

COURT APPROVED NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Yancy, et al. v. Group 1 Automotive, Inc., GPI CA-DMII, Inc., GPI CA-TII, Inc., GPI CA-SV, Inc. and Miller-DM, Inc.
Merced County Superior Court, Case No. 22CV-00793 (“Action”)

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants’ records indicate that you may be eligible to take part in the class and representative action settlement reached in this case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement.

By order of the Superior Court of California (“Court”), you are notified that: preliminary approval of a class and representative action settlement, in a lawsuit filed by former employees (“Plaintiffs”) against Defendants Group 1 Automotive, Inc., GPI CA-DMII, Inc., GPI CA-TII, Inc., GPI CA-SV, Inc. and Miller-DM, Inc. (collectively, “Defendants”), was granted on December 20, 2023, which may affect your legal rights.

If you are a Class Member (or member of the Class), you need not take any action to receive a settlement payment under the settlement, but you have the opportunity to request exclusion from the class settlement (in which case you will not receive payment under the class settlement), object to the class settlement, and/or dispute the number of workweeks credited to you, if you so choose, as explained more fully below.

1. IMPORTANT DATES

“Class” or “Class Members” means all current and former non-exempt employees paid in whole or part on a commission basis, who work or worked in finance, service, or sales for Defendants within the State of California during the Class Period.

“Class Period” means the period beginning on April 1, 2020 and ending on December 31, 2023.

“PAGA Group Members” means all Class Members who worked for Defendants at any time during the PAGA Period.

“PAGA Period” means the period beginning on April 1, 2020 and ending on December 31, 2023.

“Participating Class Members” or “Settlement Class Members” mean Class Members who does not submit a valid and timely Request for Exclusion from the class settlement. Class Members who request exclusion (explained below, “Non-Participating Class Members”) retain their right to sue Defendants, if they choose, but will not receive payment under the class settlement.

2. BACKGROUND OF THE ACTION

The settlement involves claims alleged against Defendants for: (a) failure to pay all unpaid minimum and overtime wages; (b) failure to provide compliant duty-free meal periods and/or pay premiums owed thereon; (c) failure to provide compliant duty-free rest breaks and/or pay premiums owed thereon; (d) failure to pay wages for sick time; (e) failure to furnish accurate itemized wage statements; (f) failure to maintain and keep accurate records; (g) failure to reimburse all necessary business expenses incurred; (h) failure to pay all wages owed timely during employment and upon separation of employment; (i) engaging in unfair and unlawful business practices; and (j) violation of California’s Private Attorneys General Act of 2004 (“PAGA”).

Defendants deny all of the allegations in the Action or that they violated any law, and contend that at all times they have fully complied with all applicable federal, state, and local laws.

The parties have entered into the Class Action and PAGA Settlement Agreement (“Settlement Agreement”), which was preliminarily approved by the Court on December 20, 2023. The Court has appointed CPT Group, Inc. as the administrator of the settlement (“Settlement Administrator”), Plaintiffs, as representatives of the Class (“Class Representatives”), and the following law firms as counsel for the Class (“Class Counsel”):

Anthony J. Orshansky
Jennifer L. Connor
Justin Kachadoorian
CounselOne, PC
9301 Wilshire Blvd., Suite 650
Beverly Hills, California 90210
Telephone: (310) 277-9945
Facsimile: (424) 277-3727

James R. Hawkins
Gregory Mauro
Michael Calvo
Jeanne Sarmiento
James Hawkins, APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

Roman Otkupman
Otkupman Law Firm, A Law Corporation
5743 Corsa Avenue, Suite 123
Westlake Village, California 91301
Telephone: (818) 293-5623
Facsimile: (888) 850-1310

The settlement represents a compromise and settlement of highly disputed claims. Nothing in the settlement is intended or will be construed as an admission by Defendants that the claims in the action have merit or that Defendants have any liability to Plaintiffs, Class Members, or to PAGA Group Members. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the settlement is fair, reasonable and adequate, and that the settlement is in the best interests of Class Members and PAGA Group Members.

