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21 Attorneys for PLAINTIFF GUSTAVO ADAME

22 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 23 **FOR THE COUNTY OF ALAMEDA**

24 GUSTAVO ADAME, an individual, on behalf
 25 of himself, and on behalf of all persons similarly
 26 situated,

27 Plaintiff,

28 vs.

HUSTEAD'S COLLISION CENTER, INC., a
 California Corporation; and DOES 1 through 50,
 Inclusive.

Defendants.

Case No. 22CV018744

~~PROPOSED~~ **ORDER GRANTING
 PRELIMINARY APPROVAL OF CLASS
 AND PAGA ACTION SETTLEMENT**

Date: August 8, 2024

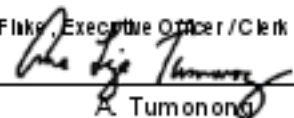
Time: 10:00 am

Judge: Hon. Michael Markman

Dept.: 23

FILED
 Superior Court of California
 County of Alameda
 08/20/2024

Clerk of the Court / Executive Officer / Clerk of the Court

By:  Deputy
 A. Tumorong

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 This matter having come before the Honorable Michael Markman of the Superior Court of the
3 State of California, in and for the County of Alameda, at 10:00 a.m. on August 8, 2024, with the attorneys
4 from the JCL Law Firm, APC as counsel for Plaintiff Gustavo Adame (hereinafter collectively
5 “Plaintiff”), and counsel from Wood, Smith, Henning & Berman LLP, appearing for Defendant
6 Hustead’s Collision Center, Inc., (“Defendant”). The Court, having carefully considered the briefs,
7 argument of counsel and all the matters presented to the Court, and good cause appearing, hereby
8 GRANTS Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves Class Action and PAGA Settlement Agreement and
11 Class Notice (“Settlement Agreement” or “Agreement”) a true and correct copy of which is attached
12 hereto as **Exhibit “1”**. This is based on the Court’s determination that the Settlement Agreement is
13 within the range of possible final approval, pursuant to the provisions of Section 382 of the California
14 Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all terms
16 defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
18 Defendant shall pay is Three Hundred Thousand Dollars and Zero Cents (\$300,000). It appears to the
19 Court on a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as
20 to all potential members of the Class when balanced against the probable outcome of further litigation
21 relating to certification, liability, and damages issues. It further appears that investigation and research
22 have been conducted such that counsel for the Parties are able to reasonably evaluate their respective
23 positions. It further appears to the Court that settlement at this time will avoid substantial additional
24 costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution
25 of the litigation. It further appears that the Settlement has been reached as the result of intensive, serious,
26 and non-collusive arms-length negotiations.
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1 4. The Court preliminarily finds that the Settlement appears to be within the range of
2 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has
3 reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds
4 that the monetary settlement awards made available to the Class are fair, adequate, and reasonable when
5 balanced against the probable outcome of further litigation relating to certification, liability, and
6 damages issues.

7 5. The Agreement specifies for Attorneys' Fees Payment in the amount of up-to one-third
8 of the Gross Settlement Amount for attorneys' fees, currently estimated to be One Hundred Thousand
9 Dollars (\$100,000.00) *and* a Class Counsel Litigation Expenses Payment not to exceed Twenty
10 Thousand Dollars and Zero Cents (\$20,000.00). While these payments appear to be within the range of
11 reasonableness, the Court will not approve the Class Counsel Fees Payment and Class Counsel
12 Litigation Expenses Payment until the Final Approval hearing.

13 6. The Agreement also specifies for Class Representative Enhancement Award in the amount
14 of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Adame. While these awards appear
15 to be within the range of reasonableness, the Court will not approve the Class Representative Service
16 Payments until the Final Approval Hearing. Class Counsel and the Class Representative will be required
17 to present evidence supporting these requests, including lodestar, prior to final approval.

18 7. The Court recognizes that Plaintiff and Defendant stipulate and agree to certification of a
19 class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other
20 proceeding, should this Settlement not become final. For settlement purposes only, the Court
21 conditionally certifies the following Class:
22

23 All non-exempt employees who are or previously were employed by
24 Hustead's Collision Center, Inc. ("Defendant") and performed work in
25 California during the Class Period of September 29, 2018 through March 4,
26 2024.

27 8. The Court concludes that, for settlement purposes only, the Class meets the requirements
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1 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is
2 ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common
3 questions of law and fact predominate, and there is a well-defined community of interest amongst the
4 Class with respect to the subject matter of the litigation; (c) the claims of the Class Representatives are
5 typical of the claims of the Class; (d) the Class Representatives will fairly and adequately protect the
6 interests of the Class; (e) a class action is superior to other available methods for the efficient
7 adjudication of this controversy; and (f) Class Counsel are qualified to act as counsel for the Class
8 Representatives in her individual capacity and as the representatives of the Class.

9
10 9. The Court provisionally appoints plaintiff Gustavo Adame as the representatives of the
11 Class.

12 10. The Court provisionally appoints the attorneys of the JCL LAW FIRM, APC, and of
13 ZAKAY LAW GROUP, APLC, as Class Counsel for the Class Members.

14 11. The Court hereby approves, as to form and content, the proposed Class Notice attached to
15 the Agreement as **Exhibit "A"**. The Court finds that the Class Notice appears to fully, and accurately
16 inform the Class of all material elements of the proposed Settlement, including Class members' right to
17 be excluded from the Class by submitting a written request for exclusion, and of each Class member's
18 right and opportunity to object to the Settlement. The Court further finds that the distribution of the
19 Notice substantially in the manner and form set forth in the Agreement and this Order meets the
20 requirements of due process, is the most reasonable notice under the circumstances, and shall constitute
21 due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the Class Notice
22 by first class mail, pursuant to the terms set forth in the Agreement.

23 12. The Court hereby appoints APEX Class Action Administration, as Settlement
24 Administrator. Within Fifteen (15) business days of this order, Defendant shall provide, to the
25 Settlement Administrator the Class Data, including information regarding Class that Defendant will in
26 good faith compile from their records, including each Class member's full name; last known address;
27 Social Security Number; and dates of employment during the Class Period. Within fourteen (14)
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1 calendar days of receiving the Class Data, the Settlement Administrator shall mail the Class Notice to
2 all identified, potential members of the Class via first class U.S. Mail using the most current mailing
3 address information available.

4 13. The Court hereby preliminarily approves the proposed procedure for exclusion from the
5 Settlement of the Released Claims. Any Class Member may individually choose to opt out of and be
6 excluded from the Settlement of the Released Claims as provided in the Notice by following the
7 instructions for requesting exclusion from the Settlement of the Released Claims that are set forth in the
8 Notice. All requests for exclusion must be postmarked or received by the Response Deadline which is
9 forty-five (45) calendar days after the date the Notice Packet is mailed to the Class Members or, in the
10 case of a re-mailed Notice, not more than fifteen (15) calendar days after the original Response Deadline.
11 Any such person who chooses to opt out of and be excluded from the Settlement of the Released Class
12 Claims will not be entitled to an Individual Settlement Payment under the Settlement and will not be
13 bound by the Class Settlement, or have any right to object, appeal or comment thereon. Class Members
14 who have not requested exclusion shall be bound by all determinations of the Court, the Agreement and
15 Judgment. A request for exclusion may only opt out that particular individual, and any attempt to affect
16 an opt-out of a group, class, or subclass of individuals is not permitted and will be deemed invalid. Any
17 individual requesting exclusion will still receive his or her share of the PAGA portion of the Settlement
18 and will be bound by the Released PAGA Claims.

20 14. Any Class Member who has not opted out may appear at the final approval hearing and
21 may object or express the Class Member's views regarding the Settlement, and may present evidence
22 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
23 by the Court as provided in the Notice. Class Members will have forty-five (45) days from the date the
24 Settlement Administrator mails the Notice Packets to postmark their written objections to the Settlement
25 Administrator.

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27 15. A final approval hearing shall be held before this Court on **December 19, 2024 at 10:00**
28 **AM** in Department 23 of the Alameda County Superior Court to determine all necessary matters

1 concerning the Settlement, including: whether the proposed settlement of the Action on the terms and
2 conditions provided for in the Agreement is fair, adequate and reasonable and should be finally approved
3 by the Court; whether an Order Granting Final Approval should be entered herein; whether the plan of
4 allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class
5 Members; and to finally approve the Class Counsel Fees Payment, Attorneys Litigation Expenses
6 Payment, Class Representative Service Payments, PAGA Penalties, and the Administration Expenses
7 Payment. The Motion for Final Approval shall be filed with the Court and served on all counsel no later
8 than sixteen (16) court days before the hearing.

9
10 16. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall
11 be construed as a concession or admission by Defendant in any way, and shall not be used as evidence
12 of, or used against Defendant as, an admission or indication in any way, including with respect to any
13 claim of any liability, wrongdoing, fault or omission by Defendant or with respect to the truth of any
14 allegation asserted by any person. Whether or not the Settlement is finally approved, neither the
15 Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor
16 any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as,
17 received as or deemed to be evidence for any purpose adverse to the Defendant, including, but not
18 limited to, evidence of a presumption, concession, indication or admission by Defendant of any liability,
19 fault, wrongdoing, omission, concession or damage.

20 17. In the event the Settlement does not become effective in accordance with the terms of the
21 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
22 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
23 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
24 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used,
25 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of the
26 Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

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1 18. The Court reserves the right to adjourn or continue the date of the final approval hearing
2 and all dates provided for in the Agreement without further notice to Class Members and retains
3 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement
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5 IT IS SO ORDERED.

6 Dated: 08/20/2024



JUDGE OF THE SUPERIOR COURT

Michael Markman / Judge

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EXHIBIT 1

1 **ZAKAY LAW GROUP, APLC**
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14 Attorneys for Plaintiff

15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
16 **IN AND FOR THE COUNTY OF ALAMEDA**

17 GUSTAVO ADAME, an individual, on behalf
18 of himself, and on behalf of all persons
19 similarly situated,

19 Plaintiffs,

20 v.

