 and after continued settlement discussions with the assistance of Ms. Glick, the Parties were able
to reach a resolution on September 17, 2025 which led to this Agreement to settle the Action.

15 2.4. Prior to and during mediation, Plaintiff obtained, through informal discovery, the
16 number of putative Class Members and Aggrieved Employees, the number of Work Weeks, the
17 number of PAGA Paychecks, average rates of pay of the putative Class Members, sample time
18 records, sample payroll records, written policies, and related information. Plaintiff’s investigation
19 was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
20 (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
116, 129-130 (“*Dunk/Kullar*”).

21 2.5. The Court has not granted class certification.

22 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware
23 of any other pending matter or action asserting claims that will be extinguished or affected by the
Settlement.

24 **3. MONETARY TERMS.**

25 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,
26 Defendant promises to pay Four-Hundred Twenty Thousand Dollars (\$420,000.00) and no more
27 as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed
28

1 on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the
2 Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of
3 this Agreement. The Administrator will disburse the entire Gross Settlement Amount without
4 asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as
a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

5 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
6 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
7 the Court in the Final Approval:

8 3.2.1. To Plaintiff: Class Representative Service Payment to the Class
9 Representative of not more than \$5,000.00 (in addition to any Individual Class Payment and any
10 Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class
11 Member). Defendants will not oppose Plaintiff's request for a Class Representative Service
12 Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment
13 and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
14 Representative Service Payment no later than 16 court days prior to the Final Approval Hearing.
15 If the Court approves a Class Representative Service Payment less than the amount requested, the
16 Administrator will retain the remainder in the Net Settlement Amount. The Administrator will
17 pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full
responsibility and liability for employee taxes owed on the Class Representative Service Payment.

18 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than
19 33.33%, which is currently estimated to be \$140,000.00 and a Class Counsel Litigation Expenses
20 Payment of not more than \$17,500.00. Defendants will not oppose requests for these payments
21 provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion
22 for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16
23 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees
24 Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested,
25 the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties
26 shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to
27 any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment.
28 The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation
Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility

1 and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation
2 Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute
3 or controversy regarding any division or sharing of any of these Payments.

4 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
5 Seven-Thousand Two-Hundred and Fifty Dollars (\$7,250.00) except for a showing of good cause
6 and as approved by the Court. To the extent the Administrator Expenses are less or the Court
7 approves payment less than Seven-Thousand Two-Hundred and Fifty Dollars (\$7,250.00) , the
Administrator will retain the remainder in the Net Settlement Amount.

8 3.2.4. To Each Participating Class Member: An Individual Class Payment
9 calculated by (a) dividing the Net Settlement Amount by the total number of Work Weeks worked
10 by all Participating Class Members during the Class Period and (b) multiplying the result by each
Participating Class Member's Work Weeks.

11 3.2.4.1. Tax Allocation of Individual Class Payments. 10.00% of
12 each Participating Class Member's Individual Class Payment will be allocated to settlement of
13 wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be
14 reported on an IRS W-2 Form. The 90.00% of each Participating Class Member's Individual
15 Class Payment will be allocated to settlement of claims for non-wage damages and interest (the
16 "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be
17 reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability
for any employee taxes owed on their Individual Class Payment.

18 3.2.4.2. Effect of Non-Participating Class Members on Calculation
19 of Individual Class Payments. Non-Participating Class Members will not receive any Individual
20 Class Payments. The Administrator will retain amounts equal to their Individual Class Payments
21 in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

22 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the
23 amount of \$25,000.00 to be paid from the Gross Settlement Amount, with 75% (\$18,750.00)
24 allocated to the LWDA PAGA Payment and 25% (\$6,250.00) allocated to the Individual PAGA
Payments.

