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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **COUNTY OF SAN JOAQUIN**

12 **LESLIE ORTEGA, Individually and on**
13 **Behalf of Others Similarly Situated,**
14 **Plaintiff,**
15 **vs.**
16 **A&A INVESTMENTS AND AUTO**
17 **SERVICE, INC.; and DOES 1-50,**
18 **inclusive,**
19 **Defendants.**

20 **Case No.: STK-CV-UOE-2022-10434**
21 **CLASS ACTION SETTLEMENT**
22 **AGREEMENT AND RELEASE**

1 WHEREAS, the Parties desire to fully, finally, and forever settle, compromise, and discharge
2 all disputes and claims that exist between them arising from the factual allegations that underlie the
3 Action concerning any and all claims asserted.

4 NOW, THEREFORE, to achieve a full and complete release of the claims against Defendant
5 (and the “Released Parties” as defined in this Agreement), the Plaintiff and Participating Settlement
6 Class Members, as defined in this Agreement (which include any legal heirs and/or successors-in-
7 interest of all Participating Settlement Class Members), through execution of the Agreement,
8 acknowledge that this Settlement Agreement is intended to include in its effect the entirety of the
9 Released Claims, as more fully described in Paragraphs 24 and 50 of this Agreement.

10 II. DEFINITIONS

11 In addition to the terms defined elsewhere in this Settlement Agreement, capitalized terms used
12 in this Settlement Agreement shall have the meanings set forth below:

13 1. “Action” means *Ortega v. A&A Investments & Auto Service, Inc., et al.* (Case No. STK-
14 CV-UOE-2022-10434).

15 2. “Attorneys’ Fees and Costs” means attorneys’ fees sought by Class Counsel for
16 litigation and resolution of the Action, and all reasonable costs incurred by Class Counsel in the Action
17 as outlined in this Agreement. Subject to review and approval by the Court, Class Counsel has
18 indicated that they intend to seek attorneys’ fees of not more than one third (1/3) of the Gross Settlement
19 Fund, or Twenty Thousand Dollars (\$20,000.00) plus reasonable costs and expenses in an amount not
20 to exceed Six Thousand Dollars (\$6,000.00), which shall be paid from the Gross Settlement Fund.

21 3. “Class Counsel” means and includes Vladimir J. Kozina, William J. Gorham, III, and
22 Robert J. Wassermann of Mayall Hurley, P.C.

23 4. “Class Counsel Award” means any attorneys’ fees, expenses, or costs awarded to Class
24 Counsel by the Court.

25 5. “Class List” means a confidential list of all Settlement Class Members that Defendant
26 will diligently and in good faith compile from its records and provide to the Settlement Administrator
27 within thirty (30) calendar days after entry of an order granting Preliminary Approval of this
28 Settlement. The Class List will include, to the extent available from Defendant’s records, each Class

1 Member's full name; most recent mailing address, and telephone number contained in Defendants'
2 personnel records; Social Security number; dates of employment; the number of "weeks worked" or
3 "workweeks" that each Class Member worked during the Class Period according to Defendant's
4 records; and any other information needed to calculate Individual Settlement Payments. The data
5 provided to the Settlement Administrator will be treated as confidential and will not be disclosed to
6 anyone, except as may be required to applicable tax authorities, pursuant to Defendant's express written
7 consent, by order of the Court, or to carry out the reasonable steps described in this Settlement to locate
8 missing Settlement Class Members. The data provided to the Settlement Administrator will not be
9 shared with Class Counsel.

10 6. "Class Period" means the period from September 6, 2019, through October 6, 2022.

11 7. "Class Representative Enhancement Payment" means the amounts to be paid to
12 Plaintiff, subject to final approval by the Court, in recognition of her effort and work in prosecuting the
13 Action on behalf of Settlement Class Members. Subject to the Court granting final approval of this
14 Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff has stated that she
15 will request Court approval of a Class Representative Enhancement Payment of Two Thousand Five
16 Hundred Dollars (\$2,500.00).

17 8. "Court" means the Superior Court of California for the County of San Joaquin.

18 9. "Defendant" means A&A Investments & Auto Service.

19 10. "Effective Date" means the later of: (i) if no timely objections are filed, or if filed, are
20 withdrawn prior to final approval, the date upon which the Court enters an order granting Final
21 Approval of the Settlement Agreement; or (ii) if timely objections are filed and not withdrawn, then
22 either (a) the 60th calendar day after a signed order granting final approval of this settlement has been
23 filed provided no notice of appeal has been filed; or (b) the seventh calendar day after any appeal
24 opposing the settlement has been finally dismissed with no material change to the terms of this
25 settlement and there is no right to pursue further remedies or relief, whichever is later.

26 11. "Final Approval" means the entry of an order that Plaintiff and Defendant will jointly
27 seek from the Court, and the entry of which shall reflect the Court's Judgment finally approving the
28 Settlement Agreement.

1 12. “Final Approval Hearing” means the hearing that is to take place after the entry of the
2 Preliminary Approval Order and after the date the Settlement Administrator sends Notice Packets to
3 Settlement Class Members for purposes of: (i) entering Final Approval; (ii) determining whether the
4 Settlement Agreement shall be approved as fair, reasonable, and adequate; and (iii) ruling upon an
5 application by Class Counsel for Attorneys’ Fees and Costs and Plaintiff’s Class Representative
6 Enhancement Payment.

7 13. “Funding Date” means September 1, 2025.

8 14. “Gross Settlement Fund” means the non-reversionary amount of Sixty Thousand
9 Dollars (\$60,000.00), to be paid by Defendant in full satisfaction of all Released Claims, which
10 includes all Individual Settlement Payments to Participating Settlement Class Members, Participating
11 Settlement Class Members’ shares of applicable payroll tax payments (including FICA, FUTA, and
12 SDI contributions), if any, the Class Representative Enhancement Payment to Plaintiff, Attorneys’ Fees
13 and Costs, and Settlement Administration Costs. In addition to the amount provided as part of the
14 Gross Settlement Fund, Defendant agrees to pay the employer’s share of applicable payroll tax
15 payments (“Employer’s Payroll Tax Payments”), if any. Other than the Employer’s Payroll Tax
16 Payments, if any, in no event will Defendant be liable in the Action for more than the Gross Settlement
17 Fund set forth in this Paragraph, except as to the settlement of Plaintiff’s individual claims. At this
18 time, the Parties anticipate that payroll taxes will not apply to the payments described herein.

19 15. “Individual Settlement Payment” means each Participating Settlement Class Member’s
20 respective share of the Net Settlement Amount.

21 16. “Plaintiff” means Leslie Ortega.

22 17. “Net Settlement Amount” means the portion of the Gross Settlement Fund remaining
23 after deducting the Class Representative Enhancement Payment, the Class Counsel Award, and the
24 Settlement Administration Costs. The entirety of the Net Settlement Amount will be distributed to
25 Participating Settlement Class Members pro rata, on a per “weeks worked” or “workweek” basis. There
26 will be no reversion of the Net Settlement Amount to Defendant.

27 18. “Notice of Objection” means a Settlement Class Member’s valid and timely written
28 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the

1 objector’s full name, address, and signature; (ii) the case name and case number; (iii) a written
2 statement of the grounds for the objection; and (iv) a statement whether the objector intends to appear
3 at the Final Approval Hearing. Unless the Court orders otherwise, any Settlement Class Member who
4 does not submit a timely written objection to the Settlement, who fails to appear at the Final Approval
5 Hearing to lodge his or her objection, or who fails to otherwise comply with the requirements of this
6 Paragraph, will be foreclosed from objecting to the Settlement and seeking any adjudication or review
7 of the Settlement, by appeal or otherwise.

8 19. “Notice Packet” or “Class Notice” means the Notice of Class Action Settlement,
9 substantially in the form attached as **Exhibit A**.

10 20. “Participating Settlement Class Members” means all Settlement Class Members who do
11 not submit timely and valid Requests for Exclusion.

12 21. “Parties” means Plaintiff and Defendants, collectively.

13 22. “Preliminary Approval” means the Court order granting preliminary approval of this
14 Settlement Agreement.

15 23. “Qualified Settlement Fund” means a fund, account, or trust satisfying the requirements
16 of 26 C.F.R. § 1.468B-1, established by the Settlement Administrator for the purpose of distributing
17 the Gross Settlement Fund according to the terms of this Settlement Agreement.

18 24. “Released Class Claims” means all claims, actions, demands, causes of action, suits,
19 debts, obligations, demands, rights, liabilities, or legal theories of relief, that are based on the facts and
20 legal theories asserted on behalf of the putative class in the operative complaint of the Action, or which
21 relate to the primary rights asserted in the operative complaint on behalf of the putative class, including
22 without limitation claims for: (1) failure to furnish accurate itemized wage statements in violation of
23 Labor Code section 226(a), and (2) failure to pay all wages at cessation of employment in violation of
24 Labor Code sections 201, 202, and 203. The period of the Released Class Claims shall extend to the
25 limits of the Class Period. The res judicata effect of the Judgment will be the same as that of the
26 Release.

27 25. “Released Parties” means Defendant and each of its past, present, and/or future, direct,
28 and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,

1 insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates,
2 divisions, predecessors, successors, assigns, and joint ventures.

3 26. “Request for Exclusion” means a letter timely submitted by a Settlement Class Member
4 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth
5 the name and address of the Settlement Class Member requesting exclusion; (ii) include the case name
6 and case number (iii) be signed by the Settlement Class Member; (iv) be returned to the Settlement
7 Administrator; (v) clearly state that the Settlement Class Member does not wish to be included in the
8 Settlement; and (vi) be faxed or postmarked on or before the Response Deadline.