21 HUSTEAD'S COLLISION CENTER, INC., a
22 California corporation; and DOES 1 through
23 50, Inclusive,

23 Defendants.

Case No.: 22CV018744

[Action Filed September 29, 2022]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

1 This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims
2 is entered into by and between Plaintiff GUSTAVO ADAME (hereinafter “Plaintiff”), an
3 individual, on behalf of the Settlement Class, and in his representative capacity on behalf of the
4 State of California and the Aggrieved Employees, and Defendant HUSTEAD’S COLLISION
5 CENTER, INC. (hereinafter “Defendant”):

6 **I. DEFINITIONS**

- 7 A. “Action” shall mean the putative class action lawsuit designated *Adame v Husted’s*
8 *Collision Center, Inc., et al.*, Alameda County Superior Court, Case No.
9 22CV018744, filed September 29, 2022.
- 10 B. “Administration Costs” shall mean the amount paid to the Settlement Administrator
11 from the Gross Settlement Amount for administering the Settlement pursuant to
12 this Agreement currently estimated not to exceed \$7,500.
- 13 C. “Aggrieved Employees” means all non-exempt employees who are or previously
14 were employed by Defendant and performed work in California during the period
15 of September 29, 2021, through March 4, 2024 (the “PAGA Period”).
- 16 D. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
17 Class and PAGA Action and Release of Claims.
- 18 E. “Attorneys’ Expenses” means the award of expenses that the Court authorizes to
19 be paid to Class Counsel for the actual expenses they have incurred of up to
20 \$20,000.00.
- 21 F. “Attorneys’ Fees” means the award of fees that the Court authorizes to be paid to
22 Class Counsel for the services they have rendered to Plaintiff and the Settlement
23 Class in the Action, not to exceed one-third of the Gross Settlement Amount
24 currently estimated to be \$100,000 out of \$300,000.00. Attorneys’ fees will be
25 divided between Class Counsel as follows (50% to JCL Law Firm, APC, and 50%
26 to Zakay Law Group, APLC).

- 1 G. “Class” or the “Class Members” means all non-exempt employees who are or
2 previously were employed by Defendant and performed work in California during
3 the period of September 29, 2018, through March 4, 2024 (the “Class Period”).
- 4 H. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC,
5 and Shani Zakay of Zakay Law Group, APLC.
- 6 I. “Class Data” means information regarding Class Members that Defendant will in
7 good faith compile from its records and provide to the Settlement Administrator. It
8 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
9 Member’s full name; last known address; Social Security Number; start dates and
10 end dates of employment.
- 11 J. “Class Period” means the period between September 29, 2018, through March 4,
12 2024.
- 13 K. “Class Representative” shall mean plaintiff Gustavo Adame.
- 14 L. “Court” means the Superior Court for the State of California, County of Alameda
15 currently presiding over the Action.
- 16 M. “Defendant” shall mean Husted’s Collision Center, Inc.
- 17 N. “Effective Date” means the earliest date, following entry by the Court of an order
18 and judgment finally approving this Settlement, upon which one of the following
19 have occurred: (i) if no objection is filed to the settlement and no objector appears
20 at the hearing on final approval, the date of the Court’s entry of the order granting
21 final approval, (ii) if an objection is filed to the settlement and/or an objector
22 appears at the hearing on final approval, then the earlier of the following: (a) the
23 expiration of all potential appeal periods without a filing of a notice of appeal of
24 the final approval order or judgment; (b) final affirmance of the final approval order
25 and judgment by an appellate court as a result of any appeal(s), or (c) final dismissal
26 or denial of all such appeals (including any petition for review, rehearing, certiorari,
27

1 etc.) such that the final approval order and judgment is no longer subject to further
2 judicial review.

3 O. “Enhancement Award” means an award in the amount of \$5,000 or in an amount
4 that the Court authorizes to be paid to the Class Representative, in addition to his
5 Individual Settlement Payment and his individual Aggrieved Employee Payment,
6 in recognition of his efforts and risks in assisting with the prosecution of the Action.

7 P. “Funding Date” shall mean the date by which Defendant has paid the entire Gross
8 Settlement Amount to the Claims Administrator in accord with the terms of this
9 Agreement. Defendant will pay the Gross Settlement Amount to the Claims
10 Administrator within sixty (60) calendar days of the Effective Date.

11 Q. “Gross Settlement Amount” means Three Hundred Thousand Dollars and Zero
12 Cents (\$300,000.00), which is the maximum and total amount that Defendant must
13 pay into the QSF in connection with this Settlement, inclusive of the sum of
14 Individual Settlement Payments, Administration Costs, Attorneys’ Fees and
15 Attorneys’ Expenses, Enhancement Award, and the PAGA Penalties and *exclusive*
16 of the employer’s share of payroll tax, if any, triggered by any payment under this
17 Settlement.

18 R. “Individual Settlement Payments” means the amount payable from the Net
19 Settlement Amount to each Settlement Class Member and excludes any amounts
20 distributed to Aggrieved Employees pursuant to PAGA.

21 S. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount, less
22 Attorneys’ Fees and Attorneys’ Expenses, Enhancement Award, PAGA Penalties,
23 and Administration Costs.

24 T. “Notice Packet” means the Class Notice to be provided to the Class Members by
25 the Settlement Administrator in the form set forth as **Exhibit A** to this Agreement
26 (other than formatting changes to facilitate printing by the Settlement
27 Administrator).

- 1 U. "Operative Complaint" shall mean the Complaint on file in the Action filed on
2 September 29, 2022.
- 3 V. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
4 Labor Code § 2698 *et seq.*
- 5 W. "PAGA Payment Ratio" means the respective workweeks during the PAGA Period
6 for each Aggrieved Employee divided by the sum total of the workweeks for all
7 Aggrieved Employees during the PAGA Period.
- 8 X. "PAGA Workweeks," for purposes of calculating the distribution of the Aggrieved
9 Employee Payment, as defined herein, means the number of workweeks of
10 employment during the PAGA Period that each Aggrieved Employee worked in
11 California.
- 12 Y. "PAGA Period" means the period between September 29, 2021, to March 4, 2024.
- 13 Z. "PAGA Penalties" shall mean Twenty Thousand Dollars (\$20,000.00) to be
14 allocated from the Gross Settlement Amount, with 25% of the payment going to
15 the Aggrieved Employees ("Aggrieved Employee Payment") and 75% of the
16 payment going to the Labor and Workforce Development Agency ("LWDA
17 Payment"). The amount of the PAGA Penalties is subject to Court approval
18 pursuant to California Labor Code section 2699(l). Should the Court not initially
19 approve the PAGA Penalties allocation, Plaintiff shall allocate more of the Gross
20 Settlement to PAGA Penalties until such time as the Court approves the PAGA
21 Penalties. Any and all funds for PAGA Penalties shall come exclusively from the
22 Gross Settlement. Defendant shall have no obligation whatsoever to contribute any
23 additional funds for this purpose. Any reallocation of the Gross Settlement Amount
24 to increase the PAGA Penalties will not constitute grounds by either party to void
25 this Agreement, so long as the Gross Settlement Amount remains the same.
- 26 AA. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either
27 Plaintiff or Defendant, individually.

1 BB. "Payment Ratio" means the respective Workweeks for each Class Member divided
2 by the sum total Workweeks for all Class Members.

3 CC. "Plaintiff" shall mean Gustavo Adame.

4 DD. "QSF" means the Qualified Settlement Fund established, designated, and
5 maintained by the Settlement Administrator to fund the Gross Settlement Amount.

6 EE. "Released Class Claims" shall mean the release from the Class Members of all
7 claims alleged in the Operative Complaint in the Action and all claims that
8 reasonably could have been alleged based on the facts and/or theories pled in the
9 Operative Complaint, including claims for: unfair competition predicated on claims
10 for failure to pay minimum wages, failure to pay overtime wages, failure to provide
11 meal and rest periods, failure to reimburse business expenses, failure to pay all
12 wages due upon discharge or resignation, failure to provide accurate wage
13 statements, and regular rate violations with respect to overtime, double time, meal
14 and rest period premiums, and sick pay; and labor code violations for failure to pay
15 minimum wages; failure to pay overtime wages; failure to provide meal and rest
16 periods; failure to reimburse business expenses; failure to pay all wages due upon
17 discharge or resignation; failure to provide accurate wage statements; and regular
18 rate violations with respect to overtime, double time, meal and rest period
19 premiums, and sick pay that accrued during the Class Period. The released claims
20 include, but are not limited to, claims for wages, statutory penalties, civil penalties,
21 damages, liquidated damages, or any other relief brought under state or federal law,
22 the California Labor Code, the Fair Labor Standards Act, California Business and
23 Professions Code sections 17200 *et seq*, and/or any applicable Industrial Welfare
24 Commission Wage Order, arising from the labor code violations released herein;
25 attorneys' fees and costs; and interest that accrued during the Class Period. The
26 release expressly excludes claims for vested benefits, wrongful termination,
27 unemployment insurance, disability, social security, workers' compensation, and

1 class claims outside of the Class Period. The release also expressly excludes PAGA
2 claims, which are separately released by the Aggrieved Employees hereinbelow.

3 FF. “Released PAGA Claims” means all claims for civil penalties, attorneys' fees,
4 interest, costs, or any other relief under PAGA for alleged violations of Labor
5 Code sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2,
6 226.3, 226.7, 246, 510, 512, 558, 558.1, 1174(d), 1174.5, 1194, 1197, 1197.1,
7 1197.14, 1198, 198.5, 1199, 2802, 2804, 2699.5, and all applicable Industrial
8 Welfare Commission Wage Order(s) that arise out of or reasonably relate to the
9 factual allegations for the PAGA claims as alleged in the operative complaint and
10 the relevant notice letter(s) to the LWDA.