25 3.2.5.1. The Administrator will calculate each Individual PAGA Payment
26 by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
27 (\$86,250.00) by the total number of PAGA Paychecks of all Aggrieved Employees but only for
28

1 the time period that the employee performed non-exempt work during the PAGA Period and (b)
2 multiplying the result by each Aggrieved Employee's PAGA Paychecks. Aggrieved Employees
3 assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

4 3.2.5.2. If the Court approves PAGA Penalties of less than the amount
5 requested, the Administrator will allocate the remainder to the Net Settlement Amount. The
6 Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

7 3.4.5.3 Defendant's monetary obligation under this Agreement is limited
8 to the Settlement Sum. Defendant shall not be required to contribute any additional monies above
9 the Settlement Sum under any circumstances whatsoever, other than the employer payroll taxes.
10 Nor shall Defendant be required to pay more than the Settlement Sum to obtain the relief provided
11 in this Agreement or to fully and finally settle and resolve the Class Claims and PAGA Claims
12 against all Defendants. Notwithstanding the above, in the event that this Agreement is voided or
13 nullified, in whole or in part, however that may occur, or the Settlement of the Action is barred
14 by operation of law, or invalidated, or ordered not to be carried out by a Court of competent
15 jurisdiction, Defendant will cease to have any obligation to pay any portion of the Settlement
16 Sum to anyone under the terms of this Agreement.

17 **4. SETTLEMENT FUNDING AND PAYMENTS.**

18 4.1. Class Work Weeks and Aggrieved Employee Paychecks. Based on a review of
19 their records through mediation, Defendants estimate there are 137 Class Members who
20 collectively worked a total of 10,145 Work Weeks, and 82 Aggrieved Employees who received a
21 total 5,113 PAGA Paychecks.

22 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval
23 of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in
24 the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
25 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
26 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
27 employees who need access to the Class Data to effect and perform under this Agreement.
28 Defendants have a continuing duty to immediately notify Class Counsel if they discover that the
Class Data omitted Class Member identifying information and to provide corrected or updated

1 Class Data as soon as reasonably feasible. Without any extension of the deadline by which
2 Defendants must send the Class Data to the Administrator, the Parties and their counsel will
3 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related
4 to missing or omitted Class Data.

5 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross
6 Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll
7 taxes by transmitting the funds to the Administrator no later than Thirty (30) days after the
8 Effective Date.

9 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant
10 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class
11 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
12 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
13 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees
14 Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service
15 Payment shall not precede disbursement of Individual Class Payments and Individual PAGA
16 Payments.

17 4.4.1. The Administrator will issue checks for the Individual Class Payments
18 and/or Individual PAGA Payments and send them to the Class Members and/or Aggrieved
19 Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently
20 state the date (not less than 180 days after the date of mailing) when the check will be voided.
21 The Administrator will cancel all checks not cashed by the void date. The Administrator will
22 send checks for Individual Settlement Payments to all Participating Class Members (including
23 those for whom Notice Packet was returned undelivered). The Administrator will send checks
24 for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class
25 Members who qualify as Aggrieved Employees (including those for whom Notice Packet was
26 returned undelivered). The Administrator may send Participating Class Members a single check
27 combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any
28 checks, the Administrator must update the recipients' mailing addresses using the National
Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all
other Class Members and/or Aggrieved Employees whose checks are returned undelivered

1 without USPS forwarding addresses. Within 7 days of receiving a returned check the
2 Administrator must re-mail checks to the USPS forwarding address provided or to an address
3 ascertained through the Class Member and/or Aggrieved Employee Address Search. The
4 Administrator need not take further steps to deliver checks to Class Members and/or Aggrieved
5 Employees whose re-mailed checks are returned as undelivered. The Administrator shall
6 promptly send a replacement check to any Class Member and/or Aggrieved Employee whose
7 original check was lost or misplaced, requested by the Class Member and/or Aggrieved Employee
prior to the void date.

8 4.4.3. For any Class Member whose Individual Class Payment check is uncashed
9 and cancelled after the void date, the Administrator shall transmit the funds represented by such
10 checks to the California Controller's Unclaimed Property Fund in the name of the Class Member,
11 thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil
Procedure section 284, subd. (b).

12 4.4.4. For any Aggrieved Employee whose Individual PAGA Payment check is
13 uncashed and cancelled after the void date, the Administrator shall transmit the funds represented
14 by such checks to the California Controller's Unclaimed Property Fund in the name of the
15 Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of
16 California Code of Civil Procedure Section 384, subd. (b).

17 4.4.5. No Credit Toward Benefit Plans. The Individual Settlement Payments
18 made to Participating Class Members and/or Aggrieved Employees under this Settlement, as well
19 as any other payments made pursuant to this Settlement, will not be utilized to calculate any
20 additional benefits under any benefit plans to which any Class Members and/or Aggrieved
21 Employees may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
22 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
23 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
contributions, or amounts to which any Class Members and/or Aggrieved Employees may be
entitled under any benefit plans.