9 27. “Response Deadline” means the deadline by which Settlement Class Members must
10 postmark or fax to the Settlement Administrator Requests for Exclusion, Notices of Objection, or
11 disputes as to workweeks. The Response Deadline will be forty-five (45) calendar days from the initial
12 mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) day falls on
13 a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on
14 which the U.S. Postal Service is open.

15 28. “Settlement Administration Costs” means the reasonable fees and expenses payable
16 from the Gross Settlement Fund to the Settlement Administrator for administering this Settlement,
17 including, but not limited to, printing, distributing, and tracking forms for this Settlement, calculating
18 estimated amounts per Settlement Class Member, tax reporting, Gross Settlement Fund, and Class
19 Counsel Award, providing necessary reports and declarations, and other duties and responsibilities set
20 forth herein to process this Settlement, as requested by the Parties. The Parties have agreed to allocate
21 up to \$5,000.00 to Settlement Administration Costs. The Settlement Administration Costs will be paid
22 from the Gross Settlement Fund. In the event the allocated Settlement Administration Costs exceed
23 the actual costs incurred by the Settlement Administrator, the difference shall be a part of the Net
24 Settlement Amount and distributed to the Participating Settlement Class Members.

25 29. “Settlement Administrator” means Atticus Administration, LLC, which the Parties have
26 agreed to, subject to approval by the Court for the purposes of administering this Settlement. The
27 Parties each represent that they do not have any financial interest in the Settlement Administrator or
28 otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

1 17. Defendant maintains no reversionary right to any portion of the Net Settlement Amount, including
2 any increase in the Net Settlement Amount resulting from a reduction in the Class Representative
3 Enhancement Payment, Class Counsel Award, and/or the Settlement Administration Costs. If there
4 are any timely submitted opt outs or a reduction in the Class Representative Enhancement Payment,
5 Class Counsel Award, and/or the Settlement Administration Costs, the Settlement Administrator shall
6 proportionately increase the Individual Settlement Payments for each Participating Settlement Class
7 Member so that the amount actually distributed to Participating Settlement Class Members equals one
8 hundred percent (100%) of the corresponding Net Settlement Amount. If the amount of the Employer's
9 Payroll Tax Payment is overestimated, however, funds equivalent to the overestimated amount shall
10 revert to Defendants. At this time, the Parties anticipate that payroll taxes will not apply to the payments
11 described herein.

12 34. Attorneys' Fees and Costs. Class Counsel shall apply to the Court for attorneys' fees
13 of not more than one-third (1/3) of the Gross Settlement Fund, or Twenty Thousand Dollars
14 (\$20,000.00) plus reasonable costs and expenses in an amount not to exceed Six Thousand Dollars
15 (\$6,000.00) subject to proof by Class Counsel. The Settlement Administrator (and not Defendant) shall
16 issue an IRS Form 1099 to Class Counsel reflecting the Class Counsel Award.

17 35. Class Representative Enhancement Payment. In exchange for general releases of all
18 known and unknown claims that she may have against Defendant and Released Parties based on her
19 employment with Defendant (including a waiver of claims under Civil Code section 1542), and in
20 recognition of her service to the class, Plaintiff shall apply for a Class Representative Enhancement
21 Payment of Two Thousand Five Hundred Dollars (\$2,500.00). The Class Representative Enhancement
22 Payment will be paid from the Gross Settlement Fund and will be in addition to Plaintiff's Individual
23 Settlement Payment paid pursuant to the Settlement Agreement. The Settlement Administrator (and
24 not Defendants) shall issue an IRS Form 1099 to Plaintiff reflecting her Class Representative
25 Enhancement Payment. Plaintiff agrees to assume responsibility for remitting to the Internal Revenue
26 Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts to be
27 deduced by law, if any, from her Class Representative Enhancement Payment. In addition, Plaintiff
28 shall hold Defendant and the Released Parties harmless and indemnify and defend Defendant and the

1 Released Parties for all taxes, interest, penalties, and costs incurred by Defendant or the Released
2 Parties in connection with any claims relating to their non-withholding of taxes from the Class
3 Representative Enhancement Payment.

4 36. Individual Settlement Agreement. Plaintiff has also separately agreed to settle her
5 separate, individual claims. The specific terms of this settlement were negotiated separately and apart
6 from this Settlement Agreement, will be paid from separate funds, and are memorialized in the Parties'
7 Individual Settlement Agreement. The Class will be apprised of the existence of the Individual
8 Settlement Agreement.

9 37. Settlement Administration Costs. The Settlement Administrator will be paid for the
10 reasonable costs it incurs for purposes of administering the Settlement and distributing payments from
11 the Gross Settlement Fund. These costs, which will be paid from the Gross Settlement Fund, will
12 include, inter alia, calculating, paying, and reporting the required tax payments on the Individual
13 Settlement Payments, if any; the issuing and collection of IRS Forms; distributing Notice Packets;
14 processing Requests for Exclusion, Notices of Objection, and workweek disputes; performing skip
15 trace on Notice Packets returned as undeliverable; calculating and distributing from the Gross
16 Settlement Fund all Individual Settlement Payments, Class Representative Enhancement Payments,
17 and the Class Counsel Award; and providing necessary reports and declarations, among other tasks that
18 the parties may agree upon or as set forth in this Agreement.

19 38. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
20 Participating Settlement Class Members as provided in Paragraphs 17 and 39. No portion of the Net
21 Settlement Amount will revert to or be retained by Defendants.

22 39. Individual Settlement Payment Calculations. Individual Settlement Payments will be
23 calculated and apportioned on a pro rata basis from the Net Settlement Amount to Settlement Class
24 Members who do not opt out depending on the number of "weeks worked" or "workweeks" (defined
25 as any calendar week during the Class Period) in which a Settlement Class Member performed at least
26 one day of work for Defendant. Settlement Class Members do not need to submit a claim to participate
27 and receive their Individual Settlement Payment.
28

1 40. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
2 Participating Settlement Class Members, as well as any other payments made pursuant to this
3 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which
4 any Settlement Class Members may be eligible, including, but not limited to, profit-sharing plans,
5 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any
6 other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any
7 rights, contributions, or amounts to which any Settlement Class Members may be entitled under any
8 benefit plans. For the avoidance of doubt, no Settlement Class Member shall be entitled to any
9 additional right, contribution, or amount under any benefit plan as a result of this Settlement or
10 payments made hereunder.

11 41. Administration Process. The Parties agree to cooperate in the administration of the
12 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred
13 in the administration of the Settlement.

14 42. Preparation of the Class List. Within fifteen (15) calendar days of the entry of the
15 Court's order granting Preliminary Approval, Defendant will provide the Class List to the Settlement
16 Administrator. Within fifteen (15) calendar days after the Response Deadline, the Settlement
17 Administrator will provide to counsel for Defendant the list of Participating Settlement Class Members,
18 which, unless the Court orders otherwise, shall exclude individuals who filed a timely Request for
19 Exclusion.

20 43. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days after receiving the
21 Class List from Defendant, the Settlement Administrator will send a Notice Packet to all Settlement
22 Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
23 identified in the Class List.

24 44. Confirmation of Contact Information in the Class Lists and Resending Notices Where
25 Initial Notice is Returned as Non-Deliverable. Prior to the initial distribution of Notice Packets, the
26 Settlement Administrator will perform a search based on the National Change of Address Database for
27 information to update and correct any known or identifiable address changes for those Settlement Class
28 Members who do not have a mailing address included in the Class List. Notice Packets sent via regular

1 First-Class U.S. Mail and returned to the Settlement Administrator as non-deliverable on or before the
2 Response Deadline, will be sent promptly via regular First-Class U.S. Mail within five (5) business
3 days of receipt to any forwarding address affixed thereto and the Settlement Administrator will indicate
4 the date of such remailing on the Notice Packet. If no forwarding address is provided, the Settlement
5 Administrator will promptly attempt to determine the correct address using a skip-trace or other search
6 using the name, address, and/or Social Security number of the Settlement Class Member involved and
7 will then perform a single re-mailing within five (5) business days of receipt of the returned Notice
8 Packet. Settlement Class Members will have until the later of ten (10) calendar days from the date of
9 the re-mailing of the Notice Packet or the Response Deadline, to submit a Notice of Objection, Request
10 for Exclusion, or workweeks dispute.

11 45. Notice Packets. All Settlement Class Members will be sent a Notice Packet. Each
12 Notice Packet will provide: (i) information regarding the nature of the Action; (ii) a summary of the
13 Settlement Agreement's principal terms; (iii) the Settlement Class definition; (iv) the number of
14 workweeks each respective Settlement Class Member worked for Defendants during the Class Period;
15 (v) each Settlement Class Member's estimated Individual Settlement Payment; (vi) the dates
16 comprising the Class Period; (vii) instructions on how to submit Requests for Exclusion, Notices of
17 Objection, and workweeks disputes; (viii) the deadlines by which the Settlement Class Member must
18 postmark or fax Requests for Exclusion, Notices of Objection, and workweeks disputes; (ix) the claims
19 to be released; and (x) the Settlement Administrator's contact information, including the website
20 address where the electronic versions of the materials in the Notice Packet will be available. Settlement
21 Class Members will be specifically informed that neither Defendant nor Class Counsel make any
22 representations regarding the tax implications of any amounts paid under this Settlement Agreement
23 and that if Settlement Class Members have any questions regarding those implications, they can and
24 should consult a tax expert. The Parties' proposed Notice Packet is attached hereto as **Exhibit A**.

25 46. Disputed Information in Notice Packets. Settlement Class Members will have an
26 opportunity to dispute the work week information provided in their Notice Packets. To the extent
27 Settlement Class Members dispute their employment dates or the number of workweeks on record,
28 Settlement Class Members may produce evidence to the Settlement Administrator by the Response

1 Deadline showing that such information is inaccurate. The Settlement Administrator will decide the
2 dispute. Defendant's records will be presumed correct, but the Settlement Administrator will evaluate
3 the evidence submitted by the Settlement Class Member and will make the final decision as to the
4 merits of the dispute. All disputes will be decided by the Settlement Administrator within fifteen (15)
5 business days of the Response Deadline.