11 GG. “Released Parties” shall mean Defendant and each of its present, former, and future
12 parents, subsidiaries, affiliates, predecessors, successors and assigns, and each of
13 their respective past and present members, shareholders, directors, officers,
14 employees, agents, servants, registered representatives, insurers and attorneys.

15 HH. “Response Deadline” means the date forty-five (45) calendar days after the
16 Settlement Administrator mails Notice Packets to Class Members and the last date
17 on which Class Members may submit requests for exclusion or objections to the
18 Settlement.

19 II. “Settlement” means the disposition of the Action pursuant to this Agreement.

20 JJ. “Settlement Administrator” means APEX Class Action LLC, 18 Technology Drive,
21 Ste. 164, Irvine, CA 92618; Tel: 1-800-355-0700; Fax: 1-949-878-3536. The
22 Settlement Administrator establishes, designates and maintains, as a QSF under
23 Internal Revenue Code section 468B and Treasury Regulation section 1.468B-1,
24 into which the amount of the Gross Settlement Amount is deposited for the purpose
25 of resolving the claims of Settlement Class Members. The Settlement
26 Administrator shall maintain the funds until distribution in an account(s) segregated
27 from the assets of Defendant and any person related to Defendant. *All accrued*

1 *interest shall be paid and distributed to the Settlement Class Members as part of*
2 *their respective Individual Settlement Payment.*

3 KK. “Settlement Class Members” or “Settlement Class” means all Class Members who
4 have not submitted a timely and valid request for exclusion as provided in this
5 Agreement.

6 LL. “Workweeks,” for purposes of calculating the distribution of the Net Settlement
7 Amount, means any seven (7) consecutive days beginning on Monday and ending
8 on Sunday, in which a Class Member was employed by Defendant during the Class
9 Period in California..

10 **II. RECITALS**

11 A. On September 29, 2022, Plaintiff filed a Notice of Violations with the Labor and
12 Workforce Development Agency (LWDA) and served the same on Defendant.

13 B. On September 29, 2022, Plaintiff filed the Action, alleging claims for:

- 14 1. Retaliation in Violation of Cal. Lab. Code § 1102.5;
- 15 2. Wrongful Termination in Violation of Public Policy;
- 16 3. Violation of Government Code § 12940—Disability and Racial
17 Discrimination;
- 18 4. Failure to Provide Reasonable Accommodation;
- 19 5. Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*);
- 20 6. Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1);
- 21 7. Failure to Pay Overtime Wages (Labor Code §§ 510 *et seq.*);
- 22 8. Failure to Provide Required Meal Periods (Labor Code §§ 226.7, 512 and
23 the applicable Wage Order);
- 24 9. Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and
25 the applicable wage order);
- 26 10. Failure to Reimburse for Required Expenses (Labor Code § 2802);
- 27 11. Failure to Pay Wages When Due (Labor Code §§ 201, 202, 203);

1 12. Failure to Provide Accurate Itemized Statements (Labor Code § 226 and
2 226.2 *et seq.*);

3 C. The Class Representative believes he has claims based on alleged violations of the
4 California Labor Code, and the Industrial Welfare Commission Wage Orders, and
5 that class certification is appropriate because the prerequisites for class certification
6 can be satisfied in the Action, and this action is manageable as a PAGA
7 representative action.

8 D. Defendant denies any liability or wrongdoing of any kind associated with the claims
9 alleged in the Action, disputes any wages, damages and penalties claimed by the
10 Class Representative are owed to either he, any putative class member or any
11 putative aggrieved employee, and further contends that, for any purpose other than
12 settlement, the Action is not appropriate for class or representative action treatment.
13 Defendant contends, among other things, that at all times it complied with the
14 California Labor Code and the Industrial Welfare Commission Wage Orders.

15 E. The Class Representative is represented by Class Counsel. Class Counsel
16 investigated the facts relevant to the Action, including conducting an independent
17 investigation as to the allegations, reviewing documents and information
18 exchanged through informal discovery, and reviewing documents and information
19 provided by Defendant pursuant to informal requests for information to prepare for
20 mediation. Defendant produced for the purpose of settlement negotiations certain
21 employment data concerning the Settlement Class, including its policies relating to
22 timekeeping, overtime, meal periods, rest periods, and wage statements; and time
23 and payroll records for a sample of Class Members and Aggrieved Employees,
24 which Class Counsel reviewed and analyzed with the assistance of an expert.
25 Furthermore, counsel for the Parties conferred extensively concerning this
26 information, the merits of the Parties' claims and/or defenses, and other issues
27 relevant to reaching a settlement. Based on the same, and their own independent

1 investigation and evaluation, Class Counsel are of the opinion that the Settlement
2 with Defendant is fair, reasonable, and adequate, and is in the best interest of the
3 Settlement Class considering all known facts and circumstances, including the risks
4 of significant delay, defenses asserted by Defendant, uncertainties regarding class
5 certification, and numerous potential appellate issues. Although it denies any
6 liability, Defendant agrees to this Settlement solely to avoid the inconveniences and
7 cost of further litigation. The Parties and their counsel have agreed to settle the
8 claims on the terms set forth in this Agreement.

9 F. On October 24, 2023, the Parties participated in mediation presided over by Hon.
10 Brian C. Walsh, a well-regarded and experienced jurist and mediator who has
11 mediated many wage and hour class and PAGA actions. Though the mediation did
12 not conclude with a settlement, the Parties continued ongoing settlement
13 discussions following mediation and subsequently reached a settlement based on
14 the mediator's proposal, which was memorialized in the form of a Memorandum
15 of Understanding.

16 G. This Agreement replaces and supersedes the Memorandum of Understanding and
17 any other agreements, understandings, or representations between the Parties
18 relating to the Class and PAGA claims. This Agreement represents a compromise
19 and settlement of highly disputed claims. Nothing in this Agreement is intended or
20 will be construed as an admission by Defendant that the claims in the Action of
21 Plaintiff or the Class Members have merit or that Defendant bears any liability to
22 Plaintiff or the Class on those claims or any other claims, or as an admission by
23 Plaintiff that Defendant's defenses in the Action have merit.

24 H. The Parties believe that the Settlement is fair, reasonable and adequate. The
25 Settlement was arrived at through arm's-length negotiations, taking into account all
26 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
27 attendant to continuing the Action through trial and any appeal. Accordingly, the

1 Parties desire to settle, compromise and discharge all disputes and claims arising
2 from or relating to the Action fully, finally, and forever.

- 3 I. The Parties agree to certification of the Class for purposes of this Settlement only.
4 If for any reason the settlement does not become effective, Defendant reserves the
5 right to contest certification of any class for any reason and reserves all available
6 defenses to the claims in the Action. The Settlement, this Agreement and Parties'
7 willingness to settle the Action will have no bearing on, and will not be admissible
8 in connection with, any litigation (except for proceedings to enforce or effectuate
9 the Settlement and this Agreement).

10 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

11 **III. TERMS OF AGREEMENT**

12 A. Settlement Consideration and Settlement Payments by Defendant.

- 13 1. Settlement Consideration. In full and complete settlement of the Action, and
14 in exchange for the releases set forth below, Defendant will pay the sum of
15 the Individual Settlement Payments, the Enhancement Award, the
16 Attorneys' Fees and Attorneys' Expenses, PAGA Penalties, and the
17 Administration Costs, as specified in this Agreement, equal to the Gross
18 Settlement Amount of Three Hundred Thousand Dollars and Zero Cents
19 (\$300,000.00). The Parties agree that this is a non-reversionary Settlement
20 and that no portion of the Gross Settlement Amount shall revert to
21 Defendant. Other than the Defendant's share of employer payroll taxes and
22 as provided in Section III.A.2 below, Defendant shall not be required to pay
23 more than the Gross Settlement Amount.

- 24 2. Class Size. Defendant estimates that there are approximately 146 Class
25 Members who collectively worked approximately 9,250 Workweeks
26 ("Projected Workweeks") during the Class Period. One week prior to the
27 filing of the Motion for Preliminary Approval, Defendant will provide Class

1 Counsel with a declaration under penalty of perjury confirming the number
2 of applicable Class Members and Projected Workweeks they worked during
3 the Class Period. Should the total number of Projected Workweeks increase
4 by more than 10% of 9,250 during the Class Period, the Gross Settlement
5 Amount will increase proportionally for the number of Workweeks over
6 110% of 9,250, or the end date of the Class Period will be adjusted so that
7 the number of Workweeks does not exceed 9,250. Defendant shall decide,
8 in its sole and absolute discretion, which option to select. For example, if
9 the total Workweeks in the Class Period are 115% of 9,250, the Gross
10 Settlement Amount shall increase by 5%, or Defendant may, in its sole
11 discretion, elect to adjust the end of the Class Period so that the number of
12 Workweeks does not exceed 9,250.

13 3. Settlement Payment. Defendant shall deposit the Gross Settlement Amount
14 into the QSF, through the Settlement Administrator by the Funding Date.
15 Any interest accrued will be added to the NSA and distributed to the
16 Settlement Class Members except that if final approval is reversed on
17 appeal, then Defendant is entitled to prompt return of the principal and all
18 interest accrued.

19 4. Defendant's Share of Payroll Taxes. Defendant's share of employer side
20 payroll taxes is in addition to the Gross Settlement Amount and shall be
21 paid together with the Gross Settlement Amount on the Funding Date.

22 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
23 consideration set forth in this Agreement, Plaintiff and the Settlement Class
24 Members release the Released Parties from the Released Class Claims for the Class
25 Period, expressly excluding all other claims, including claims for vested benefits,
26 wrongful termination, unemployment insurance, disability, social security, workers'
27 compensation, and class claims outside of the Class Period.

1 C. Release by Plaintiff and the LWDA. As of the Funding Date, in exchange for the
2 consideration set forth in this Agreement, the Plaintiff, on behalf of the LWDA and
3 the State of California release the Released Parties from the Released PAGA Claims
4 for the PAGA Period. As a result of this release, the Aggrieved Employees shall be
5 precluded from bringing claims against Defendant for the Released PAGA Claims.

