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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

Coordination Proceeding Special Title
(Cal Rules of Ct., Rule 3.550)

Judicial Council Coordination Proceeding No. 5152

HONORABLE WILLIAM F. HIGHBERGER

PETCO WAGE AND HOUR CASES

**CLASS ACTION SETTLEMENT
AGREEMENT AND RELEASE OF CLAIMS**

Included actions:

*FRANCISCO V. PETCO ANIMAL SUPPLIES
STORES, INC., et al.*

Los Angeles County Superior Court
Case No.: 20STCV23790

*Kirkpatrick v. Petco Animal Supplies Stores,
Inc.*

San Diego County Superior Court
Case No.: 37-2020-00029222-CU-OE-CTL

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1 This Class Action Settlement Agreement and Release of Claims (“Agreement”) is between (1)
2 Plaintiffs Giannina Francisco and Olivia Kirkpatrick (“Plaintiffs”), and (2) Defendant Petco Animal
3 Supplies Stores, Inc. (“Defendant”) (collectively, the “Parties”), subject to judicial approval, as provided
4 below.

5 By this Agreement the Parties intend to settle the Actions (defined below) and to fully, finally,
6 and forever resolve, discharge, and settle the Released Claims (defined below), subject to judicial
7 approval of the terms set forth herein. If this Agreement is not finally approved, or is otherwise
8 nullified, then the Parties shall return to their positions preceding this Agreement and Defendant shall
9 retain all rights to challenge the Plaintiffs’ claims and the certification of any class.

10 **1. DEFINITIONS**

11 For the purposes of this Agreement, the Parties define the following terms. Each defined term
12 appears throughout in initial capital letters.

13 **1.1. “Actions”** or “Lawsuits” refers collectively to the lawsuits entitled *Giannina*
14 *Francisco v. Petco Animal Supplies Stores, Inc. et al.*, Los Angeles County Superior Court, Case No.
15 20STCV23790 (“*Francisco*”) and *Olivia Kirkpatrick v. Petco Animal Supplies Stores, Inc.*, San Diego
16 County Superior Court, Case No. 37-2020-00029222-CU-OE-CTL (“*Kirkpatrick*”). The *Francisco* and
17 *Kirkpatrick* actions have been coordinated in Los Angeles County Superior Court and designated as
18 Judicial Council Coordination Proceeding (“JCCP”) No. 5152.

19 **1.2. “Administrative Costs”** refers to all costs associated with administration of the
20 settlement contemplated by this Agreement. Administrative Costs include all fees and costs for, among
21 other things, printing, copying, formatting, postage, envelopes, computer searches to locate addresses,
22 calculation of payments to individual class members, calculation of applicable payroll withholdings and
23 payroll taxes, preparation and filing of appropriate IRS Forms, any costs associated with the process for
24 any uncashed settlement checks, and any other expenses the Settlement Administrator incurs to
25 complete the settlement process according to the terms of this Agreement. Administrative Costs are
26 borne in the first instance by the Settlement Administrator.

27 **1.3. “Agreement”** refers to this Class Action Settlement Agreement and Release of
28 Claims, which includes all its Recitals herein and all the attached Exhibits.

1 **1.4. “Class Counsel”** refers to GrahamHollis APC and Matern Law Group, PC. For
2 purposes of providing any notices required under this Agreement, Class Counsel shall refer to Graham
3 S.P. Hollis, Vilmarie Cordero and Monique R. Rodriguez of GrahamHollis APC,
4 ghollis@grahamhollis.com, mrodriguez@grahamhollis.com, 3555 Fifth Avenue, Suite 200, San Diego,
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6 Matern Law Group, PC, mmatern@maternlawgroup.com, tagore@maternlawgroup.com,
7 sadams@maternlawgroup.com, 1230 Rosecrans Avenue, Suite 200, Manhattan Beach, CA 90266, (310)
8 531-1900.

9 **1.5. “Class Counsel Payment”** refers to the amount of attorneys’ fees and litigation
10 costs that the Court awards to Class Counsel in connection with the resolution of the Actions in
11 accordance with this Agreement.

12 **1.6. “Class Member”** refers to any member of the Settlement Class or the FLSA
13 Settlement Subclass.

14 **1.7. “Class Representatives” or “Plaintiffs”** refers to Plaintiffs Giannina Francisco
15 and Olivia Kirkpatrick, collectively.

16 **1.8. “Class Representative Service Award”** refers to any payment that the Court
17 awards to the Class Representatives for their efforts in prosecuting the Actions on behalf of the Class
18 Members.

19 **1.9. “Consideration Period”** refers to the sixty (60) calendar days following the date
20 when the Settlement Administrator mails the Notice of Class Action Settlement. The Consideration
21 Period is the period in which a Class Member can submit an Objection, a Request for Exclusion or
22 dispute the number of Eligible Shifts indicated on the Notice of Class Action Settlement.

23 **1.10. “Court”** refers to the Judge presiding over the Actions.

24 **1.11. “Defendant”** refers to Defendant Petco Animal Supplies Stores, Inc.

25 **1.12. “Defense Counsel”** refers to Seyfarth Shaw LLP. For purposes of providing any
26 notices required under this Agreement, Defense Counsel shall refer to Laura M. Maechtlen and David D.
27 Jacobson, Seyfarth Shaw LLP, 2029 Century Park East, Suite 3500, Los Angeles, California 90067,
28 (310) 277-7200, djacobson@seyfarth.com and lmaechtlen@seyfarth.com.

1 **1.13. “Effective Date”** means the later of (a) the Court’s final approval of the
2 Settlement Agreement, if no objections have been filed, (b) the time of appeal has expired if an
3 objection has been filed and no appeal was filed, or (c) the final resolution of any appeal that has been
4 filed.

5 **1.14. “Eligible Shift”** refers to any day in which Participating Settlement Class
6 Members performed work for Defendant for which they received compensation during the period June
7 22, 2016 through the date of preliminary approval or September 30, 2021, whichever is earlier. Eligible
8 shifts shall be determined from Defendant’s time records.

9 **1.15. “Final Approval Hearing”** refers to the hearing at which the Court decides
10 whether the terms of the Agreement are fair, reasonable, and adequate for the Class Members and meet
11 all requirements for final approval.

12 **1.16. “Final Approval Order”** refers to the order by the Court finally approving the
13 Settlement following the Final Approval Hearing.

14 **1.17. “FLSA Period”** refers to the period from June 22, 2017 through preliminary
15 approval or September 30, 2021, whichever is earlier.

16 **1.18. “FLSA Release”** refers to the release of claims the FLSA Subclass Member may
17 have alleged in or arising out of the facts alleged in the Consolidated Complaint for violations of the Fair
18 Labor Standards Act, including, without limitation, any and all claims for unpaid wages, attorneys’ fees
19 and costs, interest, and liquidated damages under the FLSA.

20 **1.19. “FLSA Settlement Subclass”** refers to all FLSA Subclass Members who opt into
21 the FLSA Subclass by timely cashing, depositing, or otherwise negotiating their FLSA Settlement
22 Payment checks.

23 **1.20. “FLSA Settlement Payment”** refers to the amount calculated by the Settlement
24 Administrator to distribute to each FLSA Subclass Member as consideration for the FLSA Release. The
25 FLSA Settlement Payment shall be paid from the Net Settlement Amount.

26 **1.21. “FLSA Subclass Members”** refers to those individuals who for purposes of this
27 Agreement will be certified as members of the FLSA Settlement Subclass, defined as follows: all non-
28

1 exempt employees employed by Defendant in California during the FLSA Period and who opt-into the
2 FLSA Settlement by timely cashing or otherwise negotiating their FLSA Settlement Payment checks.

3 **1.22. “Gross Settlement Amount”** refers to the non-reversionary payment Defendant
4 is obligated to make in connection with the Agreement: Nine Million, Seven Hundred Fifty Thousand
5 Dollars And No Cents (\$9,750,000.00), plus any employer-side payroll withholding taxes. In no event
6 shall Defendant be obligated to pay more than this amount. This sum includes all Individual Settlement
7 Payments (including any employee share of payroll taxes), FLSA Settlement Payments, any Class
8 Representative Service Awards, the PAGA Payment, Administrative Costs, and the Class Counsel
9 Payment.

10 **1.23. “Individual Settlement Payment”** refers to the amount calculated by the
11 Settlement Administrator to distribute to each Participating Settlement Class Member as consideration
12 for all other Released Claims other than those in the FLSA Release. The Individual Settlement Payment
13 shall be paid from the Net Settlement Amount.

14 **1.24. “Judgment”** refers to the final judgment entered by the Court in this Action
15 following the Final Approval Hearing.

16 **1.25. “LWDA”** refers to the California Labor and Workforce Development Agency
17 (“LWDA”), which helps to enforce the Private Attorneys General Act (“PAGA”), codified in Labor
18 Code section 2698 *et seq*, (“PAGA”) and which will receive the LWDA portion of the PAGA Payment.

19 **1.26. “Net Settlement Amount”** refers to the portion of the Gross Settlement Amount
20 that remains after accounting for any Class Representative Service Awards, the portion of the PAGA
21 Payment payable to the LWDA, the PAGA Settlement Fund, Administrative Costs, and the Class
22 Counsel Payment. The Net Settlement Amount shall be distributed to Participating Settlement Class
23 Members and the FLSA Subclass Members pursuant to the formulas set forth in this Agreement.

24 **1.27. “Notice of Class Action Settlement”** refers to the Notice of Class Action
25 Settlement (“Class Notice”), substantially in the form attached as Exhibit A.

26 **1.28. “Objection”** refers to a written statement submitted timely by a Settlement Class
27 Member to the Settlement Administrator that contains (1) the name and case number of the Actions (or
28 reasonable portion thereof), (2) the full name, last four digits of their social security number, and current

1 address of the Settlement Class Member making the Objection, (3) the specific reason(s) for the
2 Objection, and (4) all evidence and supporting papers (including, without limitation, all briefs, written
3 evidence, and declarations) for the Court to consider.

4 **1.29. “Objector”** refers to a Settlement Class Member who has submitted an
5 Objection.

6 **1.31. “PAGA Aggrieved Employee”** refers to those individuals who, for purposes of
7 this Agreement, are defined as follows: all non-exempt employees of Defendant in California during the
8 period April 18, 2019 through preliminary approval of the settlement or September 30, 2021, whichever
9 is earlier.

