

**NOTICE OF PROPOSED CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT**

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO

*Jose Lopez v. T.L.S. Parts, Inc.*

Case No. 34-2022-00316927

**THIS IS A COURT-AUTHORIZED NOTICE  
PLEASE READ IT CAREFULLY**

<<FullName>>

<<Address1>> <<Address2>>

<<City>>, <<State>> <<Zip Code>>

**Dear <<FullName>>,**

You are receiving this Notice because a proposed settlement (the “Settlement”) has been reached by the parties in the above-captioned proposed class action and Private Attorney General Act (“PAGA”) lawsuit. TLS PARTS, INC. dba BENZEEN AUTO PARTS’ (“Defendant”) employment records indicate that you are one of the individuals who fall within the group of individuals who may be entitled to receive a Settlement payment (“Individual Settlement Payment” and/or “Individual PAGA Payment”). The purpose of this Notice is to inform you about the Settlement and your legal rights under the Settlement.

**Your Individual Settlement Payment is based on the proportionate number of workweeks you worked for Defendant during the Class Period (March 15, 2018 through June 30, 2023) minus any payments Defendant previously made to you (if any) to settle claims at issue in this Action; your Individual PAGA Payment is based on the proportionate number of pay periods you worked for Defendant during the PAGA Period (March 9, 2021 through June 30, 2023). Defendant’s employment records show that you worked <<WorkWeeks>> workweeks during the Class Period and <<PAGA PayPeriods>> Pay Periods during the PAGA Period, and that Defendant previously paid you \$<<PickUpStixPayment>> to settle claims at issue in this Action. As a result, you are eligible to receive an estimated Individual Settlement Payment of approximately \$<<Total estAmount>>. This is only an estimate and is subject to change.**

**WHAT IS THIS LAWSUIT ABOUT?**

Plaintiff Jose Lopez (“Plaintiff”) filed this putative class and representative lawsuit on March 15, 2022. In this lawsuit, Plaintiff asserts claims on behalf of himself and on behalf of all nonexempt employees during the time period from March 15, 2018 through June 30, 2023. Plaintiff alleged that Defendant: (1) failed to pay all wages owed, including applicable minimum wages and overtime wage; (2) failed to pay all wages owed during and at separation of employment; (3) failed to authorize and permit rest breaks; (4) failed to provide meal periods; (5) failed to reimburse employees for business expenses; (6) failed to provide accurate itemized wage statements; (8) engaged in unfair business practices pursuant to Business and Professions Code section 17200 et seq.; and (9) owes civil penalties under PAGA.

Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the lawsuit and further denies that, for any purpose other than that for settling this lawsuit, the lawsuit is appropriate for class treatment. Defendant contends, among other things, that it complied at all times with the California Labor Code, California Wage Orders, and all other applicable laws. The Court has made no ruling and will make no ruling on the merits of the lawsuit and its allegations and claims.

## **SUMMARY OF THE SETTLEMENT**

### **A. Why is There a Settlement?**

The Court did **not** decide in favor of Plaintiff or Defendant. Plaintiff thinks he would have prevailed at a trial. Defendant thinks it would have prevailed at trial. But there was no trial. Instead, both sides agreed to a Settlement to avoid the costs, risks, and uncertainty of a trial, and the Class Members who participate in the Settlement and all PAGA Members regardless of whether they participate in the Settlement will get compensation for the claims released by the Settlement.

### **B. Who Are the Class Members and PAGA Members In This Case?**

“Class Members” means all individuals who were employed by and worked for Defendant as non-exempt employees at any time between March 15, 2018, through June 30, 2023 (“Class Period”).

“PAGA Members” means all individuals who were employed by and worked for Defendant as non-exempt employees at any time between March 9, 2021, and June 30, 2023 (“PAGA Period”).