6 D. Conditions Precedent: This Settlement will become final and effective only upon
7 the occurrence of all of the following events:

- 8 1. The Court enters an order granting preliminary approval of the Settlement;
- 9 2. The Court enters an order granting final approval of the Settlement and a
10 Final Judgment;
- 11 3. If an objection is filed to the settlement or an objector appears at the final
12 approval hearing, then the earlier of the following: (a) the expiration of all
13 potential appeal periods without a filing of a notice of appeal of the final
14 approval order or judgment; (b) final affirmance of the final approval order
15 and judgment by an appellate court as a result of any appeal(s), or (c) final
16 dismissal or denial of all such appeals (including any petition for review,
17 rehearing, certiorari, etc.) such that the final approval order and judgment is
18 no longer subject to further judicial review; and
- 19 4. Defendant fully funds the Gross Settlement Amount.

20 E. Nullification of Settlement Agreement. If this Settlement Agreement is not
21 preliminarily or finally approved by the Court and/or the LWDA, or if the appellate
22 court fails to approve the Settlement, or if the Settlement Agreement is otherwise
23 terminated, fails to become effective, or is reversed, withdrawn or modified by the
24 Court, or in any way prevents or prohibits Defendant from obtaining a complete
25 resolution of the Released Claims, or if Defendant fails to fully fund the Gross
26 Settlement Amount:

- 1 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
2 and shall not be admissible in any judicial, administrative or arbitral
3 proceeding for any purpose or with respect to any issue, substantive or
4 procedural, and the Parties shall be restored to their respective positions
5 prior to entering into the Settlement Agreement, and no party shall be bound
6 by any of the terms of the Settlement Agreement, including Defendant’s
7 obligation to make payments to the Settlement Class Members, the
8 Settlement Administrator, the LWDA, Plaintiff or Class Counsel;
- 9 2. The conditional class certification (obtained for any purpose) shall be void
10 *ab initio* and of no force or effect, and shall not be admissible in any judicial,
11 administrative or arbitral proceeding for any purpose or with respect to any
12 issue, substantive or procedural;
- 13 3. None of the Parties to this Settlement will be deemed to have waived any
14 claims, objections, defenses or arguments in the Action, including with
15 respect to the issue of class certification;
- 16 4. Any preliminary approval order, final approval order or judgment, shall be
17 vacated;
- 18 5. The Settlement Agreement and all negotiations, statements, proceedings
19 and data relating thereto shall be deemed confidential mediation settlement
20 communications and not subject to disclosure for any purpose in any
21 proceeding;
- 22 6. The Parties shall share the responsibility for any cost to issue or reissue any
23 curative notice to the Settlement Class Members and all Settlement
24 Administration Costs incurred to the date of nullification.

25 F. Defendant’s Right to Rescind. If 5% or more of the Class Members submit valid,
26 timely opt-outs of the Settlement, Defendant may, in its sole discretion, rescind the
27 Settlement and all actions taken in its furtherance of it will be thereby null and void.

1 The Parties agree that, if Defendant rescinds the Settlement, the Settlement shall be
2 void ab initio, have no force or effect whatsoever, and that neither party will have
3 any further obligation under this Settlement Agreement. Defendant must exercise
4 this right of rescission, in writing, to Class Counsel, within thirty (30) calendar days
5 after the Settlement Administrator notifies the parties of the total number of opt-
6 outs. If the option to rescind is exercised, then Defendant is solely responsible for
7 the costs of the Settlement Administrator accrued to that point.

8 G. Certification of the Settlement Class. The Parties stipulate to conditional class
9 certification of the Class for the Class Period for purposes of settlement only. In the
10 event that this Settlement is not approved by the Court, fails to become effective, or
11 is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
12 Defendant from obtaining a complete resolution of the Released Claims, the
13 conditional class certification (obtained for any purpose) shall be void *ab initio* and
14 of no force or effect, and shall not be admissible in any judicial, administrative or
15 arbitral proceeding for any purpose or with respect to any issue, substantive or
16 procedural.

17 H. Tax Liability. The Parties make no representations as to the tax treatment or legal
18 effect of the payments called for, and Class Members and/or Aggrieved Employees
19 are not relying on any statement or representation by the Parties in this regard. Class
20 Members and/or Aggrieved Employees understand and agree that they will be
21 responsible for the payment of any taxes and penalties assessed on the Individual
22 Settlement Payments and/or Aggrieved Employees' individual shares of the
23 Aggrieved Employee Payment described and will be solely responsible for any
24 penalties or other obligations resulting from their personal tax reporting of
25 Individual Settlement Payments and/or Aggrieved Employees' individual shares of
26 the Aggrieved Employee Payment.

1 I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
2 the “acknowledging party” and each Party to this Agreement other than the
3 acknowledging party, an “other party”) acknowledges and agrees that: (1) no
4 provision of this Agreement, and no written communication or disclosure between
5 or among the Parties or their attorneys and other advisers, is or was intended to be,
6 nor shall any such communication or disclosure constitute or be construed or be
7 relied upon as, tax advice within the meaning of United States Treasury Department
8 circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has
9 relied exclusively upon his, her or its own, independent legal and tax counsel for
10 advice (including tax advice) in connection with this Agreement, (b) has not entered
11 into this Agreement based upon the recommendation of any other Party or any
12 attorney or 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 party to avoid
14 any tax penalty that may be imposed on the acknowledging party, and (3) no attorney
15 or adviser to any other Party has imposed any limitation that protects the
16 confidentiality of any such attorney’s or adviser’s tax strategies (regardless of
17 whether such limitation is legally binding) upon disclosure by the acknowledging
18 party of the tax treatment or tax structure of any transaction, including any
19 transaction contemplated by this Agreement.

20 J. Preliminary Approval Motion. Class Counsel shall draft and file the motion for
21 preliminary approval within sixty (60) calendar days of execution of this Agreement,
22 or within the statutory timeframe as determined by the Court’s setting of the
23 preliminary approval hearing, which shall include this Settlement Agreement.
24 Plaintiff will provide Defendant with a draft of the Motion at least three (3) business
25 days prior to the filing of the Motion to give Defendant an opportunity to propose
26 changes or additions to the Motion. Primary responsibility for preparing all materials
27 necessary for court approval of this Settlement shall belong to Plaintiffs.

1 K. Settlement Administrator. The Settlement Administrator shall be responsible for:
2 establishing and administering the QSF; calculating, processing and mailing
3 payments to the Class Representative, Class Counsel, LWDA and Class Members;
4 printing and mailing the Notice Packets to the Class Members as directed by the
5 Court; receiving and reporting the objections and requests for exclusion; calculating,
6 deducting and remitting all legally required taxes from Individual Settlement
7 Payments and distributing tax forms for the Wage Portion, the Penalties Portion and
8 the Interest Portion of the Individual Settlement Payments and/or Aggrieved
9 Employees' individual shares of the Aggrieved Employee Payment; processing and
10 mailing tax payments to the appropriate state and federal taxing authorities;
11 providing declaration(s) as necessary in support of preliminary and/or final approval
12 of this Settlement; and other tasks as the Parties mutually agree or the Court orders
13 the Settlement Administrator to perform. The Settlement Administrator shall keep
14 the Parties timely apprised of the performance of all Settlement Administrator
15 responsibilities by among other things, sending a weekly status report to the Parties'
16 counsel stating the date of the mailing, the of number of Elections Not to Participate
17 in Settlement it receives (including the numbers of valid and deficient), and number
18 of objections received.

19 L. Notice Procedure.

20 1. Class Data. No later than fifteen (15) calendar days after the Preliminary
21 Approval Date, Defendant shall provide the Settlement Administrator with
22 the Class Data for purposes of preparing and mailing Notice Packets to the
23 Class Members.

24 2. Notice Packets.

25 a) The Notice Packet shall contain the Notice of Class Action
26 Settlement in a form substantially similar to the form attached as
27 **Exhibit A**. The Notice of Class Action Settlement shall inform

1 Class Members and PAGA Class Members that they need not do
2 anything in order to receive an Individual Settlement Payment
3 and/or Aggrieved Employees' individual shares of the Aggrieved
4 Employee Payment and to keep the Settlement Administrator
5 apprised of their current mailing address, to which the Individual
6 Settlement Payments and/or Aggrieved Employees' individual
7 shares of the Aggrieved Employment Payment will be mailed
8 following the Funding Date. The Notice of Class Action Settlement
9 shall set forth the release to be given by all members of the Class
10 who do not request to be excluded from the Settlement Class and/or
11 Aggrieved Employees in exchange for an Individual Settlement
12 Payment and/or Aggrieved Employees' individual shares of the
13 Aggrieved Employment Payment, the number of Workweeks
14 worked by each Class Member during the Class Period and PAGA
15 Period, if any, and the estimated amount of their Individual
16 Settlement Payment if they do not request to be excluded from the
17 Settlement and each Aggrieved Employees' share of the Aggrieved
18 Employment Payment, if any. The Settlement Administrator shall
19 use the Class Data to determine Class Members' Workweeks and
20 PAGA Workweeks. The Notice will also advise the Aggrieved
21 Employees that they will release the Released PAGA Claims and
22 will receive their share of the Aggrieved Employee Payment
23 regardless of whether they request to be excluded from the
24 Settlement.

25 b) The Notice Packet's mailing envelope shall include the following
26 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
27 ENTITLED TO PARTICIPATE IN A CLASS ACTION

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SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED NOTICE.”