24 **5. [OMITTED]**

25 **6. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire
26 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the
27 Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees and Class Counsel
28

1 will release claims against all Released Parties as follows:

2 6.1 Plaintiff's Release. Plaintiff and his respective former and present spouse(s) (if
3 applicable), representatives, agents, attorneys, heirs, administrators, successors, and assigns
4 generally, release and discharge Released Parties from all claims, transactions, or occurrences
5 that occurred during the Class Period, including, but not limited to: (a) all claims that were, or
6 reasonably could have been, alleged, based on the facts contained, in the Operative Complaint
7 and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts
8 contained in the Operative Complaint, Plaintiffs' PAGA Notice, or ascertained during the Action
9 and released under 6.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any
10 claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment
11 benefits, disability benefits, social security benefits, workers' compensation benefits that arose at
12 any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff
13 may discover facts or law different from, or in addition to, the facts or law that Plaintiff now
14 knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain
effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery
of them.

15 6.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For
16 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,
17 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

22 6.1.2 Release by Participating Class Members: All Participating Class
23 Members, on behalf of themselves and their respective former and present representatives
24 agents, attorneys, heirs administrators, successors, and assigns, release Released Parties
25 from all claims, rights, demands, liabilities, and causes of action that are alleged in the
26 operative Complaint, or which could have been alleged by reason of, or in connection
27 with, any matter or fact set forth or referred to in the operative Complaint, including claims
28

for violation of: (a) California Labor Code § 510 (unpaid overtime); (b) California Labor Code §§, 1194, 1197, and 1197.1 (unpaid minimum wages); (c) California Labor Code §§ 226.7, 512(a), (failure to provide meal periods); (d) California Labor Code §§ 226.7 (failure to authorize and permit rest periods); (e) California Labor Code §§ 226(a), 1174(d) (non-compliant wage statements and failure to maintain payroll records); (f) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (g) California Labor Code § 204 (failure to timely pay wages during employment); (h) California Labor Code § 2802 (unreimbursed business expenses); and (i) California Business & Professions Code §§ 17200, et seq. (unlawful business practices); and (j) California Business & Professions Code §§ 17200, et seq. (unfair business practices) (“Released Class Claims.”).

6.2 Release of PAGA Claims: Plaintiff and the Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all Released PAGA Claims.

7. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

7.1 OMITTED

7.2 Plaintiff’s Responsibilities. Class Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Notice Packet; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff,

Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

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

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

8. SETTLEMENT ADMINISTRATION.

8.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agree to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration

1 Expenses. The Parties and their Counsel represent that they have no interest or relationship,
2 financial or otherwise, with the Administrator other than a professional relationship arising out of
3 prior experiences administering settlements.

4 8.2 Employer Identification Number. The Administrator shall have and use its own
5 Employer Identification Number for purposes of calculating payroll tax withholdings and
6 providing reports state and federal tax authorities.

7 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund
8 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
9 Regulation section 468B-1.

10 8.4 Notice to Class Members.

11 8.4.1 No later than three (3) business days after receipt of the Class Data, the
12 Administrator shall notify Class Counsel that the list has been received and state the number of
13 Class Members, PAGA Members, Work Weeks, and PAGA Paychecks in the Class Data.

14 8.4.2 Using best efforts to perform as soon as possible, and in no event later than
15 14 days after receiving the Class Data, the Administrator will send to all Class Members identified
16 in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Notice Packet
17 with Spanish translation, if applicable. The first page of the Class Notice shall prominently
18 estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment
19 payable to the Class Member, and the number of Work Weeks and PAGA Paychecks (if applicable)
20 used to calculate these amounts. Before mailing Notice Packets, the Administrator shall update
21 Class Member addresses using the National Change of Address database.

22 8.4.3 Not later than 3 business days after the Administrator’s receipt of any
23 Notice Packet returned by the USPS as undelivered, the Administrator shall re-mail the Notice
24 Packet using any forwarding address provided by the USPS. If the USPS does not provide a
25 forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail
26 the Notice Packet to the most current address obtained. The Administrator has no obligation to
27 make further attempts to locate or send Notice Packet to Class Members whose Notice Packet is
28 returned by the USPS a second time.