### **C. What Does the Settlement Provide?**

#### **1. Settlement Amount.**

To settle the lawsuit, Defendant will pay a total of \$225,000 (“Gross Settlement Amount”). The following sums will be paid from the Settlement Amount: all payments to Class Members who participate in the Settlement, payments Defendant previously made to Class Members to settle claims at issue in this Action, Class Counsel Fees, Class Counsel Expenses, Incentive Award to Plaintiff, Settlement Administration Costs, and a payment to the California Labor and Workforce Development Agency (“LWDA”) and PAGA Members pursuant to PAGA (“PAGA Payment”).

#### **2. Net Settlement Amount.**

The Net Settlement Amount will be the Gross Settlement Amount minus Class Counsel Fees (not to exceed \$78,750), Class Counsel Expenses (up to \$18,000), Service Award to Plaintiff (up to \$7,500), payments previously paid to Class Members by Defendant to settle claims at issue in this Action (estimated to be approximately \$31,522.00), Settlement Administration Costs (not to exceed \$12,000), and the PAGA Payment (up to \$25,000). The PAGA Payment shall be allocated as follows: (1) \$18,750.00 to the LWDA; and (2) \$6,250.00 for distribution to PAGA Members (the “Net PAGA Amount”).

#### **3. Your Individual Settlement Payment Amount.**

The amount of your Individual Settlement Payment will be determined based on the number of workweeks you worked for Defendant during the Class Period (“Eligible Workweeks”) minus payments Defendant previously made to you (if any) to settle claims at issue in this Action, and the number of pay periods you worked for Defendant during the PAGA Period (“Eligible Pay Periods”).

The Settlement Administrator will calculate Individual Settlement Payments for the Class Period based on the following allocation formula: (a) add all Eligible Workweeks for all Class Members together to obtain the “Denominator”; (b) divide the number of Eligible Workweeks worked during the Class Period for each Class Member by the Denominator to obtain each Class Member’s “Payment Ratio”; (c) multiply each Class Member’s Payment Ratio by the Net Settlement Amount; and (d) subtract payments previously made (if any) to the Class Member by Defendant to settle claims at issue in this Action to determine his or her Individual Settlement Payment for the Class Period. The Settlement Administrator will calculate Individual Settlement Payments for the PAGA Period based on the following allocation formula: (a) add all Eligible Pay Periods for all PAGA Members together to obtain the “Denominator”; (b) divide the number of Eligible Pay

Periods worked during the PAGA Period for each Class Member by the Denominator to obtain each Class Member's "Payment Ratio"; and (c) multiply each PAGA Member's Payment Ratio by the Net PAGA Amount to determine his or her Individual Settlement Payment for the PAGA Period.

Based on Defendant's records, you have <<WorkWeeks>> Eligible Workweeks during the Class Period and <<PAGA PayPeriods>> Eligible Pay Periods during the PAGA Period, and Defendant previously paid you \$<<PickUpStixPayment>> to settle claims at issue in this Action. If you disagree about your number of Eligible Workweeks, your number of Eligible Pay Periods, and/or the amount Defendant previously paid you to settle claims at issue in this Action, you must notify the Settlement Administrator and provide any evidence supporting your challenge to the Settlement Administrator by October 26, 2023. The Settlement Administrator will ask Defendant to verify its records. The Settlement Administrator will examine any evidence that you provide and any information and/or documentation from Defendant. The Settlement Administrator, in its sole discretion, will then make a determination about your number of Eligible Workweeks and/or Pay Periods, and the amount Defendant previously paid you to settle claims at issue in this Action. The Settlement Administrator's determination will be final.

Currently, it is estimated that that you will receive a total Individual Settlement Payment of \$<<Total estAmount>>. Please note that this amount may change based on how much the Court awards in attorneys' fees and costs and the number of individuals who ask to be excluded from the Settlement, among other factors.

#### 4. Tax Matters.

Any payments attributable to PAGA shall be treated as 100% penalties. Any payments previously paid to Class Members by Defendant to settle claims at issue in this Action shall be taxed pursuant to the terms of those settlement agreements. For other payments to Class Members pursuant to this Settlement, payments shall be allocated as follows: (i) 30% as wages; and (ii) 70% as reimbursement, penalties, interest and other non-wages. Pursuant to applicable law, the Settlement Administrator (and Defendant, as applicable) will distribute IRS Forms W2 and 1099 (and any equivalent California forms). Tax forms will be distributed at times and in the manner required by the Internal Revenue Code.