10 **1.32. “PAGA Allocation”** refers to the portion of the Gross Settlement Amount that
11 shall be allocated to claims under PAGA. Seventy-five percent of the PAGA Allocation shall be payable
12 to the LWDA. The remaining 25% shall become the PAGA Settlement Fund for distribution to PAGA
13 Aggrieved Employees. The Parties have agreed to allocate \$750,000 of the Gross Settlement Amount to
14 claims under PAGA. Of this, \$562,500 shall be payable to the LWDA and the remaining \$187,500 shall
15 become the PAGA Settlement Fund.

16 **1.33. “PAGA Claim Period”** refers to the period from April 18, 2019 through
17 preliminary approval or September 30, 2021, whichever is earlier.

18 **1.34. “PAGA Settlement Fund”** refers to the 25% portion of the PAGA Allocation
19 that will be distributed to the PAGA Aggrieved Employee Group on a pro rata basis based upon Eligible
20 Shifts within the PAGA Claim Period.

21 **1.35. “PAGA Settlement Payment”** refers to the amount calculated by the Settlement
22 Administrator to distribute to each PAGA Aggrieved Employee. Any Settlement Class Member who
23 opts out of the Settlement Class will still be bound by the Released PAGA Claims and shall receive their
24 pro rata share of the PAGA Settlement Fund.

25 **1.35. “Participating Settlement Class Members”** means all Class Members who do
26 not submit a Request for Exclusion.

1 **1.36. “Parties”** refers collectively to (1) Giannina Francisco and Olivia Kirkpatrick,
2 individually and on behalf of the Settlement Class (“Class Representatives”), and (2) Petco Animal
3 Supplies Stores, Inc.).

4 **1.38. “Preliminary Approval Order”** refers to the order entered by the Court granting
5 preliminary approve of the settlement following a Motion for Preliminary Approval of the Agreement.

6 **1.39. “Qualified Settlement Fund (QSF)”** refers to a Qualified Settlement Fund
7 pursuant to U.S. Treasury Regulation Section 468B-1.

8 **1.40. “Released Claims”** refers to all claims that will be extinguished by operation of
9 this Agreement and the events it provides for. The Released Claims shall apply to all Settlement Class
10 Members who do not timely file a Request for Exclusion. The Released PAGA Claims shall apply to all
11 Class Members. The FLSA Release shall apply to all FLSA Subclass Members who opt into the FLSA
12 Subclass by timely cashing, depositing, or otherwise negotiating their FLSA Settlement Payment
13 checks.

14 **1.41. “Released Parties”** means: (a) Petco Animal Supplies Stores, Inc., Petco Animal
15 Supplies, Inc., Petco Wellness, LLC, Petco Holdings, Inc., Petco Health and Wellness Company, Inc.
16 and each and all past or present partners, parents, subsidiaries, or affiliates (regardless whether such
17 partners, parents, subsidiaries, or affiliates are individuals, corporations, partnerships, limited
18 partnerships, limited liability companies, or other forms of entity); (b) each and all of the predecessor or
19 successor entities of any of those entities identified in subparagraph (a); (c) any other individuals or
20 entities of any kind, including but not limited to any payroll companies, which have been or could be
21 alleged to be in any manner responsible (whether on an alter ego, joint employer, integrated enterprise,
22 or any other theory) for any violations described in the releases in this Agreement; and (d) all past and
23 present directors, officers, representatives, insurers, agents, shareholders, limited or general partners,
24 members, lawyers, and employees of any of the individuals or entities identified in subparagraphs (a),
25 (b), or (c).”

26 **1.42. “Released PAGA Claims”** means all claims that this Agreement will extinguish
27 as to all Class Members that were raised, or reasonably could have been raised based on the facts alleged
28

1 in the Consolidated Complaint, during the PAGA Claim Period under the PAGA and includes the
2 release of all claims in any written notice to the LWDA submitted by any Class Representative.

3 **1.43. “Request for Exclusion”** refers to a timely, written, opt-out request signed by a
4 Class Member who thereby elects to be excluded from this Agreement.

5 **1.44. “Settlement Administrator”** refers to ILYM Group, Inc., the third-party
6 administrator the Parties have selected, subject to Court approval.

7 **1.45. “Settlement Class”** refers to all Class Members who do not file a timely and
8 valid Request for Exclusion. Any Class Member who files a Request for Exclusion is nevertheless
9 bound by the Released PAGA Claims and shall receive his or her pro rata share of the PAGA Settlement
10 Fund.

11 **1.46. “Settlement Class Members”** refers to those individuals who, for purposes of
12 this Agreement, will be certified as members of the class, defined as follows: all non-exempt employees
13 of Defendant in California during the period June 22, 2016 through preliminary approval of the
14 settlement or September 30, 2021, whichever is earlier, except any individual who has sued Defendant
15 on any claim to be released are precluded as part of this Agreement.

16 **1.47. “Settlement Period”** refers to the period from June 22, 2016 through preliminary
17 approval or September 30, 2021, whichever is earlier.

18 **2. RECITALS AND PROCEDURAL HISTORY**

19 **2.1. Allegations in the Actions.** On June 22, 2020, Plaintiff Giannina Francisco filed
20 a class action and representative action in the Superior Court of the State of California for the County of
21 Los Angeles, individually and on behalf of a purported class of similarly-situated employees. The
22 *Francisco* action asserts claims for (1) failure to provide meal periods (Cal. Lab. Code §§ 226.7, 510,
23 512, 1194, 1197, and IWC Wage Order No. 7-2001, § 11); (2) failure to provide rest breaks (Cal. Lab.
24 Code §§ 226.7, 512, and IWC Wage Order No. 7-2001, § 12); (3) failure to pay overtime wages (Cal.
25 Lab. Code §§ 510, 1194, 1198, and IWC Wage Order No. 7-2001, § 3); (4) failure to pay minimum
26 wages (Cal. Lab. Code §§ 1194, 1197, and IWC Wage Order No. 7-2001, § 4); (5) failure to pay all
27 wages due to discharged and quitting employees (Cal. Lab. Code §§ 201, 202, and 203); (6) failure to
28 maintain required records (Cal. Lab. Code § 226 and IWC Wage Order No. 7-2001); (7) failure to

1 furnish accurate itemized wage statements (Cal. Lab. Code §§ 226, 1174, and IWC Wage Order No. 7-
2 2001, § 7); (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties
3 (Cal. Labor Code § 2802); (8) unfair competition (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and (9)
4 representative action for civil penalties (Cal. Lab. Code §§ 2698-2699.5).

5 On August 20, 2020, Plaintiff Olivia Kirkpatrick filed a class and representative action in the
6 Superior Court of the State of California for the County of San Diego, individually and on behalf of a
7 purported class of similarly situated employees. The *Kirkpatrick* action asserts claims for (1) failure to
8 provide legally compliant meal periods or compensation in lieu thereof (Cal. Lab. Code §§ 204, 226.7,
9 512, and the “Meal Period” section of IWC Wage Order No. 7-2001); (2) failure to provide legally
10 compliant rest periods or compensation in lieu thereof (Cal. Lab. Code §§ 204, 226.7, and the “Rest
11 Period” section of IWC Wage Order No. 7-2001); (3) failure to timely pay minimum, regular and/or
12 overtime wages (Cal. Lab. Code §§ 204, 210, 510, 1194, 1197, 1197.1, 1198, 1199, and the “Minimum
13 Wage” and “Hours and Days of Work” sections of IWC Wage Order No. 7-2001); (4) failure to timely
14 pay all earned commissions (Cal. Lab. Code §§ 200, 204, 210, and the “Minimum Wage” section of
15 IWC Wage Order No. 7-2001); (5) failure to make payment of wages in form negotiable and payable in
16 cash (Cal. Lab. Code §§ 212, 213, and 225.5); (6) failure to maintain accurate records (Cal. Lab. Code
17 §§ 226, 1174, 1174.5, and the “Records” section of IWC Wage Order No. 7-2001); (7) failure to provide
18 employment and personnel records upon request (Cal. Lab. Code §§ 226(b), 226(c), 226(f), 1198.5, and
19 1198.5(k)); (8) failure to furnish accurate itemized wage statements (Cal. Lab. Code §§ 226 and 226.3,
20 and the “Records” section of IWC Wage Order No. 7-2001); (9) failure to timely pay all wages due and
21 owed upon separation of employment (Cal. Lab. Code §§ 201-203, and 210); (10) failure to timely pay
22 all earned commissions upon separation of employment (Cal. Lab. Code §§ 201-203, and 201); (11)
23 Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200 *et seq.*); and (12) Private Attorneys General
24 Act of 2004 (Cal. Lab. Code §§ 2698 *et seq.*).

25 The Parties consolidated both actions before Judge William F. Highberger in Los Angeles
26 County Superior Court on April 1, 2021, Case No. JCCP5152.

27 **2.2. Consolidated Complaint.** Class Counsel will file a Consolidated Complaint in
28 advance of the hearing on the motion for preliminary approval, adding a claim for failure to pay

1 minimum wage and overtime under the Fair Labor Standards Act (“FLSA”), and a claim for failure to
2 properly compensate employees for sick pay, to ensure that all claims and theories released under this
3 Agreement are clearly articulated and will be barred upon entry of judgment in the Action by the
4 doctrine of res judicata. Class Counsel shall also send an amended letter to the LWDA that includes all
5 violations alleged in the original written notices submitted to the LWDA by Plaintiffs and adds
6 allegations specifically identifying failure to pay sick pay at the required rate of pay as an alleged
7 violation.

8 **2.3. Defendant’s Denials.** Defendant denies (1) all the material allegations in the
9 Actions, (2) that it violated any applicable laws, (3) that it is liable for damages, penalties, interest,
10 restitution, attorneys’ fees, or costs, or for any other compensation or remedy with respect to anyone on
11 account of any of the allegations, claims, facts or theories asserted or to be asserted in the Actions or
12 written notices to the LWDA sent or to be sent by Plaintiffs and (4) that class certification, collective
13 action certification, or representative treatment is appropriate as to any such matters. Defendant
14 contends that its policies, procedures, and practices comply with all applicable laws. Nothing in this
15 Agreement is or may be construed as an admission of any the matters Defendant denies. Nonetheless,
16 without admitting any liability or wrongdoing whatsoever and without admitting that class certification,
17 collective action certification, or representative treatment is appropriate for any purpose other than for
18 settlement purposes alone, Defendant has agreed to settle the Actions on the terms set forth in this
19 Agreement, to avoid the burden, expense, and uncertainty of litigation. Any statements by Defendant in
20 this Agreement are made for settlement purposes only.