8.4.4 The deadlines for Class Members’ written objections, Challenges to Work
Weeks and/or PAGA Paychecks (disputes), and Requests for Exclusion will be extended an
additional 45 days beyond the 60 days otherwise provided in the Class Notice for all Class

1 Members whose notice is re-mailed. The Administrator will inform the Class Member of the
2 extended deadline with the re-mailed Notice Packet.

3 8.4.5 If the Administrator, Defendants or Class Counsel is contacted by or
4 otherwise discovers any persons who believe they should have been included in the Class Data
5 and should have received Notice Packet, the Parties will expeditiously meet and confer in person
6 or by telephone, and in good faith, in an effort to agree on whether to include them as Class
7 Members. If the Parties agree, such persons will be Class Members entitled to the same rights as
8 other Class Members, and the Administrator will send, via email or overnight delivery, a Class
9 Notice requiring them to exercise options under this Agreement not later than 14 days after receipt
of Class Notice, or the deadline dates in the Class Notice, which ever are later.

10 8.5 Requests for Exclusion (Opt-Outs).

11 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
12 Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
13 Exclusion not later than 60 days after the Administrator mails the Notice Packet (plus an
14 additional 45 days for Class Members whose Notice Packet is re-mailed). A Request for
15 Exclusion is a letter from a Class Member or their representative that reasonably communicates
16 the Class Member's election to be excluded from the Settlement and includes the Class Member's
17 name, address and email address or telephone number. To be valid, a Request for Exclusion must
be timely faxed, emailed, or postmarked by the Response Deadline. An Election Not to Participate
in Settlement form may be used for this purpose but is not required.

18 8.5.2 The Administrator may not reject a Request for Exclusion as invalid
19 because it fails to contain all the information specified in the Class Notice. The Administrator
20 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the
21 identity of the person as a Class Member and the Class Member's desire to be excluded. The
22 Administrator's determination shall be final and not appealable or otherwise susceptible to
23 challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion,
24 the Administrator may demand additional proof of the Class Member's identity. The
25 Administrator's determination of authenticity shall be final and not appealable or otherwise
susceptible to challenge.

26 8.5.3 Every Class Member who does not submit a timely and valid Request for
27 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all
28

benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Section 6 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Aggrieved Employees are eligible for an Individual PAGA Payment.

8.6 Challenges to Calculation of Work Weeks. Each Class Member shall have 60 days after the Administrator mails the Notice Packet (plus an additional 45 days for Class Members whose Notice Packet is re-mailed) to challenge the number of Class Work Weeks and PAGA Paychecks (if any) allocated to the Class Member in the Class Notice. This is also known as a dispute. A Work Week Dispute form may be used for this purpose but is not required. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Work Weeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Work Weeks and/or PAGA Paychecks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Work Weeks and/or PAGA Paychecks to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

8.7 Objections to Settlement.

8.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payments.

8.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Notice

1 Packet (plus an additional 45 days for Class Members whose Notice Packet was re-mailed). An
2 The Objection form may be used for this purpose but is not required.

3 8.7.3 Non-Participating Class Members have no right to object to any of the class
4 action components of the Settlement.

5 8.8 Administrator Duties. The Administrator has a duty to perform or observe all
6 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7 8.8.1 Website, Email Address and Toll-Free Number. The Administrator will
8 establish and maintain and use an internet website to post information of interest to Class
9 Members including the date, time and location for the Final Approval Hearing and copies of the
10 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Notice
11 Packet, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class
12 Counsel Litigation Expenses Payment and Class Representative Service Payments, the Final
13 Approval and the Judgment. The Administrator will also maintain and monitor an email address
14 and a toll-free telephone number to receive Class Member calls, faxes and emails.

15 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
16 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not
17 later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the
18 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
19 and other identifying information of Class Members who have timely submitted valid Requests
20 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class
21 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
22 Exclusion from Settlement submitted (whether valid or invalid).

23 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide
24 written reports to Class Counsel and Defense Counsel that, among other things, tally the number
25 of: Notice Packets mailed or re-mailed, Notice Packets returned undelivered, Requests for
26 Exclusion (whether valid or invalid) received, objections received, challenges to Work Weeks
27 and/or PAGA Paychecks received and/or resolved, and checks mailed for Individual Class
28 Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include
provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies
of all Requests for Exclusion and objections received.