- 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than fourteen (14) calendar days after receipt of the Class Data, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail and electronic mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

- 4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to any forwarding address provided. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. Class Members who received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

- 5. Disputes Regarding Individual Settlement Payments. Class Members will have 45 days after the Settlement Administrator mails the Notice Packet , should they disagree with Defendant’s records regarding the start and end

1 dates of employment, to provide credible documentation and/or an
2 explanation to show contrary dates. In the absence of any contrary or
3 credible documentation, the Settlement Administrator is entitled to presume
4 that the Workweeks contained in the Class notice are correct so long as they
5 are consistent with the Class Data. If there is a timely dispute, the
6 Settlement Administrator will consult with the Parties to determine whether
7 an adjustment is warranted. The Settlement Administrator shall determine
8 the eligibility for, and the amounts of, any Individual Settlement Payments
9 under the terms of this Agreement. The Settlement Administrator's
10 determination of the eligibility for and amount of any Individual Settlement
11 Payment shall be binding upon the Class Member and the Parties and
12 conclusive for purposes of executing administration of this Settlement.

13 6. Disputes Regarding Administration of Settlement. Any disputes not
14 resolved by the Settlement Administrator concerning the administration of
15 the Settlement will be resolved by the Court under the laws of the State of
16 California. Before any such involvement of the Court, counsel for the
17 Parties will confer in good faith to resolve the disputes without the necessity
18 of involving the Court.

19 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
20 Packet shall state that Class Members who wish to exclude themselves from
21 the Settlement must submit a written request for exclusion to the Settlement
22 Administrator by the Response Deadline. The written request for exclusion
23 must state that the Class Member wishes to exclude himself or herself from
24 the Settlement and (1) must contain the name, address, and the last four
25 digits of the Social Security number of the person requesting exclusion; (2)
26 must be signed by the Class Member; (3) must be postmarked or fax
27 stamped by the Response Deadline and returned to the Settlement

1 Administrator at the specified address or fax telephone number; and (4)
2 contain a typewritten or handwritten notice stating in substance that he or
3 she wishes to be excluded from the settlement of the class action lawsuit
4 entitled *Adame v Husted's Collision Center, Inc., et al*, currently pending
5 in Superior Court of California, County of Alameda, Case No.
6 22CV018744. The request for exclusion will not be valid if it is not timely
7 submitted, if it is not signed by the Class Member, or if it does not contain
8 the name and address and last four digits of the Social Security number of
9 the Class Member. The date of the postmark on the mailing envelope or fax
10 stamp on the request for exclusion shall be the exclusive means used to
11 determine whether the request for exclusion was timely submitted. Any
12 Class Member who submits a timely request for exclusion shall be excluded
13 from the Settlement Class will not be entitled to an Individual Settlement
14 Payment and will not be otherwise bound by the terms of the Settlement or
15 have any right to object, appeal or comment thereon. However, any Class
16 Member that submits a timely request for exclusion that is also a member
17 of the Aggrieved Employees will still receive his/her pro rata share of the
18 PAGA Settlement, as specified below, and in consideration, will be bound
19 by the Release by the Aggrieved Employees as set forth herein. Settlement
20 Class Members who fail to submit a valid and timely request for exclusion
21 on or before the Response Deadline shall be bound by all terms of the
22 Settlement and any final judgment entered in this Action if the Settlement
23 is approved by the Court. No Aggrieved Employee shall have the right to
24 opt out of the PAGA Penalties Settlement. No later than twenty-one (21)
25 calendar days after the Response Deadline, the Settlement Administrator
26 shall provide counsel for the Parties with a final list of the Class Members
27 who have timely submitted timely requests for exclusion. At no time shall

1 any of the Parties or their counsel seek to solicit or otherwise encourage
2 members of the Class to submit requests for exclusion from the Settlement.

3 8. Objections. The Notice of Class Action Settlement contained in the Notice
4 Packet shall state that Class Members who wish to object to the Settlement
5 may submit to the Settlement Administrator a written statement of objection
6 (“Notice of Objection”) by the Response Deadline. The postmark date of
7 mailing shall be deemed the exclusive means for determining that a Notice
8 of Objection was served timely. The Notice of Objection, if in writing, must
9 be signed by the Settlement Class Member and state: (1) the case name and
10 number; (2) the name of the Settlement Class Member; (3) the address of
11 the Settlement Class Member; (4) the last four digits of the Settlement Class
12 Member’s Social Security number; (5) the basis for the objection; and (6) if
13 the Settlement Class Member intends to appear at the Final
14 Approval/Settlement Fairness Hearing. Class Members who fail to make
15 objections in writing in the manner specified above may still make their
16 objections orally at the Final Approval/Settlement Fairness Hearing with
17 the Court’s permission. Settlement Class Members will have a right to
18 appear at the Final Approval/Settlement Fairness Hearing to have their
19 objections heard by the Court regardless of whether they submitted a written
20 objection. At no time shall any of the Parties or their counsel seek to solicit
21 or otherwise encourage Class Members to file or serve written objections to
22 the Settlement or appeal from the Order and Final Judgment. Class
23 Members who submit a written request for exclusion may not object to the
24 Settlement. Class Members may not object to the PAGA Penalties.

25 M. Funding and Allocation of the Gross Settlement Amount. Defendant is required to
26 pay the Gross Settlement Amount plus any employer’s share of payroll taxes as
27 mandated by law within the time specified hereinabove on the Funding Date.

1 1. Calculation of Individual Settlement Payments. Individual Settlement
2 Payments shall be paid from the Net Settlement Amount and shall be paid
3 pursuant to the formula set forth herein. Using the Class Data, the
4 Settlement Administrator shall add up the total number of Workweeks for
5 all Class Members. The respective Workweeks for each Class Member will
6 be divided by the total Workweeks for all Class Members, resulting in the
7 Payment Ratio for each Class Member. The Workweeks calculated by the
8 Settlement Administrator will be presumed to be correct, unless a particular
9 Class Member timely proves otherwise to Settlement Administrator with
10 credible written evidence. Each Class Member's Payment Ratio will then
11 be multiplied by the Net Settlement Amount to calculate each Class
12 Member's estimated Individual Settlement Payments. Each Individual
13 Settlement Payment will be reduced by any legally mandated employee tax
14 withholdings (e.g., employee payroll taxes, etc.). Individual Settlement
15 Payments for Class Members who submit valid and timely requests for
16 exclusion will be redistributed to Settlement Class Members who do not
17 submit valid and timely requests for exclusion on a pro rata basis based on
18 their respective Payment Ratios.

19 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
20 Class Data, the Settlement Administrator shall add up the total number of
21 PAGA Workweeks for all Aggrieved Employees during the PAGA Period.
22 The respective PAGA Workweeks for each Aggrieved Employees will be
23 divided by the total PAGA Workweeks for all Aggrieved Employees,
24 resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. The
25 Workweeks calculated by the Settlement Administrator will be presumed to
26 be correct, unless a particular Aggrieved Employee timely proves otherwise
27 to Settlement Administrator with credible written evidence. Each

1 Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the
2 Aggrieved Employee Payment to calculate each Aggrieved Employee’s
3 estimated share of the Aggrieved Employee Payment.

4 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
5 Settlement Payments shall be allocated and treated as 25% wages (“Wage
6 Portion”) and 75% penalties and pre-judgment interest (“Penalties and
7 Interest Portion”). The Wage Portion of the Individual Settlement Payments
8 shall be reported on IRS Form W-2 and the Penalties and Interest Portion
9 of the Individual Settlement Payments shall be reported on IRS Form 1099
10 issued by the Settlement Administrator.

11 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
12 Employee Settlement Payments shall be allocated and treated as 100%
13 penalties and shall be reported on IRS Form 1099.

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

25 6. All monies received by Settlement Class Members under the Settlement which
26 are attributable to wages shall constitute income to such Settlement Class
27 Members solely in the year in which such monies actually are received by the

1 Settlement Class Members. It is the intent of the Parties that Individual
2 Settlement Payments and individual shares of the PAGA Penalties provided
3 for in this Settlement agreement are the sole payments to be made by
4 Defendant to Settlement Class Members and/or Aggrieved Employees in
5 connection with this Settlement Agreement, with the exception of Plaintiff,
6 and that the Settlement Class Members and/or Aggrieved Employees are not
7 entitled to any new or additional compensation or benefits as a result of having
8 received the Individual Settlement Payments and/or their shares of the
9 Aggrieved Employee Payment.

10 7. Mailing. Individual Settlement Payments and Aggrieved Employee
11 Payments shall be mailed by regular First-Class U.S. Mail to Settlement
12 Class Members' and/or Aggrieved Employees' last known mailing address
13 no later than fifteen (15) calendar days after the Funding Date.

14 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
15 Employees shall remain valid and negotiable for one hundred and eighty
16 (180) days from the date of their issuance. If a Settlement Class Member
17 and/or Aggrieved Employees does not cash his or her settlement check
18 within 90 days, the Settlement Administrator will send a letter to such
19 persons, advising that the check will expire after the 180th day, and invite
20 that Settlement Class Member and/or Aggrieved Employees to request
21 reissuance in the event the check was destroyed, lost or misplaced. In the
22 event an Individual Settlement Payment and/or Aggrieved Employees'
23 individual share of the PAGA Penalties check has not been cashed within
24 one hundred and eighty (180) days, all funds represented by such uncashed
25 checks, plus any interest accrued thereon, shall be paid to the Children's
26 Advocacy Institution, a Cy Pres Recipient, pursuant to California Code of
27 Civil Procedure section 384.