21 **2.4. Class Counsel’s Investigation.** Class Counsel represent that they have
22 conducted a sufficiently thorough investigation into the claims of the Actions. Based on their own
23 independent investigation and evaluation and all known facts and circumstances, including the risk of
24 significant defenses asserted by Defendant, Class Counsel are of the opinion that the Settlement is fair,
25 reasonable, and adequate and is in the best interests of the Settlement Class.

26 **2.5. Negotiation of Settlement.** Class Counsel engaged in intensive negotiations with
27 Defendant with a view toward achieving substantial benefits for the Class Members, while avoiding the
28 cost, delay, and uncertainty of further litigation. Plaintiffs and Class Counsel urge approval of this

1 Agreement after considering (1) the factual and legal defenses to the claims asserted, which render
2 uncertain the ultimate outcome of the Actions and class certification, (2) the potential difficulties
3 Plaintiffs and Class Members would encounter in establishing their claims and maintaining class or
4 representative treatment, (3) the substantial benefits that Class Members would receive under this
5 Agreement, (4) that this Agreement provides Class Members relief in an expeditious and efficient
6 manner, compared to any manner of recovery possible after litigation and potential appeal, and (5) that
7 this Agreement allows Class Members to opt out of the settlement and individually pursue the claims
8 alleged in the Actions.

9 **2.6. Certification of Settlement Class.** This Agreement is contingent upon the
10 Court's certification of the Settlement Class under California Code of Civil Procedure § 382, upon the
11 Court's certification of a collective action under 29 U.S.C. § 216(b) for settlement purposes only, and
12 upon the Court's approval of a PAGA representative action releasing the Released PAGA Claims.
13 Defendant does not waive, and instead expressly reserves, the right to challenge the propriety of class
14 certification, collective action certification, or representative treatment for any other purpose should the
15 Court not approve the Agreement.

16 Now therefore, in consideration of the agreements set forth herein, and of the release of all
17 Released Claims, the Parties agree to the terms of this Agreement, subject to the approval of the Court.

18 **3. NOTICE TO CLASS MEMBERS**

19 **3.1. Content of Class Notice.** The Notice of Class Action Settlement ("Class
20 Notice") shall be substantially in the form attached as Exhibit A and include the amount of the
21 Settlement, a calculation of the Class Members' anticipated share of the Net Settlement Amount, PAGA
22 Settlement Fund, and the full amounts of the Class Counsel Payment, Class Representative Service
23 Awards, and Administrative Costs to be awarded, the terms of the release, the procedure to opt out of
24 the settlement through a Request for Exclusion, the procedure to Object to the settlement, the procedure
25 for disputing the number of Eligible Shifts, and the date of the Fairness Hearing. No claim form will be
26 required to participate in the settlement.

27 **3.2. Settlement Administrator.** The Parties select ILYM Group, Inc. as the
28 Settlement Administrator. The duties of the Settlement Administrator shall include, without limitation,

1 mailing notices to Class Members, establishing a QSF, obtaining appropriate tax identification
2 number(s), calculating Individual Settlement Payments, PAGA Settlement Payments, and FLSA
3 Settlement Payments (including all required tax withholdings and payments), mailing all settlement
4 payments and tax forms to Settlement Class Members and FLSA Subclass Members, remitting all tax
5 payments and requisite reporting documentation to taxing authorities, and the other duties associated
6 with settlement administration, including those specified in this Agreement. Any dispute relating to the
7 settlement administration will, after good-faith efforts by the Parties to resolve the dispute, be referred to
8 the Court.

9 **3.3. Class Data for the Settlement Administrator.** Within 30 calendar days of the
10 of preliminary approval of the settlement or court approval of the Class Notice, whichever is later,
11 Defendant shall provide to the Settlement Administrator a confidential class list containing, for each
12 Class Member: (1) the name; (2) employee ID number; (3) last known address and telephone number;
13 (4) number of Shifts worked during the class period; and (5) social security number. This information
14 shall be used to facilitate the administration of this Agreement. The Settlement Administrator shall keep
15 the class data provided by Defendant strictly confidential and shall use the class data only for the
16 purposes described in this Agreement. The class data provided by Defendant will be presumed correct
17 unless a Class Member submits a dispute to the number of Eligible Shifts.

18 **3.4. Mailing Materials to Class Members.** Within 15 calendar days of the receipt of
19 the class data discussed immediately above in Section 3.3, the Settlement Administrator shall send the
20 Notice of Class Action Settlement to Class Members to their last known address via First Class U.S.
21 Mail. Prior to mailing, the Settlement Administrator will perform a search based on the National
22 Change of Address Database for information to update and correct of any known or identifiable address
23 changes. Any mailing returned to the Settlement Administrator as undeliverable shall be sent within five
24 calendar days via First Class U.S. Mail to any available forwarding address. If no forwarding address is
25 available, then the Settlement Administrator shall attempt to determine the correct address by using a
26 computer-based skip-trace search, and shall then perform, if feasible, a re-mailing via First Class U.S.
27 Mail within ten (10) calendar days. Only one re-mailing is required. If a Class Member cannot be
28 located within two attempts at mailing, then the Notice of Class Action Settlement for that Class

Member will be deemed undeliverable. It is the intent of the Parties that reasonable means be used to locate Class Members.

3.5. Proof of Mailing. At least twenty (20) calendar days prior to the Final Approval Hearing, the Settlement Administrator shall provide a declaration of due diligence and proof of mailing with regard to mailing of the Notice of Class Action Settlement to Class Counsel and Defense Counsel, which they shall in turn provide to the Court.

4. CLASS MEMBERS' OPTIONS TO RESPOND

4.1. Consideration Period.

4.1.1. Submission of Requests for Exclusion. Class Members may opt out of this Agreement by mailing the Settlement Administrator a Request for Exclusion. Class Members will have sixty (60) calendar days from the date of the mailing or re-mailing of the Class Notice, whichever is later, to postmark their written Requests for Exclusion to the Settlement Administrator. To be valid, a Request for Exclusion must state, in effect, that the Class Member does not wish to participate in the settlement of this Action. In addition, any Request for Exclusion must include the Class Member's first and last name, signature, address, phone number, and last four digits of the Class Member's Social Security number for verification purposes. A Class Member who excludes himself or herself from the Settlement shall lose standing to object. Except as specifically provided herein, no Class Member response of any kind that is postmarked after the Consideration Period shall be considered absent agreement of the Parties. Any Request for Exclusion that does not include all of the required information or that is not submitted in a timely manner will be deemed ineffective. If there is a dispute regarding the timeliness or validity of a Request for Exclusion, then the Settlement Administrator shall make the determination, after consultation with Class Counsel and Defense Counsel.

4.1.2. Deficiency Notices. Within ten (10) days after receipt by the Settlement Administrator of each timely-submitted request for exclusion, the Settlement Administrator will send a deficiency notice to the Class Members addressing any irregularities in the request for exclusion (such as failure to sign or include last four digits of Social Security Number). The deficiency notice will provide the Class Members seven (7) calendar days from the mailing of the deficiency notice to

1 postmark a written response to cure all deficiencies. The failure of a Class Member to cure all
2 deficiencies in a timely manner shall invalidate a request for exclusion and will not be subject to cure.

3 **4.2. Requests for Exclusion and Opt Out Rights.** Class Members shall be given the
4 opportunity to opt out of the Settlement.

5 **4.2.1. Effect of Request for Exclusion.** Any Class Member who opts out of this
6 Agreement by submitting a Request for Exclusion may not submit an Objection and shall not receive
7 any Individual Settlement Payment or FLSA Settlement Payment, and shall not be bound by the releases
8 set forth in this Agreement, except that any Class Member who submits a Request for Exclusion is
9 nevertheless bound by the Released PAGA Claims and shall receive their pro rata share of the PAGA
10 Settlement Fund. If a Class Member submits both a Request for Exclusion and an Objection, then the
11 Request for Exclusion will be valid and will invalidate the Objection. Each Class Member who does
12 not submit a timely, valid Request for Exclusion shall be bound by the releases for which this
13 Agreement provides.

14 **4.2.2. Tolerance of Opt-Outs—Defendant’s Right to Withdraw.** If the
15 number of Class Members who opt out by submitting Requests for Exclusion meets or exceeds 150, then
16 Defendant may, in the exercise of its sole discretion, abrogate this Agreement. Defendant’s right expires
17 15 business days after the expiration of the Consideration Period.

18 **4.3. Objections.** Class Members who do not submit a Request for Exclusion shall be
19 entitled to object to the terms of the Agreement. Class Members may object to this Agreement by
20 mailing an Objection to the Settlement Administrator. Class Members will have sixty (60) calendar days
21 from the date of the mailing or re-mailing of the Class Notice, whichever is later, to postmark their
22 written Objection to the Settlement Administrator. Any Class Member may appear at the formal
23 approval hearing to address their objection(s) to the settlement with the Court.

24 **4.3.1. Objection Procedures.** Any Objection to this Agreement must contain
25 (1) the name and case number of these Actions (or reasonable portion thereof), (2) the full name, last
26 four digits of their social security number, and current address of the Class Member making the
27 Objection, (3) the specific reason(s) for the Objection, and (4) all evidence and supporting papers
28 (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider.

1 Class Members who submit an Objection remain bound by this Agreement if the Agreement is approved
2 by the Court. The Settlement Administrator shall provide Class Counsel and Defendant's counsel with
3 any Objection received within five (5) calendar days of receipt. Class Counsel shall file any and all
4 Objections with the Court.

5 **4.3.2. Waiver of Objection Rights.** Class Members who fail to submit an
6 Objection in the manner specified in the Notice of Class Action Settlement shall be deemed to have
7 waived any Objection and shall be foreclosed from objecting to this Agreement, whether by appeal or
8 otherwise.