Class Members and PAGA Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement. Plaintiff and Defendant make no representations regarding the appropriate tax treatment of Settlement payments.

#### **D. How Will the Lawyers and the Class Representative Be Paid?**

The lawyers representing Plaintiff and the Class will be paid from the \$225,000 Gross Settlement Amount, subject to approval of the Court. The lawyers will request approval from the Court for payment of attorneys' fees of up to one-third of the Gross Settlement Amount (i.e., "Class Counsel Fees"), plus reimbursement of actual litigation costs up to \$18,000 (i.e., Class Counsel Expenses). The Court will review this request to determine if the amounts requested are fair. These payments are for services provided, and to be provided, to the Class, and to compensate the lawyers for the risk of bringing this case on a "contingent basis" where they invested time and all litigation costs with the chance of no recovery.

The lawyers will also ask the Court to approve an individual service award to Plaintiff of up to \$7,500 (i.e., Service Award), for his willingness to accept the risks of bringing this case as a service to the Class. The amount is also subject to Court review and approval.

#### **E. What Do I Release under the Settlement?**

Each Class Member, except those that make valid and timely Requests for Exclusion (except that Class Members who submit a Request for Exclusion will still be bound by the release set forth in previously-executed agreements with Defendant), will finally and fully release Defendant, and each of its past, present or future parents, owners, subsidiaries, joint employers, joint venturers, divisions, and affiliated or related persons or entities, and each of their respective officers, directors, employees, partners, shareholders, attorneys, agents, insurers, executors, and assigns ("Released Parties") from

all claims, transactions, or occurrences that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including but not limited to claims that BENZEEN failed to (1) pay all wages owed for all hours worked, including overtime wages at the regular rate of pay, and minimum wages; (2) authorize and permit timely, uninterrupted rest periods; (3) provide timely, uninterrupted meal periods; (4) reimburse for business expenses; (5) timely pay all wages owed during employment and at separation of employment; (6) provide timely, accurate wage statements; and (7) Unfair Business Practices (Business & Professions Code § 17200 et seq.). The period of the Release shall extend to the limits of the Class Period. The res judicata effect of the judgment will be the same as that of the Release. Except as set forth below with regard to PAGA and except as to releases set forth in previously-executed agreements with Defendant, Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. This release shall be referred to herein as the "Released Class Claims."

Each PAGA Member will release all Released Parties from all Released PAGA Claims, irrespective of whether they make valid and timely Requests for Exclusion or opted-out of the class Settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" are defined as all claims for PAGA penalties under California Labor Code section 2698 et seq. that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice including but not limited to claims that Defendant failed to: (1) pay all wages owed for all hours worked, including overtime wages at the regular rate of pay, and minimum wages; (2) authorize and permit timely, uninterrupted rest periods; (3) provide timely, uninterrupted meal periods; (4) reimburse for business expenses; (5) timely pay all wages owed during employment and at separation of employment; and (6) provide timely, accurate wage statements ("Released PAGA Claims").

A Class Member's decision to submit a valid and timely Request for Exclusion from the class Settlement does not impact the validity of settlement agreements previously entered into by that Class Member and Defendant.

### **THE FINAL APPROVAL HEARING**

The Court will conduct a final approval hearing regarding the Settlement (the "Final Approval Hearing") on December 8, 2023 at 9:00 a.m. The Court will determine: (a) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of Class Members; (b) whether the Class Members should be bound by the terms of the Settlement; (c) the amount of the attorneys' fees and expenses awarded to Plaintiff's attorneys; and (d) the amount that should be awarded to Plaintiff as a Service Award. At the Final Approval Hearing, the Court will hear all objections as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or you can appear without an attorney and represent yourself.

The Final Approval Hearing may be continued to a different date without further notice to the Class. You may contact Plaintiff's or Defendant's counsel, listed in this Class Notice, to inquire into the date and time of the Final Approval Hearing. You may also visit <https://www.cptgroupcaseinfo.com/TLSParts> for more information.