6 47. Request for Exclusion Procedures. Any Settlement Class Member wishing to opt out
7 of the Settlement Agreement must sign and fax or mail a written Request for Exclusion to the
8 Settlement Administrator by the Response Deadline. In the case of Requests for Exclusion that are
9 mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine
10 whether a Request for Exclusion has been timely submitted. All signatories and their counsel must not
11 encourage opt-outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through
12 any means. Objective statements to Settlement Class Members who call Class Counsel with inquiries
13 regarding the Settlement Agreement, or the exercise of Class Counsel's ethical obligations, shall not
14 be deemed a violation of the prohibitions contained herein.

15 48. Defective Submissions. If a Settlement Class Member's Request for Exclusion is
16 defective as to the requirements listed herein, that Settlement Class Member will be given an
17 opportunity to cure the defect(s). The Settlement Administrator will send the Settlement Class Member
18 a cure letter within three (3) business days of receiving the defective submission to advise the
19 Settlement Class Member that his or her submission is defective and that the defect must be cured to
20 render the Request for Exclusion valid. The Settlement Administrator will send the cure letter by the
21 last method by which the Settlement Administrator sent the Notice Packet to the Settlement Class
22 Member. The Settlement Class Member will have until the later of (i) the Response Deadline or (ii)
23 ten (10) calendar days from the date of the cure letter to postmark or fax a revised Request for
24 Exclusion. If the revised Request for Exclusion is not postmarked or received by fax within that period,
25 it will be deemed untimely.

26 49. Cancellation of Settlement Agreement. Within fourteen (14) calendar days of the
27 Response Deadline, as defined in the Court's Order granting Preliminary Approval of the Settlement,
28 Defendant will have the option, in their sole discretion, to void the Settlement Agreement in its entirety

1 if twenty percent (20%) or more of all individuals eligible to become members of the Settlement Class
2 submit timely and valid Requests for Exclusion or are otherwise deemed by the Court not to be bound
3 by the Settlement. If Defendant exercises this option, they shall be responsible for all reasonable
4 Settlement Administration Costs incurred to the date of cancellation.

5 50. Releases.

6 a. Release of Class Claims by Participating Settlement Class Members. The
7 Parties agree that upon the Effective Date and Defendant's full funding of the Gross Settlement Fund,
8 it is their intent that the terms set forth in this Settlement Agreement will release any further attempt
9 by lawsuit, administrative claim or action, arbitration, demand, claims for civil penalties, or other action
10 of any kind by each and all of the Participating Settlement Class Members, who shall release their right
11 to pursue any and all claims against the Released Parties for the Released Class Claims, as fully
12 described in Paragraph 24, arising during the Class Period.

13 b. Release of Claims by Plaintiff. Upon the Effective Date and Defendant's full
14 funding of the Gross Settlement Fund, in addition to the claims being released by all Participating
15 Settlement Class Members, Plaintiff will release and forever discharge the Released Parties, to the
16 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
17 asserted, which Plaintiff has or may have against the Released Parties based in any way on, or otherwise
18 related to or arising from, her employment with Defendant as of the date of execution of this Settlement
19 Agreement. The releases include, but are not limited to, all disputes relating to or arising out of any
20 state, local, or federal statute, ordinance, regulation, order, or common law, including, but not limited
21 to, Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000(e) *et seq.*; the Civil Rights
22 Act of 1866, as amended, 42 U.S.C. §§ 1981 *et seq.*; the Equal Pay Act, as amended, 29 U.S.C. §
23 206(d); the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. §§ 201 *et seq.* and Code of
24 Federal Regulations; the Orders of the California Industrial Welfare Commission regulating wages,
25 hours and working conditions; the California Fair Employment & Housing Act, as amended, Cal. Govt.
26 Code §§ 12900 *et seq.*; the California Family Rights Act of 1991, as amended; Cal. Govt. Code §
27 12945.2; the California Unruh Civil Rights Act, as amended, Cal. Civ. Code §§ 51 *et seq.*; the
28 California Labor Code (including any claim for civil penalties under the California Labor Code Private

1 Attorneys General Act); the California Government Code; Article 1 of the California Constitution; the
2 Rehabilitation Act of 1973, as amended, 29 U.S.C. §§ 701 *et seq.*; the Americans with Disabilities Act
3 of 1990, 42 U.S.C. §§ 12100, *et seq.*; the Family and Medical Leave Act of 1993, 29 U.S.C. §§ 2601,
4 *et seq.* and any state law equivalent; the Employee Retirement Income Security Act of 1974, 29 U.S.C.
5 §§ 1001 *et seq.*; the National Labor Relations Act, as amended, 29 U.S.C. §§ 151 *et seq.*; California
6 Business and Professions Code §§ 17200 *et seq.*; other statutory and common law claims; statutory or
7 common law rights to attorneys' fees and costs, penalties/fines, and/or punitive damages; any action
8 based on contract, quasi-contract, quantum meruit, implied contract, tort, wrongful or constructive
9 discharge, breach of the covenant of good faith and fair dealing, defamation, libel, slander, immigration
10 issues, infliction of emotional distress, negligence, assault, battery, conspiracy, harassment, retaliation,
11 discrimination on any basis prohibited by statute or public policy, conversion, any interference with
12 business opportunity or with contract or based upon any other theory; and/or similar causes of action.
13 Specifically excluded from this release are Plaintiff's individual claims, which are the subject of the
14 Parties' Individual Settlement Agreement.

15 c. Plaintiff's General Release. Upon the Effective Date, to the extent allowed by
16 California law, Plaintiff waives all rights and benefits afforded by section 1542 of the California Civil
17 Code as to any Released Claims. Section 1542 provides:

18 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
19 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST
20 IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND
21 THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED
22 HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

23 51. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Settlement Class
24 Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely and
25 valid Request for Exclusion (*i.e.*, all Participating Settlement Class Members) will be bound by all of
26 its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may
27 be entered by the Court if it grants final approval of the Settlement. The Settlement Agreement shall
28 constitute, and may be pleaded as, a complete and total defense to any Released Class Claims currently
pending or raised in the future.

1 52. Notice of Objection Procedures. To object to the Settlement Agreement, a Settlement
2 Class Member must mail or fax a valid Notice of Objection to the Settlement Administrator on or
3 before the Response Deadline. The Notice of Objection must be signed by the Settlement Class
4 Member and contain all information required by this Settlement Agreement. The postmark or fax-
5 stamp date will be deemed the exclusive means for determining that the Notice of Objection is timely.
6 The Settlement Administrator will notify any person from whom it receives a Notice of Objection that
7 is not timely and/or valid if, in fact, such Notice of Objection is not timely and/or valid. Any disputes
8 regarding the timeliness, validity, or effectiveness of a Notice of Objection shall be decided by the
9 Settlement Administrator consistent with the terms of this Agreement, and with the Parties' input, if
10 appropriate. Settlement Class Members who fail to object in the manner specified above will be
11 deemed to have waived all objections to the Settlement and will be foreclosed from making any
12 objections, whether by appeal or otherwise, to the Settlement Agreement, unless they appear at the
13 Final Approval Hearing and state their objection at that time. Settlement Class Members who submit
14 timely Notices of Objection may appear at the Final Approval Hearing to have their objections heard
15 by the Court. If the Court permits, Settlement Class Members who have not submitted a written Notice
16 of Objection in compliance with the Settlement Agreement may still appear at the Final Approval
17 Hearing and present their objections. At no time will any of the Parties or their counsel seek to solicit
18 or otherwise encourage Settlement Class Members to submit written objections to the Settlement
19 Agreement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent
20 any Settlement Class Members with respect to any such objections to this Settlement.

21 53. Certification Reports Regarding Individual Settlement Payment Calculations. The
22 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
23 identifies the number of Settlement Class Members who have submitted valid Requests for Exclusion,
24 or objected to the Settlement, and whether any Settlement Class Member has submitted a challenge to
25 any information contained in his or her Notice Packet as provided in Paragraph 46. Additionally, the
26 Settlement Administrator will provide counsel for both Parties with any updated reports regarding the
27 administration of the Settlement Agreement as needed or requested, as consistent with the terms of the
28 Settlement Agreement.

1 54. Distribution Timing of Individual Settlement Payments. The Settlement Administrator
2 will distribute the funds in the Gross Settlement Fund within the period set forth with respect to each
3 category of payment.

4 a. Class Counsel Award and Class Representative Enhancement Payments: Within
5 twenty-one (21) calendar days of the Funding Date, the Settlement Administrator will issue payments
6 for the Class Counsel Award and Class Representative Enhancement Payment in the amounts awarded
7 by the Court.

8 b. Individual Settlement Payment: Within twenty-one (21) calendar days of the
9 Funding Date, the Settlement Administrator will issue the Individual Settlement Payments to the
10 Participating Settlement Class Members. The Settlement Administrator will also issue a payment to
11 itself for Court-approved services performed in connection with the Settlement in the amount approved
12 by the Court.

13 c. Payroll Tax Payments: The Settlement Administrator will also transmit
14 Defendant's share of applicable Employer's Payroll Tax Payments, if any, to the appropriate
15 government authorities. At this time, the Parties anticipate that payroll taxes will not apply to the
16 payments described herein.

17 55. Un-cashed Settlement Checks. Individual Settlement Payments remaining uncashed for
18 more than one hundred eighty (180) calendar days after issuance will be void. Funds from the uncashed
19 checks shall be distributed to Court Appointed Special Advocates of San Joaquin County, a non-profit
20 child advocacy program that is an appropriate *cy pres* beneficiary pursuant to Code of Civil Procedure
21 § 384.