9 **4.4. Disputes to the Number of Eligible Shifts.** Class Members will have the
10 opportunity to dispute the number of Eligible Shifts. Class Members will have sixty (60) calendar days
11 from the date of the mailing or re-mailing of the Class Notice, whichever is later, to submit their dispute
12 to the number of Eligible Shifts, including any supporting documentation, to the Settlement
13 Administrator. Class Counsel and Defendant's counsel will review Defendant's records and any
14 documentation provided by the Class Member and meet and confer in good faith to determine the
15 correct number of Eligible Shifts. If Class Counsel and Defendant's counsel are unable to agree, the
16 Settlement Administrator will resolve the dispute.

17 **4.5. Proof of Class Members' Responses.** At least twenty (20) calendar days prior to
18 the Fairness Hearing, the Settlement Administrator will prepare a declaration to submit to the Court
19 regarding the mailing of the Notice of Class Action Settlement, the inability to deliver any mailing due
20 to invalid addresses, the number of any Requests for Exclusion, the number of any Objections received,
21 and the number of disputes to the number of Eligible Shifts.

22 **4.6. FLSA Opt-In.**

23 **4.6.1. Issuance of an FLSA Settlement Payments.** The Settlement
24 Administrator will issue two checks to Participating Settlement Class Members. As detailed more fully
25 below, one of the two settlement checks sent to Participating Settlement Class Members will contain
26 language expressing a consent to opt into an FLSA collective action. Only those Participating
27 Settlement Class Members who cash a check with language expressing consent to opt into an FLSA
28

collective action will be deemed to have opted in, will become FLSA Settlement Subclass Members, and will be subject to the FLSA Release.

4.6.2. Issuance of a List of FLSA Settlement Subclass Members. The Settlement Administrator will provide Defendant with copies of the consents (i.e., copies of the endorsement side of settlement checks that contain the FLSA opt-in language), plus a separate list of the names of the opt-ins, which Defendant's counsel shall file with the Court in connection with the Settlement Administrator's declaration as to the satisfactory completion of the obligations of the Settlement Administrator.

4.7. Binding Effect of Settlement. Although a Class Member might not receive the Notice of Class Action Settlement, and might not timely submit an Objection or a Request for Exclusion because of inability to locate the Class Member's current address, that Class Member shall nonetheless be bound by this Agreement.

4.8. No Interference with Class Member Responses. Each Party agrees not to encourage any Class Member to submit an Objection or a Request for Exclusion and agrees not to retaliate against any Class Member for participating or not participating in the Settlement that this Agreement contemplates.

5. DISTRIBUTION OF SETTLEMENT PROCEEDS

5.1. Administrative Costs. The Parties agree to obtain a reasonable estimate of Administrative Costs of up to Fifty Eight Thousand Dollars and No Cents (\$58,000.00), and seek approval of Administrative Costs to be drawn from the Gross Settlement Amount.

5.2. Class Counsel Payment. Class Counsel intend to request—and Defendant agrees not to oppose—that the Court award a Class Counsel Payment, to be drawn from the Gross Settlement Amount, for (a) attorneys' fees of three million two hundred fifty thousand dollars and no cents (\$3,250,000.00), which represents one-third (or 33.33%) of the Gross Settlement Amount and (b) litigation costs actually incurred in representing the interests of the Class Members, supported by adequate documentation, in an amount not to exceed Twenty Five Thousand Dollars and No Cents (\$25,000.00). Defendant shall have no liability for any other attorneys' fees or costs. Any amounts not

1 awarded shall be allocated to the Net Settlement Amount for distribution to Participating Settlement
2 Class Members.

3 **5.2.1. Right to Appeal.** Class Counsel retains the right to appeal a Class
4 Counsel Payment of less than the specified amount .

5 **5.2.2. Timing of Class Counsel Payment.** The Settlement Administrator shall
6 issue the Class Counsel Payment within thirty (30) days after the Effective Date. Within ten (10) days
7 after the Effective Date, Class Counsel shall transmit instructions to the Settlement Administrator as to
8 how any approved attorneys' fees and costs shall be paid. The Settlement Administrator shall issue an
9 appropriate Internal Revenue Service Form 1099 to Class Counsel. Class Counsel shall be solely
10 responsible for paying all applicable taxes on any Class Counsel payment and shall indemnify and hold
11 harmless the Released Parties from any claim or liability for taxes, penalties, or interest arising as a
12 result of the Class Counsel Payment.

13 **5.3. Class Representative Service Awards.** Class Counsel intends to request—and
14 Defendant agrees not to oppose—that the Court award a Class Representative Service Award to the
15 Class Representatives in an amount of \$10,000 to each Class Representative, to be drawn from the Gross
16 Settlement Amount. Any Class Representative Service Award would be in addition to the Class
17 Representative's Individual Settlement Payment. To the extent that the Court approves less than the
18 amount of Class Representative Service Award that Class Counsel request, the difference between the
19 requested and awarded amounts will be distributed to Participating Settlement Class Members on a
20 proportional basis relative to the size of their claims as set forth in Sections 5.5, below.

21 **5.3.1. Class Representative Service Awards Not Material.** The Court's
22 approval of the Class Representative Service Award is not a material term of this Agreement. If the
23 Court does not approve or approves only a lesser amount than that requested for a Class Representative
24 Service Award, then the other terms of this Agreement shall still remain in effect and the difference will
25 remain part of the Net Settlement Amount.

26 **5.3.2. Class Representatives Will Not Appeal.** Class Representatives will
27 accept any Court award of Class Representative Service Award in less than the specified amount and
28 will not appeal such award.

1 **5.3.3. Timing of Class Representative Service Awards.** The Settlement
2 Administrator shall pay any Class Representative Service Award within thirty (30) business days after
3 the Effective Date, and shall issue an IRS Form 1099 to the Class Representative. The Class
4 Representative shall be solely responsible for paying all applicable taxes on any Class Representative
5 Service Award and shall indemnify and hold harmless Released Parties from any claim or liability for
6 taxes, penalties, or interest arising as a result of the Class Representative Service Award.

7 **5.4. PAGA Allocation.** The Parties will seek approval for seven hundred and fifty
8 thousand dollars and no cents (\$750,000.00) to be allocated to the PAGA claims. Seventy-five percent
9 (75%) of this amount shall be paid to the LWDA in accordance with the statute. The remaining 25
10 percent (25%) shall be allocated to the PAGA Settlement Fund for the purpose of making PAGA
11 Settlement Payments to PAGA Aggrieved Employees.

12 **5.4.1. Amount of PAGA Allocation Not Material.** Any change in the
13 requested PAGA Allocation is not a material term of this Agreement. If the Court approves a lesser or
14 greater amount than that requested, the other terms of this Agreement shall still remain in effect.
15 However, some approval of a PAGA Allocation is a material term of the Settlement and this Agreement.
16 If the Court does not approve a PAGA Allocation, then the entire Agreement will be, at either party's
17 sole discretion, void and unenforceable.

18 **5.4.2. Timing of Payment of PAGA Allocation.** The Settlement Administrator
19 shall pay seventy-five percent (75%) of any approved PAGA Allocation to the LWDA within thirty (30)
20 days after the Effective Date.

21 **5.4.3. Calculation of PAGA Settlement Payment.** For their PAGA Settlement
22 Payment, each PAGA Aggrieved Employee will be eligible to receive a portion of the PAGA Settlement
23 Fund based on the same formula outlined below in Section 5.5 for calculation of the Individual
24 Settlement Payments, except the calculation will be limited to shifts during the PAGA Period. For
25 clarity, the formula for calculation of the PAGA Settlement Payment is: individual's Eligible Shifts in
26 PAGA Period ÷ total Class Member Eligible Shifts in PAGA Period * (PAGA Settlement Fund).

27 **5.4.4. Tax Allocation of PAGA Settlement Payments.** One hundred percent
28 (100%) of the PAGA Settlement Payment shall be allocated as penalties for tax purposes. The

Settlement Administrator shall issue any necessary IRS 1099 form statements to PAGA Aggrieved Employees for their respective PAGA Settlement Payments. PAGA Aggrieved Employees shall be solely responsible for paying all other applicable taxes on their respective PAGA Settlement Payments and shall indemnify and hold harmless Defendant and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of PAGA Settlement Payments

5.4.5. Distributing the PAGA Settlement Payment to Class Members who Do Not Request Exclusion from the Settlement. For Class Members who do not request exclusion, the Settlement Administrator shall add the Participating Settlement Class Member's PAGA Settlement Payment to the Class Member's Individual Settlement Payment and issue the Participating Settlement Class Member a single check with both payments.

5.4.6. Distributing the PAGA Settlement Payment to Class Members Who Request Exclusion From the Settlement. For Class Members who submit a Request for Exclusion, the Settlement Administrator shall issue the Class Member a check with only his or her PAGA Settlement Payment. The Settlement Administrator shall issue the PAGA Settlement Payments on the same timeline as outlined in Section 5.5 for the Individual Settlement Payments, below.

5.5. Individual Settlement Payments and FLSA Settlement Payments. Each Participating Settlement Class Member shall be entitled to an Individual Settlement Payment and FLSA Settlement Payment consisting of a share of the Net Settlement Amount. The Net Settlement Amount shall be allocated as follows: 95% to the Individual Settlement Payment and 5% to the FLSA Settlement Payment, as set forth below.

5.5.1. Calculation of Individual Settlement Payment. For their Individual Settlement Payment, each Participating Settlement Class Member will be eligible to receive a portion of the Net Settlement Amount based on the following formula:

The Individual Settlement Payment to a Participating Settlement Class Member will be calculated by dividing the number of Eligible Shifts attributed to the Participating Settlement Class Member by all Eligible Shifts attributed to members of the Settlement Class, multiplied by the 95% of the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: Individual's Eligible Shifts ÷ total Participating Settlement Class Eligible Shifts * (Net Settlement Amount * .95).