1 9. Enhancement Award. In addition to the Individual Settlement Payment as
2 a Settlement Class Member and his individual share of the Aggrieved
3 Employee Payment, Plaintiff will apply to the Court for an award of not
4 more than \$5,000.00, as the Enhancement Award. Defendant will not
5 oppose a Enhancement Award of not more than \$5,000.00 for Plaintiff. The
6 Settlement Administrator shall pay the Enhancement Award, either in the
7 amount stated herein if approved by the Court or some other amount as
8 approved by the Court, to Plaintiff from the Gross Settlement Amount no
9 later than ten (10) calendar days after the Funding Date. Any portion of the
10 requested Enhancement Award that is not awarded to the Class
11 Representative shall be part of the Net Settlement Amount and shall be
12 distributed to Settlement Class Members as provided in this Agreement.
13 The Settlement Administrator shall issue an IRS Form 1099 — MISC to
14 Plaintiff for his Enhancement Award. Plaintiff shall be solely and legally
15 responsible to pay any and all applicable taxes on his Enhancement Award
16 and shall hold harmless the Released Parties from any claim or liability for
17 taxes, penalties, or interest arising as a result of the Enhancement Award.
18 Approval of this Settlement shall not be conditioned on Court approval of
19 the requested amount of the Enhancement Award. If the Court reduces or
20 does not approve the requested Enhancement Award, Plaintiff shall not
21 have the right to revoke the Settlement, and it will remain binding.

22 10. Attorneys' Fees and Attorneys' Expenses. Defendant understands Class
23 Counsel will file a motion for Attorneys' Fees not to exceed one-third of
24 the Gross Settlement Amount currently estimated to be \$100,000.00 *and*
25 Attorneys' Expenses supported by declaration not to exceed Twenty
26 Thousand Dollars (\$20,000.00). Any awarded Attorneys' Fees and
27 Attorneys' Expenses shall be paid from the Gross Settlement Amount. Any

1 portion of the requested Attorneys' Fees and/or Attorneys' Expenses that
2 are not awarded to Class Counsel shall be part of the Net Settlement Amount
3 and shall be distributed to Settlement Class Members as provided in this
4 Agreement. The Settlement Administrator shall allocate and pay the
5 Attorneys' Fees to Class Counsel from the Gross Settlement Amount no
6 later than ten (10) calendar days after the Funding Date. Class Counsel shall
7 be solely and legally responsible to pay all applicable taxes on the payment
8 made pursuant to this paragraph. The Settlement Administrator shall issue
9 an IRS Form 1099 — MISC to Class Counsel for the payments made
10 pursuant to this paragraph. In the event that the Court reduces or does not
11 approve the requested Attorneys' Fees, Plaintiff and Class Counsel shall not
12 have the right to revoke the Settlement, or to appeal such order, and the
13 Settlement will remain binding.

14 11. PAGA Penalties. Twenty Thousand Dollars (\$20,000.00) shall be allocated
15 from the Gross Settlement Amount for settlement of claims for civil
16 penalties under the Private Attorneys General Act of 2004 ("PAGA
17 Penalties"). The Settlement Administrator shall pay seventy-five percent
18 (75%) of the PAGA Penalties (\$15,000.00) to the California Labor and
19 Workforce Development Agency no later than ten (10) calendar days after
20 the Funding Date (hereinafter "LWDA Payment"). Twenty-five percent
21 (25%) of the PAGA Penalties (\$5,000.00) will be distributed to the
22 Aggrieved Employees as described in this Agreement (hereinafter
23 "Aggrieved Employee Payment"). For purposes of distributing the PAGA
24 Penalties to the Aggrieved Employees, each Aggrieved Employee shall
25 receive their pro-rata share of the Aggrieved Employee Payment using the
26 PAGA Payment Ratio as defined above.

1 12. Administration Costs. The Settlement Administrator shall be paid for the
2 costs of administration of the Settlement from the Gross Settlement
3 Amount. The estimate of the Administration Costs is \$7,500. The
4 Settlement Administrator shall be paid the Administration Costs no later
5 than ten (10) calendar days after the Funding Date.

6 N. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file
7 with the Court a Motion for Order Granting Final Approval and Entering Judgment,
8 within twenty-eight (28) days following the expiration of the Response Deadline,
9 which motion shall request final approval of the Settlement and a determination of
10 the amounts payable for the Enhancement Award, the Attorneys' Fees and
11 Attorneys' Expenses, the PAGA Penalties, and the Administration Costs. Plaintiff
12 will provide Defendant with a draft of the Motion at least three (3) business days
13 prior to the filing of the Motion to give Defendant an opportunity to propose
14 changes or additions to the Motion.

15 1. Declaration by Settlement Administrator. No later than seven (7) days after
16 the Response Deadline, the Settlement Administrator shall submit a
17 declaration in support of Plaintiff's motion for final approval of this
18 Settlement detailing the number of Notice Packets mailed and re-mailed to
19 Class Members, the number of undeliverable Notice Packets, the number of
20 timely requests for exclusion, the number of objections received, the
21 amount of the average Individual Settlement Payment and highest
22 Individual Settlement Payment, the Administration Costs, and any other
23 information as the Parties mutually agree or the Court orders the Settlement
24 Administrator to provide.

25 2. Final Approval Order and Judgment. Class Counsel shall present an Order
26 Granting Final Approval of Class Action Settlement to the Court for its
27

1 approval, and Judgment thereon, at the time Class Counsel files the Motion
2 for Final Approval.

3 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
4 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
5 Final Approval, including the Order Granting Final Approval of Class Action
6 Settlement, and Judgment before filing with the Court. The Parties and their counsel
7 will cooperate with each other and use their best efforts to effect the Court's approval
8 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
9 Judgment.

10 O. Notice to LWDA of Settlement. Class Counsel will comply with Cal. Lab. Code §
11 2699(l) and notify the LWDA of the Settlement, including but not limited to, all
12 Court orders and judgments related to the Settlement, within the required statutory
13 and/or Court-prescribed deadlines.

14 P. Cooperation. The Parties and their counsel will cooperate with each other and use
15 their best efforts to implement the Settlement.

16 Q. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
17 except such proceedings necessary to implement and complete the Settlement,
18 pending the Final Approval/Settlement Fairness Hearing to be conducted by the
19 Court

20 R. Amendment or Modification. This Agreement may be amended or modified only
21 by a written instrument signed by counsel for all Parties or their successors-in-
22 interest.

23 S. Entire Agreement. Except for the settlement agreement between Plaintiff and
24 Defendant, which separately addresses the settlement of his individual non-wage
25 claims, this Agreement and any attached Exhibit constitute the entire Agreement
26 among these Parties, and no oral or written representations, warranties or
27 inducements have been made to any Party concerning this Agreement or its Exhibit

1 other than the representations, warranties and covenants contained and
2 memorialized in this Agreement and its Exhibit.

3 T. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant
4 and represent they are expressly authorized by the Parties whom they represent to
5 negotiate this Agreement and to take all appropriate Action required or permitted to
6 be taken by such Parties pursuant to this Agreement to effectuate its terms, and to
7 execute any other documents required to effectuate the terms of this Agreement.
8 The persons signing this Agreement on behalf of Defendant represents and warrants
9 that he/she is authorized to sign this Agreement on behalf of Defendant. Plaintiff
10 represents and warrants that he is authorized to sign this Agreement and that he has
11 not assigned any claim, or part of a claim, covered by this Settlement to a third-
12 party.

13 U. No Public Comment: The parties and their counsel agree not to issue any press
14 releases, initiate any contact with the press, respond to any press inquiry or make
15 any public communication about the fact, amount or terms of the settlement, except
16 however that this does not prohibit disclosures required by law and/or within
17 Plaintiff and Plaintiff's counsel and expert, Defendant and Defendant's counsel and
18 expert, and those within Defendant's organization or financial advisors/accountants
19 with a need to know in order to approve or execute the terms of this Settlement
20 Agreement. Plaintiff and Class Counsel also agree that they will not engage in any
21 advertising or distribute any marketing materials relating to the Settlement of this
22 Action in any manner that identifies the Defendant, including but not limited to any
23 postings on any websites maintained by Class Counsel or any other websites,
24 internet blogs, chatrooms or social media sites that specifically identify Defendant,
25 case name, case number or other identifying information.

26 V. Binding on Successors and Assigns. This Agreement shall be binding upon, and
27 inure to the benefit of, the successors or assigns of the Parties, as previously defined.

1 W. California Law Governs. All terms of this Agreement and the Exhibit and any
2 disputes shall be governed by and interpreted according to the laws of the State of
3 California.

4 X. Counterparts. This Agreement may be executed in one or more counterparts. All
5 executed counterparts and each of them shall be deemed to be one and the same
6 instrument provided that counsel for the Parties to this Agreement shall exchange
7 among themselves copies or originals of the signed counterparts.

8 Y. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this
9 Settlement is a fair, adequate and reasonable settlement of this Action and have
10 arrived at this Settlement after extensive arms-length negotiations, taking into
11 account all relevant factors, present and potential.

12 Z. Jurisdiction of the Court. The Parties agree that the Court shall retain continuing
13 jurisdiction over this case under CCP Section 664.6 with respect to the
14 interpretation, implementation and enforcement of the terms of this Agreement and
15 all orders and judgments entered in connection therewith, and the Parties and their
16 counsel submit to the jurisdiction of the Court for purposes of interpreting,
17 implementing and enforcing the settlement and all orders and judgments entered in
18 connection with this Agreement.

19 AA. Invalidity of Any Provision. Before declaring any provision of this Agreement
20 invalid, the Court shall first attempt to construe the provisions valid to the fullest
21 extent possible consistent with applicable precedents so as to define all provisions
22 of this Agreement valid and enforceable. Should the Court or any tribunal of valid
23 jurisdiction declare invalid or unenforceable any provision or term of this
24 Agreement, that term or provision shall be severed from the Agreement, and the
25 remaining terms and provisions shall remain in full force and effect.

26 BB. Waiver of Certain Appeals. Provided that Judgment is consistent with the material
27 terms and conditions of this Agreement, the Parties, their respective counsel, and all

1 Class Members who did not submit an objection or exclusion agree to waive appeals
2 and to stipulate to class certification for purposes of this settlement only.