3. **SUMMARY OF PROPOSED SETTLEMENT**

a. **Settlement Terms**

The total settlement amount is one million seven hundred thousand dollars (\$1,700,000) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members who do not opt out of the class settlement (as noted above, “Participating Class Members” or “Settlement Class Members”) is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) payment for reimbursement of reasonable attorneys’ fees to Class Counsel in an amount of up to 35 percent (35%) of the Gross Settlement Amount (currently estimated to be \$595,000) (“Class Counsel Fees Payment”) and litigation expenses of not more than thirty thousand dollars (\$30,000) (“Class Counsel Litigation Expenses Payment”); (2) payment to three Class Representatives in an amount not to exceed fifteen thousand dollars (\$15,000) each, for their services and responsibilities in prosecuting the action (“Class Representative Service Payments”); (3) reimbursement of administration costs in an amount not to exceed thirty thousand dollars (\$30,000) to the Settlement Administrator (“Settlement Administration Expenses Payment”); and (4) the allocation of one hundred fifty thousand dollars (\$150,000) to settle all claims under the PAGA (“PAGA Penalties”), of which 75%, or \$112,500, will be paid to the California Labor and Workforce Development Agency (“LWDA”) (“LWDA PAGA Payment”) and the remaining 25%, or \$37,500, will be paid to all PAGA Group Members on a pro rata pay period basis.

b. **Distribution Formulas**

Each Settlement Class Member is eligible to receive a pro rata share of the Net Settlement Amount (“Individual Class Payment”) based on the number of workweeks he or she worked for Defendants in the State of California as a non-exempt employee paid in whole or part on a commission basis in finance, service, or sales during the Class Period. Specifically, the Net Settlement Amount will be divided by the total of all workweeks of Settlement Class Members during the Class Period in order to establish the value of each workweek. The Individual Settlement Share of each Settlement Class Member will be calculated by multiplying the value of a workweek by the number of workweeks worked by the Settlement Class Member during the Class Period.

Each PAGA Group Member will receive a pro rata share of 25% of the PAGA Payment (“Individual PAGA Payment”) based on the number of pay periods he or she worked for Defendants in the State of California as a non-exempt commission employee paid in whole or part on a commission basis in finance, service, or sales during the PAGA Period irrespective of

whether he or she is a Settlement Class Member. Specifically, 25% of the PAGA Payment (or \$37,500) will be divided by the total of all pay periods worked by all PAGA Group Members during the PAGA Period in order to establish the value of each pay period worked. The individual PAGA payment of each PAGA Group Member will be calculated by multiplying the value of a pay period by the number of pay periods worked by the PAGA Group Member during the PAGA Period.

Each Individual Class Payment will be allocated twenty percent (20%) to wages (which will be reported on an IRS Form W2), and eighty percent (80%) to interest, penalties, and other non-wage damages (which will be reported on an IRS Form 1099, if applicable). Individual PAGA Payments will be allocated as one hundred percent (100%) penalties (which will be reported on IRS Form 1099, if applicable). Each Individual Class Payment will be subject to reduction for the employee's share of taxes and withholdings with respect to the wage portion of the Individual Class Payment. The net payment of each Settlement Class Member's Individual Class Payment (after reduction for the employee's share of taxes on the wage portion) and Individual PAGA Payment (if applicable) is referred to as their "Individual Settlement Payment." The Settlement Administrator will send Individual Class Payments and Individual PAGA Payments to the address on file with the Settlement Administrator by check within ten (10) days of the date of entry of the Final Approval Order and Judgment if no objections to the settlement are filed. You may contact Class Counsel and/or the Settlement Administrator for updates.

If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.

c. Your Workweeks and Pay Periods Based on Defendants' Records

According to Defendants' records:

During the Class Period you worked for Defendants as a non-exempt employee paid in whole or part on a commission basis in finance, service, or sales in California for «Workweeks» workweeks.

During the PAGA Period you worked for Defendants as a non-exempt employee paid in whole or part on a commission basis in finance, service, or sales in California for «PAGAPayPeriods» pay periods.