1 Defendant's time records will be used to calculate the number of Eligible Shifts worked for each
2 Class Member as set forth in Section 1.14 for purposes of calculating Individual Settlement Payments.
3 The Class Notice will include information for each Class Member showing how much the individual
4 Class Member is expected to receive based on this formula and their number of Eligible Shifts. The
5 Class Notice will also provide the Class Members an opportunity to dispute the number of Eligible
6 Shifts indicated on the Class Notice. Such dispute must be made no later than forty-five (45) calendar
7 days from the later of the date of the mailing or re-mailing of the Class Notices, whichever is later.
8 Class Counsel and Defendant's will review Defendant's records and any documentation provided by the
9 Class Member and meet and confer in good faith to determine the correct number of Eligible Shifts. If
10 Class Counsel and Defendant's counsel are unable to agree, the Settlement Administrator will resolve
11 the dispute. To the extent any Class Member's Eligible Shifts are changed, all Settlement Class
12 Members' Individual Settlement Payments and FLSA Settlement Payments shall be recalculated using
13 the adjusted number of Eligible Shifts.

14 **5.5.2. Calculation of the FLSA Settlement Payment.** For allocating the
15 portion of the Net Settlement Amount allocated to the FLSA Settlement Payment, the Settlement
16 Administrator shall use the same methodology outlined above in Section 5.5.1, except the calculation
17 will be limited to Eligible Shifts during the FLSA Period. The formula for calculation of the FLSA
18 Settlement Payment is: Individual's Eligible Shifts in FLSA Period ÷ Total Settlement Class Eligible
19 Shifts in FLSA Period * (Net Settlement Amount * .05).

20 **5.5.3. Distribution of the Net Settlement Amount.** The Settlement
21 Administrator shall issue both the Individual Settlement Payments and FLSA Settlement Payments no
22 later than thirty (30) days after the Effective Date. Two checks shall be issued to Participating
23 Settlement Class Members: One check will be for the Individual Settlement Payment and the PAGA
24 Settlement Payment and one check will be for the FLSA Settlement Payment. Any Settlement Class
25 Member who submits a Request for Exclusion shall receive one check for the Class Member's
26 respective share of the PAGA Allocation.

27 **5.5.4. Uncashed Checks.** Any settlement payment checks that are not cashed
28 within one-hundred-eighty (180) calendar days from the date of the mailing of the checks shall be

cancelled. Said cancellation shall not affect the validity of the Release of claims provided for herein and the Participating Settlement Class Member shall be deemed to, nevertheless, be bound by the Release of claims provided herein, exclusive of the FLSA release, which requires that a Participating Class Member Opt-In as described below. As soon as practicable after the 180-day check cashing period, but no later than forty-five (45) calendar days following the 180-day period, the Settlement Administrator shall prepare for the Parties a Final Report—a document summarizing relevant events to date and advising the total dollar amount paid to Participating Settlement Class Members, the status of any uncashed checks, and any amount remaining in the QSF. After one-hundred and eighty (180) days of issuance, funds from undeposited checks will be held by the Settlement Administrator; if the Participating Settlement Class Member to whom the undeposited check is issued does not contact the Settlement Administrator concerning his or her settlement payment within one-hundred and eighty (180) days of the final distribution, including if a Settlement Payment is returned undeliverable and a valid mailing address cannot be ascertained, the Participating Settlement Class Member’s claim amount that has remained uncashed or undistributed as of that time, including any accrued interests thereon, shall be distributed to the California Unclaimed Property Fund in the name of the Participating Settlement Class Member.

5.5.5. Opt-In Language for the FLSA Settlement Payment. Opt-in and release language regarding the release of the FLSA claim will be printed on the FLSA Settlement Payment checks, with instructions that endorsing, cashing, or depositing such check constitutes consent under the FLSA to opt into the collective action. The language to be included will be substantially similar to the following:

My endorsing, cashing, or depositing of this check constitutes my consent to join the *Petco Wage and Hour Cases*, JCCP No. 5152, pursuant to the provisions of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. Section 216(b).

5.5.6. Tax Allocation of Net Settlement Payments. Five percent (5%) of the Net Settlement Amount shall be allocated to the FLSA Payment. Of that, ten percent (10%) shall be allocated to wages and the remainder shall be allocated to liquidated damages and interest. Ninety-five percent (95%) of the Net Settlement Amount shall be allocated to the non-FLSA claims. Of that, five percent (5%) shall be allocated to reimbursement of expenses, and shall not be subject to withholding.

1 Of the remainder, ten percent (10%) shall be allocated to wages, and the rest allocated to penalties and
2 interest. These allocations represent the Parties' good faith allocation based on the claims asserted and
3 potential damages related to wages, liquidated damages, interest and penalties. In accordance with law,
4 the Settlement Administrator will make required tax withholdings from each Individual Settlement
5 Payment on the portion designated as wages and will remit the withholding to the appropriate taxing
6 authorities. The Settlement Administrator shall issue any necessary Form W-2 and 1099 statements to
7 Class Members for their respective Individual Settlement Payments and any separate PAGA Settlement
8 Payments. Settlement Class Members shall be solely responsible for paying all other applicable taxes on
9 their respective Individual Settlement Payments.

10 **5.5.7. Tax Allocations of Individual Settlement Payments and FLSA**

11 **Settlement Payments Not Material.** The Court's approval of the allocation of Individual Settlement
12 Payments and FLSA Settlement Payments set forth above is not a material term of this Agreement. If
13 the Court does not approve or approves a different allocation, then the other terms of this Agreement
14 shall still remain in effect.

15 **5.6. Final Funding of Gross Settlement Amount.** Within fifteen (15) calendar days
16 after the Effective Date, Defendant will deposit all of the Gross Settlement Amount, plus the employer's
17 share of payroll taxes into the QSF established by the Settlement Administrator.

18 **6. RELEASES**

19 **6.1. Releases by Plaintiffs and Settlement Class Members.** By operation of the
20 entry of the Final Approval Order and Judgment, and except as to rights this Agreement creates,
21 Plaintiffs and each Settlement Class Member who does not opt out of the Settlement shall fully release
22 the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties,
23 guarantees, costs, expenses, attorney's fees, damages, action or causes of action of whatever kind or
24 nature, contingent or accrued, that were alleged or that reasonably could have been alleged based on the
25 facts alleged in Coordinated Complaint, that accrued in, or are related to the allegations in the
26 Coordinated Complaint, under any laws, including but not limited to any municipal, state, or federal law.
27 This release includes, without limitation, release of all claims for alleged failure to pay wages, including
28 failure to pay sick pay or overtime, claims for failure to provide accurate itemized wage statements,

1 claims for failure to timely pay wages, claims for failure to timely pay wages due at end of employment,
2 failure to provide meal and rest breaks, failure to reimburse expenses, failure to maintain employment
3 records, claims for unfair competition based upon any of the foregoing, failure to pay wages in form
4 negotiable and payable in cash, failure to provide employment and personnel records upon request, and
5 claims under California Business and Professions Code sections 17200 *et seq.* The Parties stipulate that
6 beyond the Gross Settlement Amount, Defendant shall not owe any further monies to the Settlement
7 Class based upon any claim made in the Actions or in any complaint filed therein. The release shall
8 cover the period of June 22, 2016 through preliminary approval of the settlement or September 30, 2021,
9 whichever is earlier.

10 **6.2. Release by PAGA Aggrieved Employees.** By operation of the entry of the Final
11 Approval Order and Judgment, and except as to rights this Agreement creates, Plaintiffs and each PAGA
12 Aggrieved Employee fully release the Released Parties from any and all claims for civil penalties
13 pursuant to the Private Attorneys General Act (codified in Labor Code sections 2698 *et seq.*) that were
14 alleged in or could have been alleged based on the facts alleged in the Coordinated Complaint, including
15 claims for failure to provide meal and/or rest periods, failure to timely pay minimum, regular, and/or
16 overtime wages, failure to pay commissions, failure to pay wages in a form negotiable and payable in
17 cash, failure to timely pay all wages due and owing upon separation of employment, failure to reimburse
18 for necessary business expenses, failure to maintain accurate records, failure to pay sick pay, and failure
19 to provide employment and personnel records upon request. The period of the PAGA Aggrieved
20 Employees release covers the period of April 18, 2019 through preliminary approval of the settlement or
21 September 30, 2021, whichever is earlier.

22 **6.3. Release by FLSA Settlement Subclass.** Any Participating Settlement Class
23 Member who opts in to the FLSA collective by cashing, depositing, or otherwise negotiating a
24 settlement check for their FLSA Settlement Payment releases all claims under the Fair Labor Standards
25 Act during period of June 22, 2017 through preliminary approval or September 30, 2021, whichever is
26 earlier. Participating Settlement Class Members who opt into the FLSA collective are subject to the
27 FLSA Release and release all claims the Settlement Class Member may have for violations of the Fair
28 Labor Standards Act, including any and all claims for restitution, back pay, attorneys' fees and costs,

1 interest, and liquidated damages under the FLSA for the period of June 22, 2017 through preliminary
2 approval or September 30, 2021, whichever is earlier.

3 **6.4. Additional Release by Class Representatives.** The Class Representatives also
4 generally release any and all claims of any kind or description, known or unknown, against each
5 Released Party. This general release includes but it not limited to claims arising from the Class
6 Representatives' relationship with Defendant, whether known or unknown. This general release by the
7 Class Representatives also includes a waiver of rights under California Civil Code Section 1542, which
8 states:

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

13 This release from the Class Representatives is only effective upon the Court granting final approval of
14 the settlement and only applies to claims that may be released as a matter of law.

15 **6.5. Inadmissibility of Settlement Documents.** The Parties agree that this
16 Agreement and all exhibits thereto shall be inadmissible in any proceeding, except an action or
17 proceeding to approve, interpret, or enforce this Agreement. The Parties agree that, to the extent
18 permitted by law, this Agreement will operate as a complete defense to—and may be used as the basis
19 for an injunction against—any action, suit, or other proceeding attempted in breach of this Agreement.

20 **7. SETTLEMENT APPROVAL PROCEDURE**

21 **7.1. Preliminary Approval.** Plaintiffs shall submit to the Court a Motion for
22 Preliminary Approval of Class and Collective Action Settlement. This motion shall seek an order to
23 preliminarily approve this Agreement according to the terms in this Agreement and provide for the
24 Notice of Class Action Settlement to be sent to Class Members as specified in this Agreement,
25 substantially in the form attached hereto as Exhibit A. This motion shall include the bases for
26 demonstrating that settlement amounts are reasonable in light of the facts and controlling authorities
27 pertaining to the claims alleged. The motion shall also be accompanied by a declaration of Class
28 Counsel discussing the risks of continued litigation and the decision that the best interests of the Class
Members are served by the terms of this Agreement. Defendant's counsel shall have the opportunity to
review and comment on a draft of the motion before it is filed. The Motion shall be submitted following

1 Plaintiffs' submission of the Amended Complaint and supplemental written notice to the LWDA as
2 required under this Agreement. Defendant's counsel shall have the opportunity to review those
3 documents too before they are submitted, and the Parties will agree on their content.