8.8.4 Work Week and/or PAGA Paycheck Challenges. The Administrator must

1 encourage the challenging Class Member to submit supporting documentation. In the absence of
2 any contrary documentation, the Administrator is entitled to presume that the Work Weeks
3 contained in the Class Notice are correct so long as they are consistent with the Class Data. The
4 Administrator's determination of each Class Member's allocation of Work Weeks and/or PAGA
5 Paychecks shall be final and not appealable or otherwise susceptible to challenge. The
6 Administrator shall promptly provide copies of all challenges to calculation of Work Weeks
7 and/or PAGA Paychecks to Defense Counsel and Class Counsel and the Administrator's
determination the challenges. .

8 8.8.5 Administrator's Declaration. Not later than 14 days before the date by
9 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
10 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
11 for filing in Court attesting to its due diligence and compliance with all of its obligations under
12 this Agreement, including, but not limited to, its mailing of the Notice Packets, the Notice Packets
13 returned as undelivered, the re-mailing of Notice Packets, attempts to locate Class Members, the
14 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
15 number of written objections and attach the Exclusion List. The Administrator will supplement
16 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
for filing the Administrator's declaration(s) in Court.

17 8.8.6 Final Report by Administrator. Within 10 days after the Administrator
18 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
19 and Defense Counsel with a final report detailing its disbursements by employee identification
20 number only of all payments made under this Agreement. At least 15 days before any deadline
21 set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
22 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
23 payments required under this Agreement. Class Counsel is responsible for filing the
24 Administrator's declaration in Court.

25 **9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on their records,
26 Defendants estimate that, as of the date of mediation, (1) there are 137 Class Members and 10,145
27 Total Work Weeks during the Class period and (2) there were 82 Aggrieved Employees who
28 received 5,113 PAGA Paychecks during the PAGA Period. If the Work Weeks through the date
the Court preliminarily approves settlement, exceeds the referenced 10,145 Work Weeks by more

1 than 10.00%, the Gross Settlement Amount, including the Class Counsel Fees Payment, the Class
2 Representative Service Payments, and the LWDA payment, will increase proportionally
3 according to the number of additional Work Weeks or Class Members, whichever results in a
4 higher increase in the Gross Settlement Amount. Alternatively, Defendant may elect to shorten
the Class Period on a date that will ensure no more than 11,159 Work Weeks are included.

5 **10. DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for
6 Exclusion identified in the Exclusion List exceeds 10.00% of the total of all Class Members,
7 Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties
8 agree that, if Defendants withdraw, the Settlement shall be void *ab initio*, have no force or effect
9 whatsoever, and that neither Party will have any further obligation to perform under this
10 Agreement; provided, however, Defendants will remain responsible for paying all Settlement
11 Administration Expenses incurred to that point. Defendants must notify Class Counsel and the
12 Court of their election to withdraw not later than 7 days after the Administrator sends the final
Exclusion List to Defense Counsel; late elections will have no effect.

13 **11. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared
14 Final Approval Hearing, Plaintiffs will file in Court a motion for final approval of the Settlement
15 that includes a request for approval of the PAGA settlement under Labor Code section 2699,
16 subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for
17 Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later
18 than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel
19 will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any
disagreements concerning the Motion for Final Approval.

20 11.1 Response to Objections. Each Party retains the right to respond to any objection
21 raised by a Participating Class Member, including the right to file responsive documents in Court
22 no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
by the Court.

23 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
24 Approval on any material change to the Settlement (including, but not limited to, the scope of
25 release to be granted by Class Members), the Parties will expeditiously work together in good
26 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
27 Approval. The Court's decision to award less than the amounts requested for the Class
28

1 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
2 Expenses Payment and/or Administrator Expenses Payment shall not constitute a material
3 modification to the Agreement within the meaning of this paragraph.

4 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of
5 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
6 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

7 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms
8 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
9 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
10 respective counsel, and all Participating Class Members who did not object to the Settlement as
11 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
12 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
13 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
14 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
15 Parties' obligations to perform under this Agreement will be suspended until such time as the
16 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
the amount of the Net Settlement Amount.