22 56. Certification of Completion. Upon completion of the administration of the Settlement,
23 the Settlement Administrator will provide a written declaration under oath to certify such completion
24 to the Court and counsel for all Parties.

25 57. Treatment of Individual Settlement Payments. For tax purposes, the Individual
26 Settlement Payments will be allocated as follows: 100% to settlement of claims for statutory penalties,
27 as the claims asserted on behalf of the class provide for statutory penalties alone as available relief.
28 Payments shall be reported on an IRS Form 1099 by the Settlement Administrator. Plaintiff and

1 Participating Settlement Class Members shall be solely responsible for taxes associated with the 1099
2 payments, with the exception of employer payroll taxes, if any. At this time, the Parties anticipate that
3 payroll taxes will not apply to the payments described herein. Participating Settlement Class Members
4 shall be responsible for remitting to state and/or federal taxing authorities any applicable other taxes
5 due. Neither this Agreement, nor any of its attachments, should be interpreted to contain or constitute
6 representations or advice regarding any U.S. federal or state tax issue.

7 58. Administration of Taxes by the Settlement Administrator. The Settlement
8 Administrator will be responsible for issuing to Plaintiff, Participating Settlement Class Members and
9 Class Counsel any tax forms as may be required by law for all amounts paid pursuant to this Settlement.
10 The Settlement Administrator will also be responsible for forwarding Defendant's share of applicable
11 employer payroll tax payments, if any, to the appropriate government authorities. At this time, the
12 Parties anticipate that payroll taxes will not apply to the payments described herein. All Settlement
13 Class Members, including Plaintiff and Participating Settlement Class Members, shall be solely and
14 exclusively responsible for remitting to state and/or federal taxing authorities any applicable other taxes
15 due and shall hold Defendant and the Released Parties harmless for any taxes, penalties, interest,
16 liabilities, costs, and expenses caused by any such taxing authority relating in any way to the Settlement
17 Class Members', including Plaintiff's and Participating Settlement Class Members', tax treatment of
18 payments made to them pursuant to this Settlement or failure to timely or properly pay any taxes owed
19 on their respective Individual Settlement Payment.

20 59. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
21 of the payments called for hereunder, and Named Plaintiff and Participating Settlement Class Members
22 are not relying on any statement, representation, or calculation by Defendant or by the Settlement
23 Administrator in this regard. At this time, the Parties anticipate that payroll taxes will not apply to the
24 payments described herein. Named Plaintiff and Participating Settlement Class Members are
25 encouraged to consult a tax expert regarding the tax implications of any amounts paid under this
26 Settlement Agreement.

27 60. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
28 OF THIS SECTION, THE "ACKNOWLEDGING PARTY," AND EACH PARTY TO THIS

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

22 61. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
23 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
24 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
25 of action, or right herein released and discharged.

26 62. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
27 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
28

1 reason, then this Settlement Agreement will be null and void. Any order or judgment entered by the
2 Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

3 63. Termination of Settlement Agreement. Plaintiff and Defendant will each have the right
4 to unilaterally terminate this Settlement Agreement by providing written notice of their election to do
5 so (“Termination Notice”) to all other Parties hereto within ten (10) business days of any of the
6 following occurrences; provided, however, that the Parties agree to cooperate in good faith to address
7 any issues the Court raises in connection with issuing Preliminary and/or Final Approval of the
8 Settlement:

- 9 a. twenty percent (20%) or more of the Settlement Class Members request
10 exclusion from the Settlement Class;
- 11 b. the Court rejects, materially modifies, materially amends or changes, or declines
12 to issue a Preliminary Approval Order or a Final Approval Order with respect to
13 the Settlement Agreement, but only if the Parties are not permitted to remedy
14 any deficiencies the Court identifies;
- 15 c. an appellate court reverses the Final Approval Order, and the Settlement
16 Agreement is not reinstated without material change by the Court on remand; or
- 17 d. any court incorporates terms into, or deletes or strikes terms from, or modifies,
18 amends, or changes the Preliminary Approval Order, the Final Approval Order,
19 or the Settlement Agreement in a way that Plaintiff or Defendant reasonably
20 consider material, unless the modification or amendment is accepted in writing
21 by all Parties, except that, as provided above, the Court’s approval of Attorneys’
22 Fees and Costs and Class Representative Enhancement Payment, or their
23 amounts, is not a material condition of the Settlement Agreement.

24 64. Reversion Nunc Pro Tunc. If this Settlement Agreement is terminated pursuant to its
25 terms, or the Effective Date for any reason does not occur: (a) all Orders certifying the Settlement
26 Class for purposes of effectuating this Settlement, and all preliminary and/or final findings regarding
27 the Settlement Class, shall be void *ab initio* and automatically vacated upon notice to the Court, and
28

1 (b) the Action shall proceed as though the Settlement Class had never been certified pursuant to this
2 Settlement Agreement and such findings had never been made.

3 65. Preliminary Approval Hearing. Plaintiff will obtain a hearing date before the Court to
4 request the Preliminary Approval of the Settlement Agreement and the entry of an order:
5 (i) conditionally certifying the Settlement Class for settlement purposes only; (ii) granting preliminary
6 approval to the proposed Settlement Agreement; (iii) setting a deadline for Class Counsel to file an
7 application for Attorneys' Fees and Costs and an application for a Class Representative Enhancement
8 Payment for Plaintiff; and (iv) setting a date for a Final Approval Hearing. The Preliminary Approval
9 Order will provide for the Notice Packet to be sent to all Settlement Class Members as specified herein.
10 In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement,
11 which sets forth the terms of this Settlement, and will include the proposed Notice Packet, which will
12 include the proposed Notice of Class Action Settlement, attached as **Exhibit A**. Class Counsel will be
13 responsible for drafting all documents necessary to obtain preliminary approval.

14 66. Final Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to
15 postmark Requests for Exclusion or Notices of Objection (and no earlier than one hundred (100)
16 calendar days after the date on which Plaintiff files her Motion for Preliminary Approval) and with the
17 Court's permission, a Final Approval Hearing will be conducted to determine the Final Approval of
18 the Settlement Agreement along with the amounts properly payable for: (i) Individual Settlement
19 Payments; (ii) the Class Representative Enhancement Payment; (iii) the Class Counsel Award; and (iv)
20 all Settlement Administration Costs. Class Counsel will be responsible for drafting all documents
21 necessary to obtain final approval. Class Counsel will also be responsible for drafting the Class
22 Counsel Award and Class Representative Enhancement Payment application to be heard at the Final
23 Approval Hearing, which may be filed concurrently with a motion requesting final approval.

24 67. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the
25 Court or after the Final Approval Hearing, Class Counsel will present a proposed form of Judgment to
26 the Court for its approval that (i) approves the Settlement Agreement, adjudging the terms thereof to
27 be fair, reasonable, adequate, and directing consummation of its terms and provisions; (ii) approving
28 Class Counsel's application for an award of Attorneys' Fees and Costs; (iii) approving the Class

1 Representative Enhancement Payment; (iv) approving the Settlement Administrator’s fees from the
2 Gross Settlement Amount; and (v) barring all Participating Settlement Class Members from
3 prosecuting against the Released Parties, or any of them, any of the Released Class Claims. After entry
4 of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the
5 interpretation and enforcement of the terms of the Settlement; (ii) Settlement administration matters;
6 and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this
7 Settlement Agreement.

8 68. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include
9 the terms set forth in any attached Exhibits, which are incorporated by reference as though fully set
10 forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

11 69. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
12 entirety of the Parties’ settlement terms and, should this Settlement Agreement receive Final Approval,
13 its terms will supersede all prior written or oral agreements between the Parties other than the separately
14 executed Individual Settlement Agreement between Plaintiff and Defendant.

15 70. Amendment or Modification. No amendment, change, or modification to this
16 Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

17 71. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
18 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
19 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
20 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
21 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with
22 each other and use their best efforts to effect the implementation of the Settlement. If the Parties are
23 unable to reach agreement on the form or content of any document needed to implement the Settlement,
24 or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
25 the Parties may seek the assistance of the Court to resolve such disagreement.

26 72. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
27 and inure to the benefit of, the successors or assigns of the Parties.

1 73. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
2 will be governed by and interpreted according to the laws of the State of California.

3 74. Execution and Counterparts. This Settlement Agreement is subject to the execution of
4 all Parties. The Settlement Agreement may be executed in one or more counterparts. All executed
5 counterparts and each of them, including facsimile and scanned copies of the signature page, will be
6 deemed to be one and the same instrument.

7 75. Acknowledgement that the Settlement Is Fair and Reasonable. The Parties believe this
8 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
9 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
10 account all relevant factors, present and potential. The Parties further acknowledge that they are each
11 represented by competent counsel and that they have had an opportunity to consult with their counsel
12 regarding the fairness and reasonableness of this Settlement.

13 76. Invalidity of Any Provision. Before declaring any provision of this Settlement
14 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
15 possible consistent with applicable precedents so as to define all provisions of this Settlement
16 Agreement valid and enforceable.

17 77. Waiver of Certain Appeals. With the exception of a right to appeal the reduction of any
18 award of attorneys' fees, costs, and expenses as provided herein, Plaintiff and Defendant hereby waive
19 their right to appeal or seek other judicial review of any order that is materially consistent with the
20 terms of this Settlement Agreement.

21 78. Class Certification for Settlement Purposes Only. The Parties stipulate to class
22 certification of any claims not yet certified for purposes of implementing the Settlement only, and in
23 no way is that an admission by Defendant that class certification is proper. The Settlement will not be
24 admissible in any proceeding as evidence that (i) a class or collective should be certified as Plaintiff
25 has proposed for any claims, including but not limited to any currently non-certified claims; (ii) the
26 Action should proceed on a representative basis pursuant to PAGA; or (iii) Defendant is liable to
27 Plaintiff or any other individuals they claim to represent in the Action in connection with any claims
28 that were or could have been asserted in the Action.