If you wish to dispute the number of workweeks credited to you, you must submit a written letter to the Settlement Administrator. The written dispute must: (a) contain the case name and number; (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security number; (d) clearly state that you dispute the number of workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of workweeks that you contend should be credited to you is correct; and (f) be mailed to the Settlement Administrator at the address listed in Section IV.B below, postmarked **on or before March 21, 2024.**

d. Your Estimated Settlement Award

As explained above, your estimated settlement award is based on the number of workweeks and pay periods credited to you during the applicable periods.

Under the terms of the settlement, your Individual Class Payment is estimated to be «estAmt» and your Individual PAGA Payment (if applicable) is estimated to be «PAGAestAmt». The Individual Class Payment is subject to reduction for the employee's share of taxes and withholding with respect to the wage portion of the Individual Class Payment.

e. Released Claims

Effective on the date when Defendants fully fund the Gross Settlement Amount (including all employer payroll taxes on the wage portion of the Individual Class Payments) upon Final Approval, Plaintiffs and Settlement Class Members/Participating Class Members release Defendants and their parents, subsidiaries, successors, and predecessors, and any and all of their current, former, and future officers, owners, directors, shareholders, members, partners, principals, agents, employees, insurers, reinsurers, accountants, and attorneys (the "Released Parties) from the Released Class Claims. Released Class

Claims include all wage and hour claims, rights, demands, liabilities and causes of action of every nature and description made or which could have been made on behalf of Class Members based on the facts or claims plead in the operative complaint which occurred during the Class Period, including, but not limited to, claims based on the following categories of allegations during the Class Period: (a) all claims for unpaid minimum wages; (b) all claims for unpaid overtime; (c) all claims for meal period violations; (d) all claims for rest period violations; (e) failure to pay wages for sick time; (f) all claims for failure to provide accurate, itemized, or otherwise proper wage statements; (g) all claims for failure to timely pay wages during employment, including at or after termination of employment; (h) all claims for failure to reimburse business expenses; (i) all claims for failure to maintain accurate and complete payroll records; (j) all claims asserted through Business & Professions Code sections 17200, et seq., arising out of the aforementioned claims; (k) all claims asserted through PAGA (Lab. Code, §§ 2698, et seq., as defined above) arising out of the aforementioned claims; (l) all other claims for penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, or additional damages that allegedly arise out of the aforementioned claims. The Released Class Claims specifically include claims arising under the Labor Code, including, without limitation, sections 90.5, 200-204, 210, 221-224, 218, 218.5, 218.6, 219, 225.5, 226, 226.2, 226.3, 226.7, 246, 510-512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698-2699.5, 2800, 2802, 2810.5, and 2751, Business and Professions Code sections 17200, et seq., Civil Code sections 3287, subdivision (b), and 3289, and Code of Civil Procedure section 1021.5, and any derivative claims based on such alleged violations, including those under any applicable California Industrial Welfare Commission Wage Order. The period of the Released Class Claims shall extend to the limits of the Class Period. The judgment entered as a result of this settlement shall have res judicata effect to the fullest extent allowed by law. Any Class Member who submits a timely and valid request for exclusion to the settlement of the class claims will not be bound by the release of the Released Class Claims. However, he/she will still be bound by the release of the Released PAGA Claims.

Effective on the date when Defendants fully fund the Gross Settlement Amount (including all employer payroll taxes owed on the wage portion of the Individual Class Payments) upon Final Approval, Plaintiffs, the State of California and all PAGA Group Members, release the Released Parties from the Released PAGA Claims. No PAGA Group Member may opt out of this part of the release. The Released PAGA Claims include all claims against Defendants during the PAGA Period seeking civil penalties under the PAGA that Plaintiffs in their capacity as proxies for the State of California, the LWDA, and as private attorney generals acting on behalf of themselves and the PAGA Group Members, stated or could have been stated based on the facts alleged in the Action based on, inter alia, the allegations in the operative complaint, LWDA notices, and claims for PAGA civil penalties based on the Released Class Claims (see above), that occurred during the PAGA Period. The period of the Released PAGA Claims shall extend to the limits of the PAGA Period. The judgment entered as a result of this settlement shall have res judicata effect to the fullest extent allowed by law.