3 CC. No Unalleged Claims. Plaintiffs and Class Counsel represent that they do not have
4 any pending lawsuits, administrative charges or complaints against Defendant or any
5 of the Released Parties, and they do not currently intend or anticipate pursuing any
6 claims against the Released Parties, including, but not limited to, any and all claims
7 relating to or arising from Plaintiffs' or any Class Member's employment, regardless
8 of whether any party or Class Counsel is currently aware of any facts or legal
9 theories upon which any claims or causes of action could be brought against
10 Released Parties, including those facts or legal theories alleged in the Operative
11 Complaint in this Action. The Parties acknowledge, understand, and agree that this
12 representation is essential to the Agreement and that this Agreement would not have
13 been entered into were it not for this representation.

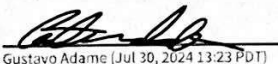
14 DD. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the
15 Released Claims have merit and give rise to liability on the part of Defendant.
16 Defendant claims that the Released Claims have no merit and do not give rise to
17 liability. This Agreement is a compromise of disputed claims. Nothing contained
18 in this Agreement and no documents referred to and no action taken to carry out this
19 Agreement may be construed or used as an admission by or against the Defendant
20 or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted.
21 Other than as may be specifically set forth herein, each Party shall be responsible
22 for and shall bear its/his own attorney's fees and costs.

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IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

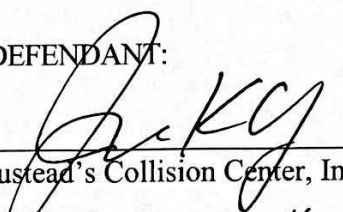
DATED: 07/30/2024


Gustavo Adame (Jul 30, 2024 13:23 PDT)

Gustavo Adame

IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: 7-30-24



Hustead's Collision Center, Inc.

Jong (Jonathan) K. Yi
Printed Name

president - owner
Title


IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 07/30/2024

JCL LAW FIRM, A.P.C.
By: 

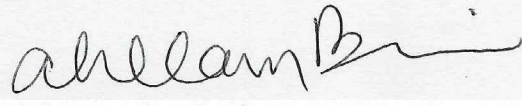
Attorneys for Plaintiff and the Settlement Class Members

DATED: 07/30/2024

ZAKAY LAW GROUP, APLC
By: 

Attorneys for Plaintiff and the Settlement Class Members

DATED: 7/31/2024


By: _____

Wood, Smith, Henning & Berman LLP

Attorneys for Defendant

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EXHIBIT A

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**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Adame v Husted's Collision Center, Inc., et al., Alameda County Superior Court Case No. 22CV018744)

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	<p>To receive a cash payment from the Settlement, you do not have to do anything.</p> <p>Your estimated Individual Settlement Payment Share is << [REDACTED] >>.</p> <p>Your estimated Aggrieved Employee Payment Share is << [REDACTED] >>.</p> <p>See the explanation below.</p> <p>After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.</p>
Exclude Yourself	<p>If you wish to exclude yourself from the Class Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. However, no Aggrieved Employee shall have the right to opt out of the PAGA Settlement.</p> <p>Instructions are set forth below.</p>
Object	<p>You may write to the Court about why you believe the settlement should not be approved.</p> <p>Directions are provided below.</p>

1. Why did I get this Notice?

A proposed class and PAGA action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of Alameda (the "Court") has been reached between Plaintiff Gustavo Adame (Plaintiff) and Defendant Husted's Collision Center, Inc.

1 (“Defendant”). The Court has granted preliminary approval of the Settlement. Defendant denies
2 any and all wrongdoing and liability whatsoever. The Court has not made any decision as to the
truth of Plaintiff’s allegations.

3 **You may be entitled to receive money from this Settlement. You have received this Class**
4 **Notice because you have been identified as a member of the Class.**

5 The Class is defined as:

6 All non-exempt employees who are or previously were employed by Defendant and
7 performed work in California during the Class Period.

8 The “Class Period” is the period of time running from September 29, 2018, through March 4, 2024.

9 The PAGA purported Aggrieved Employees are defined as:

10 All non-exempt employees who are or previously were employed by Defendant and
11 performed work in California during the PAGA period.

12 The "PAGA Period" is the period of time running from September 29, 2021, through March 4,
13 2024

14 This Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read
this Notice carefully as your rights may be affected by the Settlement.

15 **2. What is this class action lawsuit about?**

16 On September 29, 2022, Plaintiff Gustavo Adame filed a Complaint in the Superior Court of the
17 State of California, County of Alameda, asserting causes of action for: (1) Retaliation in Violation
18 of Cal. Lab. Code § 1102.5; (2) Wrongful Termination in Violation of Public Policy; (3) Violation
of Government Code § 12940—Disability and Racial Discrimination; (4) Failure to Provide
19 Reasonable Accommodation; (5) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.); (6)
Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (7) Failure to Pay
20 Overtime Wages (Labor Code §§ 510 et seq.); (8) Failure to Provide Required Meal Periods (Labor
Code §§ 226.7, 512 and the applicable Wage Order); (9) Failure to Provide Required Rest Periods
21 (Labor Code §§ 226.7, 516 and the applicable wage order); (10) Failure to Reimburse Employees
for Required Expenses (Labor Code § 2802; (11) Failure to Provide Wages When Due (Labor
22 Code §§ 201, 202, 203); and (12) Failure to Provide Accurate Itemized Statements (Labor Code §
226 and 226.2 et seq.) (“Original Complaint”).

23
24
25 Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the
26 Action, disputes any wages, damages and penalties claimed by the Class Representative are owed,
and further contends that, for any purpose other than settlement, the Action is not appropriate for
27 class or representative action treatment. Defendant contends, among other things, that at all times
it complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

1
2 On October 24, 2023, the Parties participated in an all-day mediation with Hon. Brian C. Walsh
3 (Ret.), a jurist and mediator of wage and hour class actions. The mediation resulted in a Settlement.
4 The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY
5 APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve
6 as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group,
7 APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

7 Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Three Hundred
8 Thousand Dollars and Zero Cents (\$300,000) (the “Gross Settlement Amount”) to fund the
9 settlement. The Gross Settlement Amount includes the payment of all Individual Settlement
10 Payments, Attorneys’ Fees, Attorneys’ Expenses, Administration Costs, the LWDA Payment,
11 Aggrieved Employee Payment, and the Enhancement Award to the Plaintiff.

12 After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by
13 depositing the money with the Settlement Administrator. “Final” means the date the Judgment is
14 no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and
15 the Judgment is affirmed.

16 Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain
17 payments to be made from the Gross Settlement Amount, which will be subject to final Court
18 approval, and which will be deducted from the Gross Settlement Amount before settlement
19 payments are made to Class Members, as follows:

- 20 • Administration Costs. Payment to the Settlement Administrator, estimated not to exceed
21 \$7,500 for expenses, including expenses of sending this Notice, processing opt outs, and
22 distributing settlement payments.
- 23 • Attorneys’ Fees and Costs. Payment to Class Counsel of an award of an Attorneys’ Fees
24 of no more than 1/3 of the Gross Settlement Amount (currently \$100,000) and Attorneys’
25 Expenses of not more than \$20,000 for all expenses incurred as documented in Class
26 Counsel’s billing records, both subject to Court approval. Class Counsel have been
27 prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis
28 (that is, without being paid any money to date) and have been paying all litigation costs
and expenses.
- Enhancement Award. Enhancement Award of up to Five Thousand Dollars (\$5,000) to
Plaintiff Gustavo Adame, or such lesser amount as may be approved by the Court, to
compensate him for services on behalf of the Class in initiating and prosecuting the Action,
and for the risks he undertook.
- PAGA Penalties. A payment of \$20,000.00 relating to Plaintiff’s claim under the Private
Attorneys General Act (“PAGA”), \$15,000 of which will be paid to the State of

1 California's Labor and Workforce Development Agency ("LWDA") and the remaining
2 \$5,000 will be distributed to PAGA Employees as part of the Net PAGA Amount.

- 3 • Calculation of Payments to Participating Class Members. After all the above payments of
4 the court-approved Attorneys' Fees, Attorneys' Expenses, the Enhancement Award, the
5 PAGA Penalties, and the Administration Costs are deducted from the Gross Settlement
6 Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed
7 to class members who do **not** request exclusion ("Participating Class Members").
8 Participating Class Members will be paid based on the number of workweeks worked
9 during the Class Period. A "workweek" means the any seven (7) consecutive days
10 beginning on Monday and ending on Sunday, in which a Class Member was employed by
11 Defendant during the Class Period in California. The respective workweeks for each Class
12 Member will be divided by the total workweeks for all Class Members, resulting in the
13 Payment Ratio for each Class Member. Each Class Member's Payment Ratio will then be
14 multiplied by the Net Settlement Amount to calculate each Class Member's estimated
15 Individual Settlement Payments.
- 16 • Calculation of PAGA Penalties Payments to Aggrieved Employees. The Net PAGA
17 Amount shall be distributed to PAGA Employees irrespective of whether they exclude
18 themselves or opt-out. The respective PAGA workweeks for each Aggrieved Employee
19 will be divided by the total PAGA workweeks for all Aggrieved Employees, resulting in
20 the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's
21 PAGA Payment Ratio will then be multiplied by the Net PAGA Amount to calculate each
22 Aggrieved Employee's estimated share of the Net PAGA Amount.

23 **If the Settlement is approved by the Court, you will automatically be mailed a check for your
24 Settlement Share to the same address as this Class Notice. You do not have to do anything
25 to receive a payment.** If your address has changed, you must contact the Settlement Administrator
26 to inform them of your correct address to insure you receive your payment.

27 Tax Matters. Twenty-five percent (25%) of each Class Settlement Share is allocated to wages.
28 Taxes are withheld from this amount, and each Participating Class Member will be issued an
Internal Revenue Service Form W-2 for such payment. Seventy-five percent (75%) of each Class
Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will
be withheld, and each Participating Class Member will be issued an Internal Revenue Service
Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid
to PAGA Employees, and each PAGA Employee will be issued an Internal Revenue Service Form
1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained
in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax
advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the
PAGA Settlement made to Settlement Class Members and/or Aggrieved Employees under this
Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement,
will not be utilized to calculate any additional benefits under any benefit plans to which any Class
Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)

1 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
2 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
3 contributions, or amounts to which any Class Members may be entitled under any benefit plans.