17 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If
18 the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
19 material modification of this Agreement (including, but not limited to, the scope of release to be
20 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
21 expeditiously work together in good faith to address the appellate court's concerns and to obtain
22 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
23 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
24 the Court's award of the Class Representative Service Payments or any payments to Class
Counsel shall not constitute a material modification of the Judgment within the meaning of this
paragraph, as long as the Gross Settlement Amount remains unchanged.

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

1 **13. ADDITIONAL PROVISIONS.**

2 13.1 No Admission of Liability, Class Certification or Representative Manageability
3 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants
6 have any liability for any claims asserted; nor should it be intended or construed as an admission
7 by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class
8 certification and representative treatment is for purposes of this Settlement only. If, for any reason
9 the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
10 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
11 available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class
12 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
13 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be
admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
Settlement and this Agreement).

14 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
15 Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval
16 of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or
17 cause or permit another person to disclose, disseminate or publicize, any of the terms of the
18 Agreement directly or indirectly, specifically or generally, to any person, corporation, association,
19 government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses,
20 all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter;
21 (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a
22 court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
government agency.

23 Each Party agrees to immediately notify each other Party of any judicial or agency
24 order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and
25 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
26 communication, before the filing of the Motion for Preliminary Approval, with any third party
27 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
28 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's

1 communications with Class Members in accordance with Class Counsel's ethical obligations
2 owed to Class Members.

3 13.3 No Solicitation. The Parties separately agree that they and their respective
4 counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,
5 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
6 Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical
7 obligations owed to Class Members.

8 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
9 Agreement shall constitute the entire agreement between the Parties relating to the Settlement,
10 superseding any and all oral representations, warranties, covenants, or inducements made to or
11 by any Party.

12 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant
13 and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all
14 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
15 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
16 terms of this Agreement including any amendments to this Agreement.

17 13.6 Cooperation. The Parties and their counsel will cooperate with each other and
18 use their best efforts, in good faith, to implement the Settlement by, among other things,
19 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
20 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
21 the form or content of any document necessary to implement the Settlement, or on any
22 modification of the Agreement that may become necessary to implement the Settlement, the
23 Parties will seek the assistance of a mediator and/or the Court for resolution.

24 13.7 No Prior Assignments. The Parties separately represent and warrant that they
25 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
26 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
27 action, or right released and discharged by the Party in this Settlement.

28 13.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense
Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
Settlement be relied upon as such within the meaning of United States Treasury Department
Circular 230 (31 CFR Part 10, as amended) or otherwise.

1 13.9 Modification of Agreement. This Agreement, and all parts of it, may be
2 amended, modified, changed, or waived only by an express written instrument signed by all
3 Parties or their representatives, and approved by the Court.

4 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and
5 inure to the benefit of, the successors of each of the Parties.

6 13.11 Applicable Law. All terms and conditions of this Agreement will be governed by
7 and interpreted according to the internal laws of the state of California, without regard to conflict
8 of law principles.

9 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and
10 preparation of this Agreement. This Agreement will not be construed against any Party on the
11 basis that the Party was the drafter or participated in the drafting.

12 13.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
13 entered during Action and in this Agreement relating to the confidentiality of information shall
14 survive the execution of this Agreement.

15 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant
16 to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class
17 Counsel by Defendants in connection with the mediation, other settlement negotiations, or in
18 connection with the Settlement, may be used only with respect to this Settlement, and no other
19 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
20 or rule of court. Not later than 90 days after the date when the Court discharges the
21 Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement
22 funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from
23 Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants
24 make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

25 13.15 Headings. The descriptive heading of any section or paragraph of this Agreement
26 is inserted for convenience of reference only and does not constitute a part of this Agreement.

27 13.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement
28 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
weekend or federal legal holiday, such date or deadline shall be on the first business day
thereafter.

 13.17 No Publicity. Plaintiff and Class Counsel will not (a) issue any press or other

1 media release, (b) initiate any contact with the press, other media (including social media), or any
2 third party, (c) respond to any inquiry from the press, or media, or (d) have any communication
3 with the press, other media about the Action, including, but not limited to the fact, amount, and/or
4 terms of the Settlement, either before or after the Court approves this Agreement. Plaintiff and
5 Class Counsel agree to keep the terms of the Settlement confidential, except as reasonably
6 necessary to obtain judicial approval of the Settlement, including as appropriate in the Parties'
anticipated Joint Motion.