4. **WHAT ARE YOUR OPTIONS?**

a. **Participate in the Settlement**

If you want to receive money from the settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Payment unless you decide to exclude yourself from the settlement. Unless you elect to exclude yourself from the settlement, you will be bound by the terms of the settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Parties for the Released Claims, pursuant to Section III.E above.

You may not request exclusion from the PAGA Settlement. If you are a PAGA Group Member you will receive your individual PAGA payment, whether or not you choose to request exclusion from the class settlement, and you will be deemed to have released the Released Parties from the PAGA Group Members Released Claims (defined above).

As a Settlement Class Member, you will not be separately responsible for the payment of attorney's fees and expenses unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

b. Request Exclusion from the Settlement

If you do not wish to participate in the class settlement, you may seek exclusion from (or “opt out” of) the class settlement by submitting a timely, written request for exclusion from the class settlement to the Settlement Administrator at the following address:

Kitnick, et al. v. Group 1 Automotive, Inc., et al.
c/o CPT Group, Inc.
50 Corporate Park,
Irvine, CA 92606
1-888-347-1126

The request for exclusion should: (a) include your name, address, and telephone number; (b) include the case name and number; (c) include a clear and unequivocal statement that you wish to be excluded from the class settlement; (d) include your signature; and (e) be mailed to the Settlement Administrator at the address listed above, postmarked no later than **March 21, 2024**.

If the Court grants final approval of the settlement, any Class Member who submits a timely and valid request for exclusion from the class settlement will not be entitled to receive any payment from the class settlement, will not be bound by the class settlement, and will not have any right to object to, appeal, or comment on the settlement. Any Class Members who do not submit a timely and valid request for exclusion from the class settlement will be deemed Settlement Class Members/Participating Class Members and will be bound by all terms of the settlement, including those pertaining to the release of Released Claims stated in Section III.E above, as well as any judgment that may be entered by the Court based thereon.

You may not request exclusion from the PAGA Settlement. If you are a PAGA Group Member you will receive your Individual PAGA Payment, whether or not you choose to request exclusion from the class settlement, and you will be deemed to have released the Released Parties from the PAGA Group Members’ Released PAGA Claims (defined above).

c. Object to the Settlement

You can object to the terms of the class settlement as long as you have not submitted a request for exclusion from the class settlement. To object to the class settlement, you should provide to the Settlement Administrator a timely written statement of the objection. The written objection should: (a) contain your full name, address, telephone number, and signature; (b) contain the case name and number; (c) contain a statement of the specific legal and factual basis for each objection argument; (d) contain a statement whether you intend to appear at the Final Approval Hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel; and (e) be filed or postmarked no later than **March 21, 2024**. You may not object to the PAGA Settlement.

5. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 8 of the Merced County Superior Court, located at 627 W. 21st Street, Merced, California 95340, on April 30, 2024, at 8:15 a.m., to determine whether the settlement should be finally approved as fair, reasonable, and adequate and whether the attorneys’ fees and costs to Class Counsel, Class Representative Service Payments to Plaintiffs, and Administration Costs to the Settlement Administration Expenses should be awarded.

The hearing may be continued without further notice. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to at your expense.

6. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the Settlement Agreement and other papers which are on file with the Court.

«EmployeeName»

CPT ID: «ID»

You may view the Settlement Agreement and other court records in the action for a fee by visiting the civil clerk's office during business hours.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT. NOTICE OF THE FINAL APPROVAL ORDER AND JUDGMENT WILL BE POSTED ON THE SETTLEMENT ADMINISTRATOR'S WEBSITE AT www.cptgroupcaseinfo.com/grouponesettlement.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: 1-888-347-1126 OR YOU MAY ALSO CONTACT CLASS COUNSEL.