4 **7.2. Final Approval.** Plaintiffs shall submit to the Court a Motion for Final Approval
5 Order, which shall include findings and orders (a) approving the Agreement, (b) adjudging the terms to
6 be fair, reasonable, and adequate, (c) reciting the Released Claims in full, (d) directing that the terms of
7 the Agreement be carried out, (e) approving consent to join for FLSA claims those who cashed a check
8 and (f) retaining jurisdiction to oversee enforcement of this Agreement and the Court's orders.
9 Defendant's counsel shall have the opportunity to review and comment on a draft of the motion before it
10 is filed.

11 **7.3. Motion for Class Counsel Payment.** Along with the Motion for Final Approval,
12 Class Counsel may file a motion for Court approval of an attorneys' fees and costs award in the amount
13 of (a) \$3,250,000, which represents up to one-third of the Gross Settlement Amount, and (b) litigation
14 costs actually incurred in representing the interests of the Class, supported by adequate documentation,
15 in an amount not to exceed Twenty Five Thousand Dollars and No Cents (\$25,000.00).

16 **7.4. Motion for Class Representative Service Award.** Along with the Motion for
17 Final Approval, Class Counsel may file a motion for Court approval of a Class Representative Service
18 Award in the amount of up to \$10,000 for each Class Representative.

19 **7.5. Timing of Judgment.** After the Final Approval Order, Plaintiffs shall request
20 that the Court enter Judgment in accordance with this Agreement in the Actions, without further fees or
21 costs. Notice of Entry of the Judgment may be served on the Settlement Class by posting on the Claims
22 Administrator website.

23 **7.6. Appeal Rights.** Only an Objector has the right to appeal the Judgment, if the
24 Judgment is in accord with this Agreement. Each Class Representative and Class Counsel (except as
25 provided herein) hereby waive any right to appeal any judgment, ruling, or order in the Actions,
26 including, without limitation, any Final Approval Order and any Judgment in the Actions, except as
27 otherwise provided herein. This waiver includes all rights to any post-judgment proceeding and
28 appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial,

1 and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is
2 entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate
3 proceedings, or post-judgment proceedings. Class Counsel retains the right to appeal a Class Counsel
4 Payment of less than the amount specified in Paragraph 5.2 above.

5 **8. MISCELLANEOUS**

6 **8.1. Materiality of Terms.** Except as otherwise stated herein, each substantive term
7 of this Agreement is material and has been relied upon by the Parties in entering into this Agreement. If
8 the Court does not approve any substantive term, or if the Court effects a material change to the
9 Agreement—such as increasing any amount that Defendant must pay—then the entire Agreement will
10 be, at Defendant’s sole discretion, void and unenforceable.

11 **8.2. No Tax Advice.** Neither Class Counsel nor Defendant’s counsel intend anything
12 contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this
13 Agreement be relied upon as such within the meaning of United States Treasury Department Circular
14 230 (31 C.F.R. Part 10, as amended) or otherwise.

15 **8.3. No Impact on Employee Benefits.** No payment made under this Agreement
16 shall be considered as compensation or hours worked or hours paid for purposes of determining
17 eligibility, vesting, participation, or contributions with respect to any employee benefit plan. For
18 purposes of this Agreement, the term “benefit plan” means every ERISA “employee benefit plan,” as
19 defined in the Employee Retirement and Income Security Act of 1974 (“ERISA”), 29 U.S.C. § 1002(3).
20 The term also includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock
21 appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization,
22 insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or
23 policy, regardless of whether any such plan is considered an ERISA employee benefit plan.

24 **8.4. Language of Settlement Documents.** All settlement-related documents to be
25 filed with the Court or sent to Class Members must be approved by all Parties before being filed or sent.

26 **8.5. Parties’ Authority.** The signatories hereto represent that they are fully
27 authorized to bind the Parties to all the term of this Agreement. The Parties agree that Class Members
28 are so numerous that it is impossible or impractical to have each Class Member execute this Agreement.

1 This Agreement may be executed on behalf of Class Members by a Class Representative and by Class
2 Counsel.

3 **8.6. Entire Agreement.** This Agreement, which includes its Definitions, Recitals,
4 and all Exhibits attached hereto, constitutes the entire agreement on its subject matter, and supersedes all
5 prior and contemporaneous negotiations and understandings between the Parties.

6 **8.7. Counterparts.** This Agreement may be executed in counterparts, and each
7 counterpart signed and delivered shall be deemed an original, and when taken together with other signed
8 counterparts, signed and delivered shall constitute one signed Agreement, which shall be binding upon
9 and effective as to all Parties.

10 **8.8. Facsimile, Electronic or Scanned Signatures.** A Party may sign and deliver this
11 Agreement by signing on the designated signature block and transmitting that signature page via
12 facsimile, via electronic signature, or as an attachment to an email to counsel for the other Party. Any
13 such signature shall be deemed an original for purposes of this Agreement and shall be binding upon the
14 Party who transmits the signature page.

15 **8.9. Waivers and Modifications to Be in Writing.** No waiver, modification, or
16 amendment of this Agreement—whether purportedly made before or after the Court’s approval of this
17 Agreement—shall be valid unless it appears in a writing signed by or on behalf of all Parties, and then
18 shall be valid subject to any required Court approval. Any failure by any Party to insist upon the strict
19 performance by the other Party of any provision of this Agreement shall not be deemed a waiver of
20 future performance of the same provisions or of any other provision of this Agreement, and such Party,
21 notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of
22 any provision of this Agreement. The time periods and dates provided in this Agreement with respect to
23 giving of notices and hearings are subject to Court approval and modification by the Court or by written
24 stipulation of Class Counsel and Defendant’s counsel.

25 **8.10. Construction.** Each Party participated jointly in the drafting of this Agreement,
26 and its terms are not intended to be, and shall not be, construed against any party by virtue of
27 draftsmanship.
28

1 **8.10.1. Exhibits Incorporated by Reference.** This Agreement includes the
2 terms set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.

3 **8.10.2. Headings.** The headings within this Agreement appear for convenience of
4 reference only and shall have no effect upon the construction or interpretation of any part of this
5 Agreement.

6 **8.10.3. Invalidity of Any Provision.** Before declaring any provision of this
7 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
8 possible so as to render all provisions of this Agreement enforceable.

9 **8.11. Duty to Cooperate.** Each Party, upon the request of another, agrees to perform
10 such acts and to execute and to deliver such documents as are reasonably necessary to carry out this
11 Agreement. In the same spirit, the Parties agree to make all reasonable efforts to avoid unnecessary
12 Administrative Costs.

13 **8.12. No Prior Assignments or Undisclosed Liens.** The Class Representatives
14 represent that they have not assigned, transferred, conveyed, or otherwise disposed of any Released
15 Claim, and Class Counsel represent that they have no assigned, transferred, conveyed, or otherwise
16 disposed of claim to attorneys' fees and costs award to be paid under this Agreement. The Class
17 Representatives and the Class Counsel further represent and warrant that there are not any liens or
18 claims against any amount that Defendant is to pay under this Agreement. The Class Representatives
19 and Class Counsel agree to defend, to indemnify, and to hold Defendant harmless from any liability,
20 losses, claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach
21 of these representations or from any lien or assignment.

22 **8.13. Waiver of Right to Request Exclusion by Class Representatives.** The Class
23 Representatives, by signing this Agreement, agree not to request exclusion from the settlement. The
24 Class Representatives, by signing this Agreement, further represent that they have no objection to the
25 terms of the Agreement and they believe the terms to be fair, reasonable and adequate.

26 **8.14. Confidential Information.** Class Counsel will destroy all confidential
27 documents and information provided by Defendant for mediation within sixty (60) calendar days after
28

1 the completion of the administration of this Agreement. Class Counsel further agree that none of the
2 information provided by Defendant shall be used for any purpose other than prosecution of this Action.

3 **8.15. Publicity.** Neither Plaintiffs nor Class Counsel shall cause to be publicized,
4 directly or indirectly, any discussion resulting in or the existence of this Agreement or its terms in any
5 type of mass media, including, but not limited to, speeches, press conferences, press releases, interviews,
6 television or radio broadcasts, newspapers, website postings, messages on the Internet, Facebook,
7 Twitter or any other social media. Plaintiffs agree that they shall not make any comments regarding the
8 claims in this matter or settlement thereof unless asked, and, if asked, they shall respond only that the
9 matter has settled. Should any Plaintiff at any time breach this provision, Plaintiffs shall forfeit to
10 Defendant the full amount of their Class Representative Service Awards. Without limitation by the
11 foregoing, Defendant also may enforce this provision through an action for injunctive relief. Plaintiffs
12 waive any obligation by Defendant to file a bond in connection with any such action. This provision
13 does not apply to any publications ordered by the Court. Nothing in this agreement is intended to limit
14 Plaintiff of Class Counsel's ability to answer questions and help administer the terms of the settlement.
15 Nothing in this Agreement is intended to preclude Plaintiffs' attorneys from listing or referring to this
16 settlement on their respective firm websites, where they are authorized to state the name of the case, the
17 settlement amount, the claims asserted, and can post copies of any court filings associated with the
18 litigation.

19 **8.16. Continuing Jurisdiction.** The Court shall retain jurisdiction over the
20 implementation of this Agreement as well as any matter arising out of, or related to, the implementation
21 of this Agreement. The Court shall not have jurisdiction to modify the terms of this Agreement without
22 the consent of all Parties.

23 **8.17. Disputes.** If the Parties dispute the interpretation of this Agreement, they shall
24 first attempt to resolve the dispute informally through good faith negotiations, and, if those efforts are
25 unsuccessful, they agree to mediate any such dispute. The Parties will split the costs of the mediator,
26 and all parties will bear their own fees and costs.