1 79. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
2 that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In
3 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
4 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute
5 or any other applicable laws, regulations, or legal requirements; breached any contract; violated or
6 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
7 conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or
8 provisions, nor any of the negotiations connected with it, will be construed as an admission or
9 concession by Defendant of any such violations or failures to comply with any applicable law. Except
10 as necessary in a proceeding to enforce the terms of this Settlement, this Settlement Agreement and its
11 terms and provisions will not be offered or received as evidence in any action or proceeding to establish
12 any liability or admission on the part of Defendant or to establish the existence of any condition
13 constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

14 80. Media Restrictions. The Parties and their counsel agree that they will not issue any
15 press releases or initiate any contact with the media about the fact, amount, or terms of the Settlement.
16 Unless required by applicable law, neither Plaintiff nor Class Counsel shall publicize the terms of this
17 Settlement Agreement in any medium or initiate or issue any press release or have any communications
18 to the press or media concerning the Action, the Settlement of the Action, and/or this Settlement
19 Agreement, except as posted by the Settlement Administrator as ordered by the Court. Class Counsel
20 shall not include, and shall affirmatively remove, any reference to any of the foregoing subjects in any
21 advertising, mass mailing, website, or other communication. If counsel for either Party receives an
22 inquiry about the Settlement from the media, counsel may respond only after the motion for Preliminary
23 Approval has been filed and only by confirming the terms of the Settlement. Notwithstanding the
24 foregoing, nothing will prevent Class Counsel from communicating confidentially with Settlement
25 Class Members as necessary to fulfill their obligations as Class Counsel. Additionally, this provision
26 shall not preclude Class Counsel from referencing this Settlement as evidence of their experience in
27 any motion for class certification, preliminary or final approval, or the like, in any other matter.
28

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

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

10 83. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
11 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
12 construed more strictly against one party than another merely by virtue of the fact that it may have been
13 prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length
14 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
15 Agreement.

16 84. Representation by Counsel. The Parties acknowledge that they have been represented
17 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
18 that this Settlement Agreement has been executed with the advice of counsel. Further, Plaintiff and
19 Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

20 85. All Terms Subject to Final Court Approval. All amounts and procedures described in
21 this Settlement Agreement herein will be subject to final Court approval.

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

25 87. Binding Agreement. The Parties warrant that they understand and have full authority
26 to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
27 enforceable and binding on all parties, with retention of jurisdiction by the Court as provided herein,
28 and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms.

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SIGNATURE PAGES FOLLOW

READ CAREFULLY BEFORE SIGNING.

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Dated: 9-24-24

By: Leslie Ortega
Leslie Ortega
Plaintiff and Class Representative


Dated: 10/1/24.

By: A&A
A&A Investments and Auto Service, Inc.
Defendant

APPROVED AS TO FORM


Dated: October 1, 2024

PROPER DEFENSE LAW CORPORATION

By: 
Justin Vecchiarelli
Wesley L. Carlson
Attorneys for Defendants

Dated: 9-24-24

MAYALL HURLEY, P.C.

By: 
Vladimir J. Kozina
William J. Gorham, III
Robert J. Wassermann
Attorneys for Plaintiff

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Exhibit A

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN JOAQUIN

LESLIE ORTEGA, Individually and on
Behalf of Others Similarly Situated,

Plaintiff,

vs.

A&A INVESTMENTS AND AUTO
SERVICE, INC.; and DOES 1-50, inclusive,

Defendants.

Case No.: STK-CV-UOE-2022-10434

NOTICE OF PENDENCY OF CLASS ACTION,
PRELIMINARY APPROVAL OF SETTLEMENT
AND HEARING FOR FINAL APPROVAL

IMPORTANT: THIS LEGAL NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY. YOU ARE NOT BEING SUED.

TO: 1) All former non-exempt California employees of Defendant who received commissions, non-discretionary bonuses, and/or other items of compensation and were paid a meal break premium, rest break premium, or for sick time during one or more pay periods from September 6, 2019 through October 6, 2022; and 2) all current and former non-exempt California employees of Defendant who were issued one or more corrected wage statement(s) as part of its attempted cure response to the LWDA dated October 6, 2022.

RE: Notice of settlement of a class action lawsuit for alleged wage and hour violations and announcement of a court hearing that you may choose to attend. You are entitled to receive a payment under the terms of this class action settlement.

YOUR OPTIONS UNDER THIS SETTLEMENT:

DO NOTHING	If you do nothing, you will be included as a member of the class, you will be bound by this Settlement, and you will receive a payment.
OBJECT	You may submit a written objection to the Settlement Administrator, Atticus Administration, LLC, about why you believe that the Settlement is unfair, and they will forward your concerns to the attorneys representing the Settlement Class Members, and the attorney representing the Defendant which will then be provided to the Court. Any objection must be received by [REDACTED], 2024. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement.
OBJECT AND GO TO A HEARING	If you submit a written objection about why you believe that the Settlement is unfair, you may also speak to the Court about why you believe that the Settlement is unfair. You or your attorney may also address the Court during the Final Approval Hearing scheduled for _____ in Department 11B of the San Joaquin County Superior Court, located at 180 E. Weber Avenue, Stockton, CA 95202. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement.

EXCLUDE YOURSELF

If you wish to be excluded from the Settlement, you must submit a written election not to participate known as an “opt-out” by no later than [REDACTED], 2024. If you opt-out, you will not be bound by the Settlement and will not receive a payment.

1. WHAT IS THIS LAWSUIT ABOUT?

On November 14, 2022, Plaintiff filed a putative class action in San Joaquin county asserting individual claims and alleging wage-and-hour violations and claims on behalf of a putative class for: (1) failure to furnish accurate itemized wage statements, (2) failure to pay all wages upon separation of employment, in the matter *Leslie Ortega v. A&A Investments and Auto Service, Inc.*, et al., San Joaquin County Superior Court Case No. STK-CV-UOE-2022-10434 (the “Action”);

Plaintiff is represented by Mayall Hurley P.C., which has been appointed by the Court to act as attorneys for the Class (referred to as “Class Counsel”).

In sum, Plaintiff alleges that Defendants failed to do the following with respect to Plaintiff and other current and former non-exempt employees in California: 1) failed to pay wages due at cessation of employment, and 2) failed to furnish accurate itemized wage statements.

Defendant strongly denies liability for all of Plaintiff’s claims and has raised various factual and legal defenses to these claims. Defendant has agreed to the proposed settlement without any admission of wrongdoing.

The Court has made no determination about the strengths and weaknesses of the claims or contentions of either Plaintiff or Defendant. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claims or defenses asserted by either side. There have been ongoing investigations and substantial exchanges of information. As a result of settlement discussions, the Parties reached a class settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

2. WHY DID I RECEIVE THIS NOTICE?

The Parties have settled this class action lawsuit. Your employment records indicate that you are a member of the Class. If the Court approves the proposed settlement, your legal rights may be affected. This Notice, which has been approved by the Court, is only a summary. A more detailed document, called the “Class Action Settlement Agreement and Release”, containing the complete terms of the settlement, is on file with the Court. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

3. WHO IS COVERED BY THE CLASS ACTION AND PROPOSED SETTLEMENT?

A. Who are the Class Members?

The proposed settlement covers the claims of certain current and former employees of Defendant (referred to as the “Settlement Class Members” and collectively as the “Settlement Class”). “Settlement Class Member(s)” or “Settlement Class” means and includes: 1) All former non-exempt California

1 employees of Defendant who received commissions, non-discretionary bonuses, and/or other items of
2 compensation and were paid a meal break premium, rest break premium, or for sick time during one or more
3 pay periods from September 6, 2019 through October 6, 2022; and 2) all current and former non-exempt
4 California employees of Defendant who were issued one or more corrected wage statement(s) as part of its
5 attempted cure response to the LWDA dated October 6, 2022.

6 Defendant's records indicate that you are a member of the Settlement Class. Defendant's records
7 indicate that you worked for A&A Investments & Auto Service from [DATES OF EMPLOYMENT].

8 There are approximately 55 individuals in the Settlement Class.

9 **B. What is the Effect of Membership in the Settlement Class?**

10 If you are a member of the Settlement Class defined above, you are automatically a Participating
11 Settlement Class Member unless you opt-out (i.e., exclude yourself from the Settlement by following the
12 procedures set forth in this Notice). If the Settlement is approved by the Court, you are entitled to payment
13 under the Settlement and will be bound by its terms. Individuals who opt-out will not be bound by the
14 Settlement and will not be eligible to receive a payment.

15 **4. WHAT ARE THE TERMS OF THE SETTLEMENT?**

16 The proposed Settlement was agreed upon between Defendants and Class Counsel after an
17 unsuccessful mediation with Hon. Leslie Holland (Ret.) and subsequent litigation and negotiations. Class
18 Counsel believes that this Settlement, the terms of which are summarized below, is fair, reasonable,
19 adequate, and in the best interests of the Settlement Class.

20 **A. Overall Summary of the Settlement Terms.**

21 Defendants will pay \$60,000.00 to settle the claims of the Settlement Class (referred to as the "Gross
22 Settlement Fund"). The Gross Settlement Fund includes payments to Participating Settlement Class
23 Members, the fees and costs of the Settlement Administrator, the Class Representative Enhancement
24 Payment for her service to the Class, and Class Counsel's attorneys' fees and reasonable costs. The
25 remainder, after deduction of these payments is known as the "Net Settlement Amount."

26 **B. Costs of Claims Administrator.**

27 The Parties have agreed to employ Atticus Administration, LLC to serve as Settlement
28 Administrator. The Settlement Administrator's fees and costs for administering the Settlement, estimated to
be no more than \$5,000.00, if approved by the Court, will be paid out of the Gross Settlement Fund.