Condition of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interests of the Class Members and PAGA Members.

### **WHAT ARE YOUR OPTIONS?**

- **OPTION 1 – GET A PAYMENT**

IF YOU ARE A CLASS MEMBER AND/OR PAGA MEMBER AND WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, THEN YOU DO NOT HAVE TO DO ANYTHING, AND YOU WILL AUTOMATICALLY

RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

• **OPTION 2 – EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT**

You have a right to exclude yourself (“opt out”) from the class Settlement and not be bound by a judgment in this case as to the class Settlement, but if you choose to do so, **you will receive NO money from the Settlement beyond that already received, and you will not be bound by its terms, except as follows:** (1) irrespective of whether you exclude yourself or opt out from the class Settlement, you will be bound by any settlement agreements you already entered into with Defendant, including as to claims asserted in the Action; and (2) irrespective of whether you exclude yourself or opt out from the class Settlement, 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 PAGA Amount.

**To exclude yourself and/or opt out from the settlement Class,** you must submit to the Settlement Administrator, by fax, email, or mail, a written, signed and dated Request for Exclusion no later than October 26, 2023. The Request for Exclusion may state in substance: “I have read the Class Notice and I wish to exclude myself/opt-out of the class action settlement of the case *Jose Lopez v. T.L.S. Parts, Inc* (Case No. 34-2022-00316927)” or a response in another verifiable format advising the Settlement Administrator that you elect not to participate in the class Settlement. The Request for Exclusion must contain your name, address, telephone number, last four digits of your Social Security Number, and signature. To be valid, the Request for Exclusion must be completed by you and must be timely mailed to the Settlement Administrator.

• **OPTION 3 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Class Member, but you object to the proposed Settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed Settlement. To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object.

**Any written objection must be postmarked and mailed to the Settlement Administrator no later October 26, 2023** The address for the Settlement Administrator is *Lopez v. T.L.S. Parts Inc. dba Benzeen Auto Parts, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.*

To object, you must sign the objection, and must state: (1) your full name; (2) your dates of employment with the Defendants; (3) the last four digits of your Social Security number and/or any Employee ID number; (4) the basis for the objection; and (5) whether you intend to appear at the Final Approval Hearing. Regardless of whether you have submitted a written objection pursuant to the requirements above, you may appear at the Final Approval hearing and have your objection heard by the Court. If you fail to make objection either in writing in the manner specified above, or in person at the Final Approval hearing, you shall be deemed to have waived any objection and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.

**PLAINTIFF’S/CLASS COUNSEL:**

**KOUL LAW FIRM**

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**WHAT IF YOU NEED TO CHANGE OR UPDATE YOUR ADDRESS?**

If you move after receiving this Notice, if it was misaddressed, or if for any reason you want your Individual Settlement Payment or future correspondence concerning this Action to be sent to a different address, you must supply your preferred address to the Settlement Administrator at Lopez v. T.L.S. Parts Inc. dba Benzeen Auto Parts, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606 as soon possible.

**ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?**

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may view the "Joint Stipulation for Class Action Settlement and Release" at <https://www.cptgroupcaseinfo.com/TLSParts>. You may also review the Court's docket by visiting <https://services.saccourt.ca.gov/PublicCaseAccess/>.

**ALL INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO THE SETTLEMENT ADMINISTRATOR at:**

Lopez v. T.L.S. Parts Inc. dba Benzeen Auto Parts  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Toll Free Number: 1-888-510-2065  
Website: <https://www.cptgroupcaseinfo.com/TLSParts>  
Email: [TLSPartsSettlement@cptgroup.com](mailto:TLSPartsSettlement@cptgroup.com)

**PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS**

**IMPORTANT:**

- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. If a Settlement check remains uncashed by the expiration of the 180 day period, the uncashed funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code section 1500, *et seq.* for the benefit of those Class Members and PAGA Members who did not cash their Settlement checks until such time that they claim their property and who will remain bound by the Settlement.
- If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.