27 **8.18. Governing Law.** All terms of this Agreement shall be governed by and
28 interpreted according to substantive California law, i.e., without applying its choice of law provisions.

Defendant Petco Animal Supplies Stores, Inc.

Giannina Francisco, on behalf of herself
and the Putative Class and Aggrieved
Employees

By: _____


Giannina Francisco (Sep 8, 2021 11:20 PDT)

Giannina Francisco

Its: _____

DATE: _____

DATE: Sep 8, 2021

Olivia Kirkpatrick, on behalf of herself
and the Putative Class and Aggrieved
Employees

Olivia Kirkpatrick

DATE: _____

Approved as to form:

Approved as to form:

Attorneys for Defendant Petco Animal
Supplies Stores, Inc.

Attorneys for Giannina Francisco, the
Putative Class and Aggrieved Employees

DATE: _____

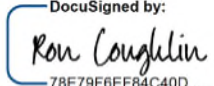
DATE: _____

Attorneys for Olivia Kirkpatrick, the
Putative Class and Aggrieved Employees

DATE: _____

Defendant Petco Animal Supplies Stores, Inc.

Giannina Francisco, on behalf of herself
and the Putative Class and Aggrieved
Employees

By:  78E79F6EF84C40D...

Its: CEO

DATE: 9/2/2021

Giannina Francisco

DATE: _____

Olivia Kirkpatrick, on behalf of herself
and the Putative Class and Aggrieved
Employees

Olivia Kirkpatrick

DATE: _____

Approved as to form:



Attorneys for Defendant Petco Animal
Supplies Stores, Inc.

Approved as to form:

Attorneys for Giannina Francisco, the
Putative Class and Aggrieved Employees

DATE: September 3, 2021

DATE: _____

Attorneys for Olivia Kirkpatrick, the
Putative Class and Aggrieved Employees

DATE: _____

Defendant Petco Animal Supplies Stores, Inc.

Giannina Francisco, on behalf of herself
and the Putative Class and Aggrieved
Employees

By: _____

Giannina Francisco

Its: _____

DATE: _____

DATE: _____

Olivia Kirkpatrick, on behalf of herself
and the Putative Class and Aggrieved
Employees

Olivia Kirkpatrick

DATE: _____

Approved as to form:

Approved as to form:

Attorneys for Defendant Petco Animal
Supplies Stores, Inc.



Attorneys for Giannina Francisco, the
Putative Class and Aggrieved Employees

DATE: _____

DATE: September 9, 2021

Attorneys for Olivia Kirkpatrick, the
Putative Class and Aggrieved Employees

DATE: _____

Defendant Petco Animal Supplies Stores, Inc.

Giannina Francisco, on behalf of herself
and the Putative Class and Aggrieved
Employees

By: _____

Giannina Francisco

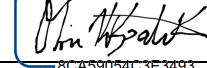
Its: _____

DATE: _____

DATE: _____

Olivia Kirkpatrick, on behalf of herself
and the Putative Class and Aggrieved
Employees

DocuSigned by:



Olivia Kirkpatrick

DATE: 9/13/2021

Approved as to form:

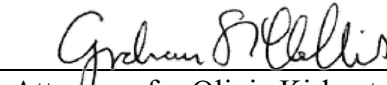
Approved as to form:

Attorneys for Defendant Petco Animal
Supplies Stores, Inc.

Attorneys for Giannina Francisco, the
Putative Class and Aggrieved Employees

DATE: _____

DATE: _____



Attorneys for Olivia Kirkpatrick, the
Putative Class and Aggrieved Employees

DATE: 09/13/2021

NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL

Petco Wage and Hour Cases

(Judicial Council Coordination Proceeding No. 5152)

As a current or former non-exempt employee of Petco Animal Supplies Stores, Inc. in California, you are entitled to receive money from a class action settlement.

Please read this Notice of Class Action Settlement and Hearing Date for Final Approval (“Notice”) carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a settlement payment.

You have received this Notice because the records of Petco Animal Supplies Stores, Inc. (“Defendant” or “Petco”) show you are a current or former non-exempt employee of Petco in California during the period from June 22, 2016 through [Date: preliminary approval of the settlement or September 30, 2021, whichever is earlier] (“Class Member”) and therefore entitled to a payment from this class action Settlement.

- The settlement resolves two class-action lawsuits, *Giannina Francisco v. Petco Animal Supplies Stores, Inc. et al.*, Los Angeles Superior Court Case No. 20STCV23790 (“Francisco case”) and *Olivia Kirkpatrick v. Petco Animal Supplies Stores, Inc.*, San Diego Superior Court Case No. 37-2020-CU-OE-CTL (“Kirkpatrick case”) (collectively the “Lawsuits”). The Lawsuits have been coordinated in Los Angeles Superior Court and assigned JCCP No. 5152.
- The *Francisco* case asserts claims for (1) failure to provide meal periods (Cal. Lab. Code §§ 226.7, 510, 512, 1194, 1197, and IWC Wage Order No. 7-2001, § 11); (2) failure to provide rest breaks (Cal. Lab. Code §§ 226.7, 512, and IWC Wage Order No. 7-2001, § 12); (3) failure to pay overtime wages (Cal. Lab. Code §§ 510, 1194, 1198, and IWC Wage Order No. 7-2001, § 3); (4) failure to pay minimum wages (Cal. Lab. Code §§ 1194, 1197, and IWC Wage Order No. 7-2001, § 4); (5) failure to pay all wages due to discharged and quitting employees (Cal. Lab. Code §§ 201, 202, and 203); (6) failure to maintain required records (Cal. Lab. Code § 226 and IWC Wage Order No. 7-2001); (7) failure to furnish accurate itemized wage statements (Cal. Lab. Code §§ 226, 1174, and IWC Wage Order No. 7-2001, § 7); (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties (Cal. Labor Code § 2802); (8) unfair competition (Cal. Bus. & Prof. Code §§ 17200, et seq.); and (9) representative action for civil penalties (Cal. Lab. Code §§ 2698-2699.5) (“PAGA”).
- The *Kirkpatrick* case asserts claims for (1) failure to provide legally compliant meal periods or compensation in lieu thereof (Cal. Lab. Code §§ 204, 226.7, 512, and the “Meal Period” section of IWC Wage Order No. 7-2001); (2) failure to provide legally compliant rest periods or compensation in lieu thereof (Cal. Lab. Code §§ 204, 226.7, and the “Rest Period” section of IWC Wage Order No. 7-2001); (3) failure to timely pay minimum, regular and/or overtime wages (Cal. Lab. Code §§ 204, 210, 510, 1194, 1197, 1197.1, 1198, 1199, and the “Minimum Wage” and “Hours and Days of Work” sections of IWC Wage Order No. 7-2001); (4) failure to timely pay all earned commissions (Cal. Lab. Code §§ 200, 204, 210, and the “Minimum Wage” section of IWC Wage Order No. 7-2001); (5) failure to make payment of wages in form negotiable and payable in cash (Cal. Lab. Code §§ 212, 213, and 225.5); (6) failure to maintain accurate records (Cal. Lab. Code §§ 226, 1174, 1174.5, and the “Records” section of IWC Wage Order No. 7-2001); (7) failure to provide employment and personnel records upon request (Cal. Lab. Code §§ 226(b), 226(c), 226(f), 1198.5, and 1198.5(k)); (8) failure to furnish accurate itemized wage statements (Cal. Lab. Code §§ 226 and 226.3, and the “Records” section of IWC Wage Order No. 7-2001); (9) failure to timely pay all wages due and owed upon separation of employment (Cal. Lab. Code §§ 201-203, and 210); (10) failure to timely pay all earned commissions

Questions? Visit www.settlement.com or contact the Settlement Administrator toll free at [PHONE NUMBER]

upon separation of employment (Cal. Lab. Code §§ 201-203, and 201); (11) Unfair Competition Law (Cal. Bus & Prof. Code §§ 17200 et seq.); and (12) Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698 et seq.) (“PAGA”).

- In addition, a consolidated complaint was filed in JCCP No. 5152, alleging failure to pay minimum wage and overtime under the Fair Labor Standards Act (“FLSA”), and a claim for failure to properly compensate employees for sick pay.
- On [REDACTED], the Los Angeles County Superior Court granted preliminary approval of this Settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

Why Am I Receiving This Notice?

Petco’s records show that you currently work, or previously worked, for Petco as a non-exempt employee during the period June 22, 2016 through [DATE: preliminary approval of the settlement or September 30, 2021, whichever is earlier]. You were sent this Notice because you have a right to know about a proposed settlement of the Lawsuits, and about your options, before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement (and then any objections and appeals are resolved) a Settlement Administrator appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuits, the Settlement, your legal rights and options, what payments may be available to you under the Settlement, and how to receive the payments.

What Is This Case About?

Giannina Francisco and Olivia Kirkpatrick were non-exempt employees for Defendant in California. They are the “Plaintiffs” in the Lawsuits and are suing on behalf of themselves and Class Members for the claims outlined above. Defendant denies all of the allegations made by Plaintiffs and denies that it violated any law. The Court has made no ruling on the merits of Plaintiffs’ claims. The Court has only preliminarily approved this Settlement. The Court will decide whether to give final approval to the Settlement at the Final Approval Hearing.

Summary Of Distribution Formula

Plaintiffs and Defendant have agreed to settle the Lawsuits for the Gross Settlement Amount of \$9,750,000. The Gross Settlement Amount includes: (1) Administration Costs up to \$58,000; (2) a service payment of up to \$10,000 each to Plaintiff Giannina Francisco and Olivia Kirkpatrick for their time and effort in pursuing this case and in exchange for a general release of claims against Defendant; (3) up to \$3,250,000 in attorneys’ fees (one-third of the Gross Settlement Amount) to Class Counsel and up to \$25,000 in litigation costs to Class Counsel; and (4) an allocation to PAGA penalties in the amount of \$750,000, seventy-five percent of which will be paid to the LWDA and the remaining twenty-five percent distributed to the Class Members. The amount left over after deducting these sums is called the “Net Settlement Amount.” It is estimated to be approximately \$5,647,000. Ninety-five percent (95%) of the Net Settlement Amount is allocated to Individual Settlement Payments and five percent (5%) is allocated to FLSA Settlement Payments.