C. Class Representative Enhancement Payment.

Plaintiff Leslie Ortega has been approved by the Court to serve as Class Representative. As Class
Representative, she is entitled to payment for her service to the Class. The Parties have agreed, and the
Court has preliminarily approved a payment of \$2,500 to Leslie Ortega for her service to the Class.

D. Class Counsel's Fees and Costs.

1 Class Counsel are entitled to attorney's fees and costs for representing the Class. Class Counsel will
2 request attorneys' fees of one-third of the Gross Settlement Fund, or \$20,000.00, and reimbursement of
3 declared litigation costs of up to \$6,000.00. Defendant does not object to the fees and costs sought by Class
4 Counsel. The Court has preliminarily approved payment to Class Counsel in the amount set forth above.

4 **E. Settlement of Plaintiff's Individual Claims.**

5 The Parties have agreed to separately settle Plaintiff's individual claims. This amount was negotiated
6 separately from the Class Claims and will be paid separately from the Gross Settlement Fund.

7 **F. What Can I Expect to Receive Payment?**

8 Each Participating Settlement Class Member will receive a proportionate share of the remaining Net
9 Settlement Amount equal to: (i) the number of workweeks he or she worked during the Class Period based on
10 the Class List provided by Defendants, divided by (ii) the total number of workweeks worked by any and all
11 Participating Settlement Class Members collectively, during the Class Period based on the same Class List,
12 which is then multiplied by the remaining Net Settlement Amount. Any workweek in which a Settlement
13 Class Member worked at least one day will be counted as a workweek for purposes of this calculation.

12 Defendant's records indicate that you are a member of the Settlement Class. Its records also indicate
13 that you worked [REDACTED] workweeks during the Class Period.

14 It is estimated that your Individual Settlement Payment will be \$ [REDACTED]. It will not be possible to
15 know the exact amount of your payment until the Response Deadline has passed and the Settlement
16 Administrator knows the number of Participating Settlement Class Members.

16 For tax purposes, the Individual Settlement Payments will be treated as 100% penalties and will be
17 reported on IRS Form 1099. Nothing in this Notice, or in any of the settlement documents, is intended to
18 provide any tax advice and you understand that Defendant, Defendant's counsel, Plaintiff, and Class counsel
19 are not giving any tax advice.

19 **5. WHAT AM I GIVING UP IF I DO NOT OPT-OUT OF THE SETTLEMENT?**

20 If the Settlement is approved, Plaintiff Ortega, and each Participating Settlement Class Member,
21 release and discharge Defendant and each of their past, present, and/or future, direct, and/or indirect,
22 officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners,
23 investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors,
24 successors, assigns, and joint ventures ("Released Parties") from the following claims and liabilities (the
25 "Released Class Claims"):

24 All claims, actions, demands, causes of action, suits, debts, obligations, demands, rights,
25 liabilities, or legal theories of relief, that are based on the facts and legal theories asserted
26 on behalf of the putative class in the operative complaint of the Action, or which relate to
27 the primary rights asserted in the operative complaint on behalf of the putative class,
28 including without limitation claims for: (1) failure to furnish accurate itemized wage
statements in violation of Labor Code section 226(a), and (2) failure to pay all wages at
cessation of employment in violation of Labor Code sections 201, 202, and 203. The
period of the Released Class Claims shall be September 6, 2019, through October 6,
2022.

1 **If you do NOT exclude yourself by following the procedures set forth in this Notice and the Court**
2 **approves the proposed Settlement, you will be deemed to have released the aforementioned claims, as**
3 **appropriate, and will receive a payment.**

4 **6. HOW DO I RECEIVE A PAYMENT?**

5 All Settlement Class Members will receive a payment under this Settlement unless they opt out. If
6 you are a Settlement Class Member and you move or change your address, and you want to receive your
7 payment at your new address, you must send a notice of your change of address to the Settlement
8 Administrator Atticus Administration, LLC, **ADDRESS, CITY, STATE ZIP, TELEPHONE, EMAIL.**

8 **7. WHAT ARE MY RIGHTS AND OPTIONS?**

9 If you are a Settlement Class Member as defined above, you have the following rights and options
10 under the proposed Settlement:

11 **A. Participate in the Settlement, be represented by Class Counsel, and take no action.**

12 If you take no further action, you will be a Participating Settlement Class Member, will be
13 represented by Class Counsel, and will have the right to an Individual Settlement Payment. If the Settlement
14 is approved by the Court, you will be bound by the terms of the Settlement and, as set forth above, will be
15 deemed to have released your claims against Defendant. As a Participating Settlement Class Member, you
16 will not be charged for the services of Class Counsel.

16 **B. Participate in the Settlement but elect to hire your own attorney.**

17 If you do not wish to be represented by Class Counsel, you may hire your own attorney. Your
18 attorney must send a Notice of Appearance to the Settlement Administrator at the address listed below, so
19 that it is received no later than [REDACTED], 2024. You will be responsible for any attorneys' fees and
20 costs charged by your attorney.

20 **C. Exclude yourself from the Settlement by opting out.**

21 If you are a Settlement Class Member but do not want to participate in the settlement, you may
22 exclude yourself by opting out. If you choose to opt-out, you will lose any right to participate in the
23 settlement and you will not be eligible to receive an Individual Settlement Payment. You will be free to
24 pursue any claims you may have against Defendant on your own behalf, but Class Counsel will not represent
25 you.

26 In order to opt out, you must notify the Settlement Administrator, in writing, at the address listed
27 below. In order to be effective, your opt-out must be postmarked or delivered to the Settlement
28 Administrator no later than **[45 days from the mailing of the Class Notice]**, and must be signed, contain your
29 full name, current home (or mailing address), the last four digits of your Social Security number, and written
30 affirmation of your desire to optout containing the following or substantially similar language:

31 "I elect to opt out of the *Ortega v. A&A Investments and Auto Service, Inc.* class action settlement. I
32 understand that by doing so, I will not be able to participate in the settlement and will not receive a
33 share of the settlement."

1 If you do not comply with these procedures, you will lose any opportunity to exclude yourself from
2 the settlement, you will be a Participating Settlement Class Member, will be represented by Class Counsel,
3 and will receive an Individual Settlement Payment. If the settlement is approved by the Court, you will be
4 bound by the terms of the settlement and, as set forth above, will be deemed to have released your claims
5 against Defendant.

6 **D. Object to the terms of the Settlement.**

7 If you are dissatisfied with the terms of the Settlement, you may object to the Settlement. All
8 objections and supporting papers must (a) clearly identify the case name and number (i.e., *Ortega v. A&A*
9 *Investments and Auto Service Inc., et al.*, San Joaquin County Superior Court Case No. STK-CV-UOE-2022-
10 10434), (b) include your full name, address, telephone number, (c) concisely state the grounds for your
11 objection, including the legal and factual arguments supporting that objection, (d) identify any witness(es)
12 you intend to call to testify at the Final Approval Hearing, (e) provide true and correct copies of any
13 exhibit(s) you intend to offer at the Final Approval Hearing, (f) indicate whether you are represented by
14 counsel and, if so, identify such counsel, (g) indicate whether you would like to appear at the Final Approval
15 Hearing, and (h) be signed. To be timely, your objection must be mailed to the Court and the Settlement
16 Administrator, postmarked on or before [45 days following the mailing of the Notice].

17 You also may, but are not required, to appear and present argument at the Final Approval Hearing.
18 Objections not timely postmarked or delivered by [45 days after the mailing of the Notice] may not be
19 considered by the Court. If you file an objection that is not timely, or that does not include the information
20 specified above, you may have no right to appear and present any argument at the Final Approval Hearing,
21 subject to the discretion of the Court. If you file an objection, Plaintiff and Defendant have the opportunity
22 to respond in writing to your objection no later than seven (7) calendar days before the Final Approval
23 Hearing.

24 You may be represented by an attorney at the Final Approval Hearing. Any attorney who will
25 represent an individual objecting to the settlement must file a notice of appearance with the Court and serve
26 counsel for all parties on or before [15 calendar days before the Final Approval Hearing]. All objections or
27 other correspondence must state the name and number of the case – *Ortega v. A&A Investments and Auto*
28 *Service Inc., et al.*, San Joaquin County Superior Court Case No. STK-CV-UOE-2022-10434.

29 **8. WHEN IS THE COURT HEARING AND WHAT IS IT FOR?**

30 The Court will hold the Final Approval Hearing in the San Joaquin County Courthouse, 180 E Weber
31 Avenue, Stockton, California, 95202 on [REDACTED], 2024, at [TIME]. in Department 11B, to determine
32 whether the settlement should be finally approved as fair, reasonable and adequate. The Court will also be
33 asked to approve the fees and costs of the Settlement Administrator, the Class Representative Enhancement
34 Payment, and the fees and costs of Class Counsel. **It is not necessary for you to appear at this hearing to**
35 **participate in the settlement.** If you want to be heard orally in support of or in opposition to the
36 Settlement, either personally or through counsel, you must comply with the procedures set forth above.

37 **9. HOW CAN I GET MORE INFORMATION?**

38 The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of
39 the Settlement, you are referred to the Class Action Settlement Agreement and Release. The Class Action

1 Settlement Agreement and Release, as well as the pleadings and other records in this litigation, including
2 Motion for Preliminary Approval, Motion for Final Approval, and Motion for Attorneys' Fees, Costs and
3 Service Payment, are available by accessing the Court docket in this case through the Court's website at
4 www.sjcourts.org, or by visiting the Clerk of the Court at any time between 8:00 a.m. and 4:00 p.m.,
Monday through Friday, excluding Court Holidays, in the Civil Clerk's Office located on the Second Floor
at 180 E Weber Avenue, Stockton, California 95202.