7 To the extent limited public disclosures are required to effectuate the Settlement
8 or to notify the courts or parties in any pending, related proceeding, such limited and necessary
9 details may be revealed with the consent of all Parties. However, any such disclosures shall not
10 constitute a waiver of confidentiality with respect to any information not publicly disclosed.

11 13.18 Notice. All notices, demands or other communications between the Parties in
12 connection with this Agreement will be in writing and deemed to have been duly given as of the
13 third business day after mailing by United States mail, or the day sent by email or messenger,
14 addressed as follows:

15 To Plaintiff:

16 Orion S. Robinson, Esq.
17 Robinson Di Lando, A Professional Law Corporation
18 801 South Grand Avenue
Suite 500
Los Angeles, CA 90017
orobinson@rdwlaw.com

19 To Defendant:

20 Michele Collender, Esq.
21 Atkinson, Andelson, Loya, Ruud & Romo
22 12800 Center Court Drive South, Suite 300
Cerritos, CA 90703
Michele.collender@aalrr.com

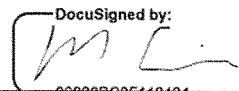
23
24 13.19 Execution in Counterparts. This Agreement may be executed in one or more
25 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
26 Agreement shall be accepted as an original. All executed counterparts and each of them will be
27 deemed to be one and the same instrument if counsel for the Parties will exchange between
28

1 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
2 the existence and contents of this Agreement.

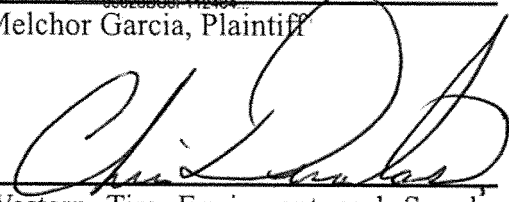
3 13.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement
4 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
5 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
6 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
7 process.

8 13.21 Court's Continuing Jurisdiction. The Parties agree that the Court shall reserve
9 jurisdiction to enforce the terms and conditions of the settlement pursuant to Code of Civil
10 Procedure section 664.6 and California Rules of Court 3.769(h).

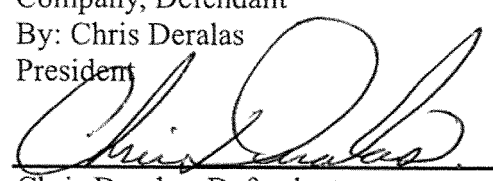
11 Dated: December ⁹ __, 2025

By: 
DocuSigned by:
Melchor Garcia, Plaintiff

13 Dated: December __, 2025

By: 
Western Tire Equipment and Supply
Company, Defendant
By: Chris Deralas
President

17 Dated: December 29, 2025

By: 
Chris Deralas, Defendant

19 Dated: December __, 2025

By: _____
Manuel Manos, Defendant

21 **APPROVED AS TO FORM**

22 ROBINSON DI LANDO

24 Dated: December ⁹ __, 2025

By: 
Orion S. Robinson, Attorneys for
Plaintiff,

themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

13.21 Court's Continuing Jurisdiction. The Parties agree that the Court shall reserve jurisdiction to enforce the terms and conditions of the settlement pursuant to Code of Civil Procedure section 664.6 and California Rules of Court 3.769(h).

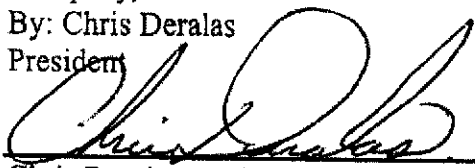
Dated: December ⁹ __, 2025

By: 
Melchor Garcia, Plaintiff

Dated: December __, 2025

By: _____
Western Tire Equipment and Supply
Company, Defendant
By: Chris Deralas
President

Dated: December 29, 2025

By: 
Chris Deralas, Defendant

Dated: December __, 2025

By: 
Manuel Manos, Defendant

APPROVED AS TO FORM

ROBINSON DI LANDO

Dated: December 9, 2025

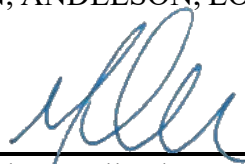
By: 
Orion S. Robinson, Attorneys for
Plaintiff,

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Dated: January 20, 2026

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

By:


Michele Collender, Attorneys for
Defendants