Individual Settlement Payment Calculation

Questions? Visit [www.\[REDACTED\].com](http://www.[REDACTED].com) or contact the Settlement Administrator toll free at [PHONE NUMBER]

Class Members who do not opt out will receive a pro-rata Individual Settlement Payment based on the number of shifts worked from June 22, 2016 through [Date] (“Eligible Shifts”). Individual Settlement Payments will be calculated by dividing the number of Eligible Shifts attributed to the Class Member by all Eligible Shifts attributed to all Class Members, multiplied by .95. Otherwise stated, the formula for a Class Member is: (individual’s Eligible Shifts ÷ total Eligible Shifts for all Class Members) * 95% of the Net Settlement Amount.

FLSA Settlement Payment Calculation

Class Members who do not opt out will receive a pro-rata FLSA Settlement Payment based on the number of shifts worked from June 22, 2017 through [Date] (“FLSA Eligible Shifts”). The FLSA Settlement Payments will be calculated by dividing the number of FLSA Eligible Shifts attributed to the Class Member by the number of FLSA Eligible Shifts for all Class Members, multiplied by .05. Otherwise stated, the formula for a Class Member is: (individual’s FLSA Eligible Shifts ÷ total number of FLSA Eligible Shifts for all Class Members) * .05 of the Net Settlement Amount.

PAGA Settlement Payment Calculation

Class Members will receive a pro-rata PAGA Settlement Payment based on the number of shifts worked from April 18, 2019 through [Date] (“PAGA Eligible Shifts”). Specifically, these payments will be calculated by dividing the individual’s PAGA Eligible Shifts by the total of the Class Members’ PAGA Eligible Shifts, multiplied by the twenty-five percent of the PAGA allocation that goes to the Net Settlement (\$187,500). Otherwise stated, the formula for a Class Member’s PAGA Settlement Payment is: (individual’s PAGA Eligible Shifts ÷ total of Class Members’ PAGA Eligible Shifts) * \$187,500.

Calculation of Your Settlement Payments

Defendant’s records indicate that you worked [Eligible Shifts] as a non-exempt employee in California between June 22, 2016 and [DATE], [FLSA Eligible Shifts] as a non-exempt employee in California between June 22, 2017 and [DATE], and [PAGA Eligible Shifts] as a non-exempt employee in California between April 18, 2019 and [DATE]. Based on these records, your estimated Individual Settlement Payment as a Class Member would be [\$Estimated Award], your estimated FLSA Settlement Payment would be [\$Estimated Award], and your estimated PAGA Settlement Payment would be [\$Estimated Award].

If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [RESPONSE DEADLINE]. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

Ten percent (10%) of each Individual Settlement Payment and FLSA Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and 90% will be allocated as penalties and interest and reported on an IRS Form 1099. One hundred percent of each PAGA Settlement Payment will be allocated as penalties and reported on an IRS Form 1099.

This notice is not intended to provide legal or tax advice regarding any settlement payment. You should consult your own legal counsel or tax professional regarding any taxes you may owe as a result of receiving a payment under this settlement.

Questions? Visit www._____.com or contact the Settlement Administrator toll free at [PHONE NUMBER]

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you are a Class Member, you do not need to take any action to receive the Individual Settlement Payment, FLSA Settlement Payment, and PAGA Settlement Payment set forth above. You also will be releasing claims if you do not opt out.

Class Release

Unless you Opt Out of the Settlement (Option 2 below), you will be bound by the following release:

By operation of the entry of the Final Approval Order and Judgment, and except as to rights this Agreement creates, Plaintiffs and each Settlement Class Member who does not opt out of the Settlement shall fully release the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, action or causes of action of whatever kind or nature, contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts alleged in Coordinated Complaint, that accrued in, or are related to the allegations in the Coordinated Complaint, under any laws, including but not limited to any municipal, state, or federal law. This release includes, without limitation, release of all claims for alleged failure to pay wages, including failure to pay sick pay or overtime, claims for failure to provide accurate itemized wage statements, claims for failure to timely pay wages, claims for failure to timely pay wages due at end of employment, failure to provide meal and rest breaks, failure to reimburse expenses, failure to maintain employment records, claims for unfair competition based upon any of the foregoing, failure to pay wages in form negotiable and payable in cash, failure to provide employment and personnel records upon request, and claims under California Business and Professions Code sections 17200 *et seq.* The Parties stipulate that beyond the Gross Settlement Amount, Defendant shall not owe any further monies to the Settlement Class based upon any claim made in the Actions or in any complaint filed therein. The release shall cover the period of June 22, 2016 through preliminary approval of the settlement or September 30, 2021, whichever is earlier.

“Released Parties” means: (a) Petco Animal Supplies Stores, Inc., Petco Animal Supplies, Inc., Petco Wellness, LLC, Petco Holdings, Inc., Petco Health and Wellness Company, Inc. and each and all past or present partners, parents, subsidiaries, or affiliates (regardless whether such partners, parents, subsidiaries, or affiliates are individuals, corporations, partnerships, limited partnerships, limited liability companies, or other forms of entity); (b) each and all of the predecessor or successor entities of any of those entities identified in subparagraph (a); (c) any other individuals or entities of any kind, including but not limited to any payroll companies, which have been or could be alleged to be in any manner responsible (whether on an alter ego, joint employer, integrated enterprise, or any other theory) for any violations described in the releases in this Agreement; and (d) all past and present directors, officers, representatives, insurers, agents, shareholders, limited or general partners, members, lawyers, and employees of any of the individuals or entities identified in subparagraphs (a), (b), or (c).

FLSA Release

Questions? Visit www.settlement.com or contact the Settlement Administrator toll free at [PHONE NUMBER]

Class Members who do not Opt Out of the Settlement (pursuant to Option 2 below), will also receive a separate check with their FLSA Settlement Payment (if they are eligible). By depositing this check, Class Members will opt into the FLSA Settlement and bound by the following release:

Any Participating Settlement Class Member who opts in to the FLSA collective by cashing, depositing, or otherwise negotiating a settlement check for their FLSA Settlement Payment releases all claims under the Fair Labor Standards Act during period of June 22, 2017 through preliminary approval or September 30, 2021, whichever is earlier. Participating Settlement Class Members who opt into the FLSA collective are subject to the FLSA Release and release all claims the Settlement Class Member may have for violations of the Fair Labor Standards Act, including any and all claims for restitution, back pay, attorneys' fees and costs, interest, and liquidated damages under the FLSA for the period of June 22, 2017 through preliminary approval or September 30, 2021, whichever is earlier.

PAGA Release

All Class Members will receive a PAGA Settlement Payment regardless of whether or not they decide to opt-out and will be bound by the following release:

By operation of the entry of the Final Approval Order and Judgment, and except as to rights this Agreement creates, Plaintiffs and each PAGA Aggrieved Employee fully release the Released Parties from any and all claims for civil penalties pursuant to the Private Attorneys General Act (codified in Labor Code sections 2698 *et seq.*) that were alleged in or could have been alleged based on the facts alleged in the Coordinated Complaint, including claims for failure to provide meal and/or rest periods, failure to timely pay minimum, regular, and/or overtime wages, failure to pay commissions, failure to pay wages in a form negotiable and payable in cash, failure to timely pay all wages due and owing upon separation of employment, failure to reimburse for necessary business expenses, failure to maintain accurate records, failure to pay sick pay, and failure to provide employment and personnel records upon request. The period of the PAGA Aggrieved Employees release covers the period of April 18, 2019 through preliminary approval of the settlement or September 30, 2021, whichever is earlier.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your first and last name, address, telephone number, and last four digits of your Social Security Number. You must sign your request for exclusion and mail it by U.S. First-Class Mail to the address below.

The written request to be excluded from the Settlement must be mailed to the Settlement Administrator and postmarked no later than **[RESPONSE DEADLINE]**.

[Settlement Administrator's Name and Address]

Questions? Visit **www. _____ .com** or contact the Settlement Administrator toll free at **[PHONE NUMBER]**

If you timely and validly exclude yourself from the Settlement, then you will get no Individual Settlement Payment or FLSA Settlement Payment. You also will not be bound by the *Class Release* and *FLSA Release* set forth in Option 1 above.

The proposed Settlement also includes the settlement of claims for civil penalties under PAGA. A Class Member may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the Settlement, then even if you request exclusion from the Settlement, you will still receive a PAGA Settlement Payment (if you are eligible), and will be bound by the PAGA Release outlined above.

Option 3 – File an Objection to the Settlement

If you wish to object to the Settlement you may file an objection in writing stating why you object to the Settlement. Your objection must state your full name, address, the last four digits of your Social Security Number, the case number and name, and your reasons why you think the Court should not approve the Settlement. Your objection must be mailed the Administrator. You can also attend the final approval hearing (discussed below), and orally present your objection to the Court.

Please note that you cannot both object to the Settlement and exclude yourself (pursuant to Option 2 above). If you object, and the Court overrules your objection, you will be bound by the Settlement and releases.

Final Approval Hearing

You may, if you wish, also appear at the Final Approval Hearing set for [REDACTED] at [REDACTED].m. in Department 010 of Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles California 90012, and discuss your objections with the Court. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit [www.\[REDACTED\].com](http://www.[REDACTED].com), call the Settlement Administrator at [PHONE NUMBER] or Class Counsel:

Matern Law Group, P.C. Tagore Subramaniam, Esq. Sydney A. Adams, Esq. 1230 Rosecrans Avenue, Suite 200 Manhattan Beach, CA 90266 (310) 531-1900 <i>Counsel for Plaintiff Giannina Francisco</i>	GrahamHollis APC Graham S.P. Hollis, Esq. Monique R. Rodriguez, Esq. 3555 Fifth Avenue, Suite 200 San Diego, CA 92103 (619) 546-4373 <i>Counsel for Plaintiff Olivia Kirkpatrick</i>
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You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of Los Angeles County Superior Court, located at 111 North Hill Street, Los Angeles, California 90012, during regular business hours of each court day.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
PETCO, OR PETCO'S ATTORNEYS WITH INQUIRIES.**

Questions? Visit [www.\[REDACTED\].com](http://www.[REDACTED].com) or contact the Settlement Administrator toll free at [PHONE NUMBER]