5 If you have questions about the Settlement, you may contact Class Counsel or the Claims
6 Administrator as follows:

7 **Class Counsel**

8 Vladimir J. Kozina, Esq.
9 William J. Gorham, Esq.
10 Robert J. Wassermann, Esq.
11 Mayall Hurley P.C.
112 S. Church Street
Lodi, CA 95240
Telephone: (209) 477-3833

12 **Claims Administrator**

13 Ortega v. A&A Investments and Auto Service Inc., et al.

14 c/o [REDACTED]

15 **ADDRESS**

CITY, STATE ZIP

Telephone: () [REDACTED]

16 **PLEASE DO NOT WRITE OR TELEPHONE THE COURT FOR INFORMATION ABOUT THE**
17 **PROPOSED SETTLEMENT OR THIS LAWSUIT.**

18 **THE COURT HAS APPROVED THIS NOTICE.**

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (the “Agreement”), dated September 23, 2024, is by and between A&A Investments & Auto Service, Inc., a California corporation (“Employer”) and Leslie Ortega (“Employee”). Employer and Employee are sometimes referred to herein as the “Parties.”

RECITALS

- A. Whereas, Employee was employed by and/or performed services for Employer, and Employee’s employment with Employer has formally ended on or about July 28, 2022;
- B. Whereas, on November 14, 2022, Employee filed a lawsuit against Employer in San Joaquin County Superior Court (Case No. STK-CV-UOE-2022-10434) (the “Complaint”) alleging causes of action in her individual capacity for (1) Sexual Harassment, (2) Retaliation, (3) Failure to Prevent Harassment and Retaliation, and (4) Violation of Labor Code § 2802 (the “Individual Claims”), as well as causes of action on behalf of a purported class of current and former employees for alleged Labor Code violations (the “Class Claims”);
- C. Whereas, Employer denies the that there is any factual or legal basis for Employee’s claims or allegations in the Complaint;
- D. Whereas, on or about August 15, 2024, the Parties reached a final settlement to fully and finally resolve the Complaint, including the Individual Claims and Class Claims, and any other claims or disputes of Employee, and desire to resolve any and all past, present and future, both known and unknown claims, cross-claims and counterclaims that Employee may have or will have against Employer;
- E. Whereas, this Agreement memorializes the settlement and provides for the dismissal and release of Employee’s Individual Claims and all other claims Employee may have against Employer; and
- F. Whereas, the settlement, dismissal, and release of the Class Claims shall be subject to a separate long-form settlement agreement, agreed to by the Parties and subject to Court approval as required, but approval of said settlement of the Class Claims shall not affect the validity, effect, and enforceability of this Agreement, or obligations of the Parties pursuant to this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement agree as follows:

1. **Recitals Incorporated.** The recitals are incorporated in this Agreement.
2. **Effective Date.** This Agreement shall become effective on the date it is fully executed by the Parties (the "Effective Date"). The validity, effect, and enforceability of this Agreement shall not be dependent upon, or in any way affected by the court's approval, or want of approval, of settlement of the Class Claims.
3. **Consideration.**
 - a. **Settlement Payment.** In consideration for Employee's promises made herein, including but not limited to dismissal of the Individual Claims, Employer agrees to issue payment in the gross amount of **Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00)** (hereinafter the "Settlement Payment") in full and final settlement of the matters encompassed by this Agreement. The Settlement Payment shall be paid as follows:
 - i. One (1) check made payable to "Leslie Ortega" in the gross amount of **Two Thousand Dollars and Zero Cents (\$2,000.00)** representing W-2 wages. This portion of the Settlement Payment shall be subject to tax withholdings according to a Form W-4 to be provided by Employee to Employer.
 - ii. One (1) check made payable to "Leslie Ortega" in the gross amount of **Eighteen Thousand Dollars and Zero Cents (\$18,000.00)** representing non-wage income. This portion of the Settlement Payment shall not be subject to tax withholdings by Employer. Employee shall provide Employer with a Form W-9 for tax reporting purposes.
 - iii. One (1) check made payable to "Mayall Hurley P.C." in the gross amount of **Five Thousand Dollars and Zero Cents (\$5,000.00)** representing attorney's fees and/or costs. A Form W-9 shall be provided to Employer for tax reporting purposes.
 - b. **Delivery of Settlement Payment.** The Settlement Payment shall be delivered to Employee's attorneys at 112 S. Church Street, Lodi, CA 95240 within thirty (30) days of the Effective Date.
4. **Dismissal.** Within five (5) business days of the date which the Settlement Payment is paid in full, Employee shall dismiss the Individual Claims with prejudice. The Parties agree to otherwise cooperate reasonably with each other, including executing all necessary and further documents, if any, to carry out the purpose and intent of this Agreement.
5. **Entire Compensation.**
 - a. The Parties agree that the Settlement Payment constitutes the entire monetary consideration to which Employee is entitled under this Agreement and that Employee shall not seek any further compensation or consideration from Employer or its parents, subsidiaries (whether or not wholly owned), divisions, units, partners, officers, directors, attorneys, or affiliates, or any past/present/future parents, subsidiaries, divisions,

units, partners, component companies, affiliates, officers, directors, shareholders, owners, current or former employees, agents, representatives, attorneys, insurers, successors, predecessors, servants, executors, administrators, accountants, investigators, partners, heirs and assigns for any claimed damages, compensation, unpaid commissions, costs or attorneys' fees in connection with the Individual Claims or any other claims encompassed and released by this Agreement.

b. Employee acknowledges and agrees that California Labor Code Section 206.5 is not violated by this Agreement. Said section provides in pertinent part as follows:

No Employer shall require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of such wages have been made.

6. **Tax.** Employee acknowledges and agrees that she is solely responsible for payment of taxes on the Settlement Payment and complying with any and all income tax liabilities and obligations, which are or may become due or payable in connection with the Settlement Payment. Employee agrees that she shall indemnify and hold Employer harmless should the Settlement Payment be subject to any action by the Internal Revenue Service, or other governmental authority, requiring additional payment of taxes and/or penalties and interest imposed in connection with a determination that Employer failed to properly withhold applicable income taxes and/or withhold the employee portion of FICA or other employment taxes with respect to any portion of the Settlement Payment made under the Agreement. Employee shall notify Employer of any notice received by the Internal Revenue Service relative to the Settlement Payment within five (5) days of receipt of same. Employee will be responsible for any penalties and additional taxes imposed resulting from the taxation of the Settlement Payment.

7. **General Release.**

a. In consideration of the terms of this Agreement, including, but not limited to, the Settlement Payment offered by Employer to Employee hereunder, Employee, for herself, her heirs, spouse, executors, administrators, personal and legal representatives and assigns, hereby releases and forever discharges Employer, its subsidiaries and affiliates, and respective present, former, and future officers, directors, owners, employees, stockholders, members, attorneys, insurers, and agents, and their respective heirs, executors, administrators, successors and assigns (collectively, "the Releasees") from the Individual Claims, and from any and all claims, demands, causes of action, obligations and liabilities whatsoever, other than the Class Claims, whether or not presently known or unknown, or fixed or contingent, including, without limitation, any claims related to or arising out of Employee's employment relationship with Employer or the termination of that employment, including, without limitation, any claims for unpaid salary or wages, commissions, severance, accrued vacation or sick pay, bonuses or any other type of compensation, other than as contemplated by the terms of this Agreement, and including, but not limited to, claims, demands or causes of action under any applicable law of any state or federal law including but not limited to Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Age Discrimination

in Employment Act (“ADEA”), the Older Workers Benefit Protection Act, the Americans with Disabilities Act, the Americans with Disabilities Act Amendments Act, the Family Medical Leave Act and related regulations, the California Family Rights Act and related regulations, the National Labor Relations Act, the Labor Management Relations Act, the Fair Labor Standards Act, the Equal Pay Act, the Occupational Safety and Health Act, Employee Retirement Income Security Act, the California Fair Employment and Housing Act (“FEHA”), the Labor Code Private Attorneys General Act of 2004 (“PAGA”), and any claims within any division of the California Department of Industrial Relations or Employment Development Department, common law claims for wrongful discharge or termination, constructive discharge, retaliatory discharge, breach of contract (employment or otherwise), conspiracy, fraud, breach of fiduciary duty, negligent misrepresentation, intentional or negligent infliction of emotional distress, defamation, libel, slander, conversion, invasion of privacy rights, tortious interference with contract, tortious interference with business relations, disparagement of business reputation and any other claim, demand or cause of action arising under any provision of the California Labor and Government Codes, except as any such waiver or release is prohibited by law, case law, or statute.

b. The Parties acknowledge and agree that:

i. The foregoing release is a general release of claims, demands, causes of action, obligation, damages, and liabilities of any nature whatsoever, and is intended to encompass all known and unknown, foreseen and unforeseen claims which the Parties may have against the other, the Releasees, or any of them, as of the moment they sign this Agreement, except for those claims which may arise out of the terms of this Agreement, the Class Claims, and any other claims which cannot be released by this Agreement as a matter of law.

ii. The Parties may hereafter discover facts different from or in addition to those which they now know or believe to be true with respect to the claims, demands, causes of action, obligations, damages, and liabilities of any nature whatsoever that are the subject of this Agreement, and they expressly agree to assume the risk of the possible discovery of additional or different facts, and further agree that this Agreement shall be and remain effective in all respects regardless of such additional or different facts.

iii. The Parties expressly waive and relinquish all rights and benefits that they may have against each other under Section 1542 of the California Civil Code, which provides as follows:

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

The Parties represent that they have read, understand, and have been fully advised as to the contents and legal effect of the foregoing Section 1542 and the waiver of all rights and benefits thereunder. The Parties further represent and understand that nothing in this Agreement prevents Employee from cooperating with a government investigation.