4 Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting
5 final approval of the Settlement and entering judgment.

6 **4. What Do I Release Under the Settlement?**

7 Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement
8 Amount by Defendants, Plaintiff and the Participating Class Members shall release all Released
9 Class Claims that occurred during the Class Period as to the Released Parties. Released Class
10 Claims means all class claims alleged in the Operative Complaint in the Action and all claims that
11 reasonably could have been alleged based on the facts and/or theories pled in the Operative
12 Complaint, including claims for: unfair competition predicated on claims for failure to pay
13 minimum wages, failure to pay overtime wages, failure to provide meal and rest periods, failure
14 to reimburse business expenses, failure to pay all wages due upon discharge or resignation, failure
15 to provide accurate wage statements, and regular rate violations with respect to overtime, double
16 time, meal and rest period premiums, and sick pay; and labor code violations for failure to pay
17 minimum wages; failure to pay overtime wages; failure to provide meal and rest periods; failure
18 to reimburse business expenses; failure to pay all wages due upon discharge or resignation; failure
19 to provide accurate wage statements; and regular rate violations with respect to overtime, double
20 time, meal and rest period premiums, and sick pay that accrued during the Class Period. The
21 released claims include, but are not limited to, claims for wages, statutory penalties, civil penalties,
22 damages, liquidated damages, or any other relief brought under state or federal law, the California
23 Labor Code, the Fair Labor Standards Act, California Business and Professions Code sections
24 17200 et seq, and/or any applicable Industrial Welfare Commission Wage Order, arising from the
25 labor code violations released herein; attorneys' fees and costs; and interest that accrued during
26 the Class Period. The release expressly excludes claims for vested benefits, wrongful termination,
27 unemployment insurance, disability, social security, workers' compensation, and class claims
28 outside of the Class Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot
sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues
resolved by this Settlement. It also means that all of the Court's orders in this Action will apply
to you and legally bind you.

The Released PAGA Claims shall be released as follows. As of the Funding Date and upon funding
in full of the Gross Settlement Amount by Defendants, the Plaintiff, on behalf of the LWDA and
the State of California shall release all claims for civil penalties, attorneys' fees, interest, costs, or
any other relief under PAGA for alleged violations of Labor Code sections 201, 201.3, 202, 203,
204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 558.1, 1174(d), 1174.5,
1194, 1197, 1197.1, 1197.14, 1198, 198.5, 1199, 2802, 2804, 2699.5, and all applicable Industrial
Welfare Commission Wage Order(s) that arise out of or reasonably relate to the factual allegations
for the PAGA claims as alleged in the operative complaint and the relevant notice letter(s) to the
LWDA.

Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the “PAGA Release”).

5. How much will my payment be?

Defendant’s records reflect that you have << >> Workweeks worked during the Class Period (September 29, 2018, to March 4, 2024).

Based on this information, your estimated Individual Settlement Payment Share is << >>.

Defendant’s records reflect that you have << >> pay periods worked during the PAGA Period (September 29, 2021, to March 4, 2024).

Based on this information, your estimated Aggrieved Employee Payment Share is << >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action.

The Court will hold a hearing on to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator’s website at <https://www.apexclassaction.com/>.

7. What if I don’t want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or “opt out.” **If you opt out, you will receive NO money from the Class Settlement, and you will not be bound by its terms, except as provided herein.** However, no Aggrieved Employee shall have the right to opt out of the PAGA Settlement. Thus, irrespective of whether you exclude yourself from the Class Settlement or “opt out,” you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net

1 PAGA Amount.

2 To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed
3 and dated request for exclusion postmarked no later than [forty-five (45) calendar days after the
4 Settlement Administrator mails Notice Packets to Class Members]. The address for the Settlement
5 Administrator is Apex Class Action, 18 Technology Drive, Suite 164, Irvine, CA 92618. The
6 request for exclusion must state in substance that the Class Member has read the Class Notice and
7 that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Adame
8 v Husted's Collision Center, Inc., et al.*, currently pending in Superior Court of Alameda, Case
9 No. 22CV018744. The request for exclusion must contain your name, address, signature and the
10 last four digits of your Social Security Number for verification purposes. The request for exclusion
11 must be signed by you. No other person may opt out for a member of the Class.

12 Written requests for exclusion that are postmarked after [forty-five (45) calendar days after the
13 Settlement Administrator mails Notice Packets to Class Members], or are incomplete or unsigned
14 will be rejected, and those Class Members will remain bound by the Settlement and the release
15 described above.

16 **8. How do I tell the Court that I would like to challenge the Settlement?**

17 Any Class Member who has not opted out and believes that the Settlement should not be finally
18 approved by the Court for any reason, may object to the proposed Settlement. Objections may be
19 in writing and must state the Class Member's name, current address, last four digits of your Social
20 Security number, telephone number, and describe why you believe the Settlement is unfair and
21 whether you intend to appear at the final approval hearing. All written objections or other
22 correspondence must also state the name and number of the case, which is *Adame v Husted's
23 Collision Center, Inc., et al., currently pending in Superior Court of Alameda, Case No.
24 22CV018744* and must be signed by the Class Member. You may also object without submitting
25 a written objection by appearing at the final approval hearing scheduled as described in Section 9
26 below.

27 To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be
28 bound by the terms of the Settlement in the same way as Class Members who do not object. Any
Class Member who does not object in the manner provided in this Class Notice shall have waived
any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than
[redacted] [forty-five (45) calendar days after the Settlement Administrator mails Notice
Packets to Class Members]. The address for the Settlement Administrator is 18 Technology Drive,
Suite 164, Irvine, CA 92618.

The addresses for the Parties' counsel are as follows:

Class Counsel: Jean-Claude Lapuyade, Esq.	Class Counsel: Shani O. Zakay, Esq.	Counsel for Defendant: Jason C. Ross, Esq.
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1 JCL Law Firm, APC
2 5440 Morehouse Drive, Suite
3 3600 San Diego, CA 92121
4 Tel.: (619) 599-8292
5 Fax: (619) 599-2891
6 E-Mail: [jlapuyade@jcl-](mailto:jlapuyade@jcl-lawfirm.com)
7 lawfirm.com

Zakay Law Group, APLC
5440 Morehouse Drive,
Suite 3600 San Diego, CA
92121
Tel: (619) 599-8292
Fax: (619) 599-8291
E-Mail:
shani@zakaylaw.com

Ahllam H. Berri, Esq.
Wood, Smith, Henning &
Berman LLP
6A Liberty Street, Suite
200
Aliso Viejo, CA 92656
Tel: (949) 757-4500
Fax: (949) 757-4550
E-Mail: jross@wshblaw.com
aberri@wshblaw.com

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9 **9. When and where will the Court decide whether to approve the Settlement?**

10 The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the
11 Alameda County Superior Court, _____, located at _____, before Judge _____. At this hearing,
12 the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of
13 this hearing is for the Court to determine whether to grant final approval to the Settlement. If there
14 are objections, the Court will consider them. The Court will listen to people who have made a
timely written request to speak at the hearing or who appear at the hearing to object. This hearing
may be rescheduled by the Court without further notice to you. **You are not required to attend**
the Final Approval Hearing, although any Class Member is able to attend the hearing.

15 **10. How do I get more information about the Settlement?**

16 You may call the Settlement Administrator at 1-800-355-0700 or write to *Adame v Hustead's*
17 *Collision Center, Inc., et al., currently pending in Superior Court of Alameda, Case No.*
18 *22CV018744*, Settlement Administrator, 18 Technology Drive, Suite 164 Irvine, CA 92618, c/o
Apex Class Action LLC,

19 This notice summarizes the proposed settlement. More details are in the Settlement Agreement.
20 You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement
21 documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA
92121 or by visiting the website listed in this notice.

22 The pleadings and other records in this litigation may be examined online on the Alameda County
23 Superior Court's website, known as "eCourt Public Portal," at
<https://eportal.alameda.courts.ca.gov>.

24 After arriving at the website, click the "Search" tab at the top of the page, then select the Document
25 Downloads link, enter the case number and click "Submit." Images of every document filed in the
26 case may be viewed at a minimal charge. You may also view images of every document filed in
the case free of charge by using one of the computer terminal kiosks available at each court location
that has a facility for civil filings.

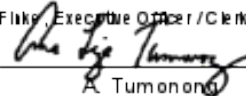
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PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.

- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Children’s Advocacy Institution, a Cy Pres Recipient, pursuant to California Code of Civil Procedure section 384. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA	Reserved for Clerk's File Stamp
COURTHOUSE ADDRESS: Rene C. Davidson Courthouse 1225 Fallon Street, Oakland, CA 94612	FILED Superior Court of California County of Alameda 08/22/2024
PLAINTIFF/PETITIONER: Gustavo Adame	Chad Finke, Executive Officer / Clerk of the Court By:  Deputy
DEFENDANT/RESPONDENT: HUSTEADS COLLISION CENTER, INC.	
CERTIFICATE OF ELECTRONIC SERVICE CODE OF CIVIL PROCEDURE 1010.6	CASE NUMBER: 22CV018744

I, the below named Executive Officer/Clerk of Court of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served one copy of the Order [PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS AND PAGA ACTION SETTLEMENT entered herein upon each party or counsel of record in the above entitled action, by electronically serving the document(s) from my place of business, in accordance with standard court practices.

Ahllam Berri
WOOD, SMITH, HENNING & BERMAN LLP
aberri@wshblaw.com

Shani Zakay
Zakay Law Group, APLC
shani@zakaylaw.com

Dated: 08/22/2024

Chad Finke, Executive Officer / Clerk of the Court

By:



A. Tumonong, Deputy Clerk