8. Covenant Not to Sue and Dismissal. Employee agrees, on behalf of herself, her agents, spouse, children, heirs, successors, assigns and affiliates that she will not make, assert or maintain against Employer or any other person, entity, partnership, or corporation released herein, any claim, demand, action or suit arising out of or in connection with the matters herein released. Employee warrants and represents that she currently has no pending administration claim or lawsuit against Employer or any employees, officers, directors, or agents, or any of the Releasees, other than the Complaint, and Employee agrees to take all steps necessary to dismiss the Individual Claims with prejudice.

9. No Filings or Transfers of Actions. Employee represents there has been no filing on her behalf with any administrative or government agency or court of any action, charge, or complaint against Employer, except for the Complaint, and that Employee will not make such a filing at any time hereafter based upon any events or omissions occurring prior to the date of execution of this Agreement subject to this paragraph. Employee further warrants and represents that Employee has not transferred or assigned, or purported to transfer or assign, to any person or entity, any action described in this Agreement. Employee further agrees to indemnify and hold harmless each and all of the Releasees against any and all actions based upon, arising out of, or in any way connected with any such actual or purported transfer or assignment.

10. Confidentiality. Employee agrees and covenants that Employee shall not disclose any of the negotiations of, terms of, or amount paid under this Agreement to any individual or entity; provided, however, that Employee will not be prohibited from making disclosures to Employee's spouse or domestic partner, attorney, or tax advisors, as may be required by law, or if required by the Court in connection with approval of the separate settlement of the Class Claims, in which case the Parties will request such disclosure to be *in camera*. This Section does not in any way restrict or impede Employee from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. Notwithstanding anything to the contrary in this Agreement, and for the avoidance of any doubt, this confidentiality provision does not apply to Employee's testimony in an administrative, legislative, or judicial proceeding, as requested by court order, subpoena, or written request from an administrative agency or the legislature, regarding alleged criminal conduct or alleged unlawful conduct on the part of Employer, including their employees or agents. Nothing in this Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful.

Disclosure by Employee or their counsel of the terms or conditions of this Agreement to anyone, at any time, shall not in any way be construed as a waiver or modification of this provision or the obligations of Employee arising by virtue of this provision.

The provisions of this paragraph are effective as of the Effective Date. To the extent that Employee has discussed any aspect or term of this Agreement with any person prior to the Effective Date, Employee must inform them in writing no later than within twenty-four (24) hours of the Effective Date that anything Employee has previously discussed with them concerning the Agreement or the negotiations that resulted in the Agreement must be held in strictest confidence and may not be discussed with anyone for any purpose, except as may be required by law or other necessity.

If either Employee or her agents breach any portion in this paragraph, each party acknowledges that it will be impracticable or extremely difficult to determine the damages suffered by the other. It is, therefore, agreed that in the event of such a proven breach by Employee, then Employee shall pay Employer the sum of One Thousand Dollars (\$1,000.00) as liquidated damages, in addition to any and all other rights or remedies available to Employer under applicable law.

11. Non-Disparagement. Employee agrees and covenants that Employee shall not at any time make, publish, or communicate to any person or entity or in any public forum any defamatory, maliciously false, or disparaging remarks, comments, or statements concerning Employers or their businesses, or any of its employees, officers, attorneys, or directors, and its existing and prospective clients, suppliers, investors, and other associated third parties, now or in the future. This Section does not, in any way, restrict or impede the Employee from exercising protected rights, including rights under California or federal law, the National Labor Relations Act (“NLRB”), or the federal securities laws, including the Dodd-Frank Act, to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. Nothing in this Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful.

12. Employee’s Covenants.

a. Employee represents and warrants that, since Employee’s employment with Employer ended, Employee has not performed any services or incurred any liabilities on behalf of Employer.

b. Employee represents and warrants that Employee has disclosed in writing any and all work-related injuries while employed by Employer, and that Employee has not experienced any work-related injuries not previously disclosed to Employer in writing. Employee further represents and warrants that any such work-related injury has been resolved through workers’ compensation and Employee does not have a basis to bring a claim pursuant to Labor Code section 132(a).

c. Employee agrees to return to Employer all equipment issued to Employee by Defendants. Employee agrees to return to Employer all property of Employer, including but not limited to lap top computers, electronic data, cell phones, Employer’s credit cards, chargers, printers, cameras, projectors, dollies, and projection screens.

13. **Notice.** Any notice of default under this Agreement and all correspondence related to the terms of this Agreement shall be sent to the following email addresses:

Employer: Justin Vecchiarelli, Esq. – justin@properdefenselaw.com

Employee: William Gorham III, Esq. - wgorham@mayallaw.com

14. **CCP § 664.6.** The Court shall retain jurisdiction pursuant to Code of Civil Procedure section 664.6 to enforce this Settlement Agreement.

15. **Modification.** No provision of this Agreement may be terminated, changed, altered, modified or waived except in writing signed by the Parties, which writing shall specifically reference this Agreement and the provision which the Parties intend to waive or modify.

16. **Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (Section 409A), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as a settlement payment pursuant to a bona fide legal dispute shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment. To the extent required under Section 409A, any payments to be made under this Agreement in connection with a termination of employment shall only be made if such termination constitutes a "separation from service" under Section 409A. Notwithstanding the foregoing, Employer makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall Employer be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by Employee on account of non-compliance with Section 409A.

17. **Attorney's Fees and Costs.** The Parties agree that they shall bear their own respective costs and fees, including attorneys' fees, in connection with the negotiation and execution of this Agreement. The prevailing party, or parties, in any action or proceeding to interpret or enforce this Agreement, or any of its terms, shall be entitled, in addition to any judgment or award upon such action or proceeding, to an award for all costs and expenses (including costs of all legal or administrative proceedings or hearings) incurred by such prevailing party or parties, including, without limitation, all attorneys' fees and related costs incurred by such party in connection with such actions and proceedings and the enforcement of any such judgment or award and upon prevailing in any appeal relating thereto.

18. **Severability.** In the event any provision of this Agreement should be held to be unenforceable, each and all of the other provisions of this Agreement shall remain in full force and effect.

19. **Non-Solicitation of Employees.** Employee shall not directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee, current or future, of Employer to leave Employer for any reason whatsoever.

20. **Headings and Captions.** The headings and captions used in this Agreement are for convenience of reference only, and shall in no way define, limit, expand or otherwise affect the meaning or construction of any provision of this Agreement.

21. **No Admissions.** This Agreement represents a compromise of disputed claims. Except as provided in this Agreement, each party to this Agreement denies any liability to any other party hereto and intends by this Agreement merely to avoid further litigation and to buy peace. Nothing contained herein shall constitute any admission as to liability of any kind.

22. **Entire Agreement.** This Agreement constitutes and contains the entire agreement and final understanding concerning Employee's employment with Employer, the termination of Employee's employment, and the other subject matters addressed herein between the Parties. It is intended by the Parties as a complete and exclusive statement of the terms of their agreement. It supersedes and replaces all prior negotiations and all agreements proposed or otherwise, whether written or oral, concerning the subject matters hereof. Any representation, promise or agreement not specifically included in this Agreement shall not be binding upon or enforceable against either party. For the avoidance of any doubt, this provision and this Agreement shall not be construed to address, supersede, or replace the agreement struck by the Parties to resolve the Class Claims, which shall be subject to a separate long-form settlement agreement.

23. **Counterparts.** This Agreement may be executed in counterparts and by facsimile or email, and each counterpart and facsimile or email shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

24. **Governing Law.** The validity, performance, construction and effect of this Agreement shall be governed by the substantive laws of the State of California, without regard to any provisions for choice of law. In any action arising from the enforcement and/or interpretation of this Agreement, venue shall be in the County of San Joaquin, State of California.

25. **Knowledge, Capacity and Authority.** The Parties represent that they have full authority to enter into this Agreement.

26. **Successor.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns.

27. **Interpretation.** No provision of this Agreement is to be interpreted for or against any party because that party or its legal representative drafted such provision.

28. **Voluntary Execution of Agreement.** Employee understands and agrees that she executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of Employer or any third party, with the full intent of releasing all of her claims against Employer and any of the other Releasees. Employee acknowledges that: (a) she has read this Agreement; (b) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of her own choice or has elected not to retain legal counsel; (c) understands the terms and

consequences of this Agreement and of the releases it contains; and (d) she is fully aware of the legal and binding effect of this Agreement.

29. Acknowledgment of Full Understanding. EMPLOYEE ACKNOWLEDGES AND AGREES THAT EMPLOYEE HAS FULLY READ, UNDERSTANDS, AND VOLUNTARILY ENTERS INTO THIS AGREEMENT. EMPLOYEE ACKNOWLEDGES AND AGREES THAT EMPLOYEE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF EMPLOYEE'S CHOICE BEFORE SIGNING THIS AGREEMENT AND HAS BEEN GIVEN AT LEAST FIVE BUSINESS DAYS TO DO SO, ALTHOUGH EMPLOYEE MAY SIGN IT SOONER IF DESIRED. EMPLOYEE FURTHER ACKNOWLEDGES THAT EMPLOYEE'S SIGNATURE BELOW IS AN AGREEMENT TO RELEASE EMPLOYER FROM ANY AND ALL CLAIMS THAT CAN BE RELEASED AS A MATTER OF LAW.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

Dated: 10/1/24

EMPLOYER:

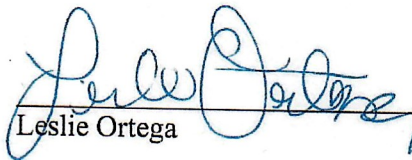
A&A INVESTMENTS & AUTO SERVICE, INC.,
a California Corporation



By: Hardeep Singh
Its: CEO

Dated: 9-24-24

EMPLOYEE:



Leslie Ortega