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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

SHERICE DUNCAN, individually, and on
behalf of other members of the general public
similarly situated,

Plaintiff,

vs.

CLAIRE'S BOUTIQUES, INC., a Colorado
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 20STCV15355

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE**

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Sherice Duncan (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendant Claire’s Boutiques, Inc. (“Defendant”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Duncan v. Claire’s Boutiques, Inc.*, No. 20STCV15355 (Los Angeles County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to fees and expenses of experts, investigation expenses, postage, telephone, and photocopying charges, costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Class Settlement Amount, or Four Hundred Fifty Eight Thousand Three Hundred Thirty Three Dollars (\$458,333). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Twenty Thousand Dollars (\$20,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Class Counsel” means Capstone Law APC.

4. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most recent mailing address

1 and telephone number; Social Security number; dates of employment; the respective number of
2 Workweeks that each Class Member worked during the Class Period; and any other relevant information
3 needed to calculate settlement payments.

4 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendants
5 as non-exempt, hourly paid employees in California at any time from March 1, 2018 to the date of
6 Preliminary Approval.

7 6. "Class Period" means the period from March 1, 2018 to the date of Preliminary
8 Approval.

9 7. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff
10 in recognition of her effort and work in prosecuting the Action on behalf of Class Members, and for her
11 general release of claims. Subject to the Court granting final approval of this Settlement Agreement and
12 subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class
13 Representative Enhancement Payment of Ten Thousand Dollars (\$10,000).

14 8. "Class Settlement Amount" means the Class Settlement Amount of One Million Three
15 Hundred Seventy Five Thousand Dollars (\$1,375,000), to be paid by Defendant in full satisfaction of all
16 Released Claims arising from the Action, which includes all Individual Settlement Payments to
17 Participating Class Members, Attorneys' Fees and Costs to Class Counsel, the Class Representative
18 Enhancement Payment to Plaintiff, the Labor and Workforce Development Agency Payment, and
19 Settlement Administration Costs to the Settlement Administrator. This Class Settlement Amount has
20 been agreed to by Plaintiff and Defendant based on the aggregation of the agreed-upon settlement value
21 of individual claims. In no event will Defendant be liable for more than the Class Settlement Amount
22 except as otherwise explicitly set forth herein. There will be no reversion of the Class Settlement
23 Amount to Defendant. Defendant will be separately responsible for any employer payroll taxes required
24 by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the
25 Class Settlement Amount.

26 9. "Court" means the Los Angeles County Superior Court.

27 10. "Defendant" means Defendant Claire's Boutiques, Inc.

28 11. "Defense Counsel" means Adam Y. Siegel and Carmen Miranda of Jackson Lewis P.C.

12. “Effective Date” means the date by which this Settlement is finally approved as provided herein and the Superior Court’s Judgment becomes binding. For purposes of this Settlement, the Judgment becomes binding upon the later of: (i) sixty-two (62) days after Plaintiff files and serves Defendant with a Notice of Entry of Judgment, and no appeal is filed within that period; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes, and no further review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request for review is denied with prejudice and/or no further review of the judgment can be requested, or (iv) if review is accepted, the day the California Supreme Court affirms the Settlement.

13. “Final Approval” means the date on which the Court enters an order granting final approval of the Settlement Agreement.

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

15. “Labor and Workforce Development Agency Payment” means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Parties have agreed that One Hundred Thousand Dollars (\$100,000) of the Class Settlement Amount will be allocated to the resolution of Class Members’ claims arising under PAGA. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy Five Thousand Dollars (\$75,000), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency, and Twenty-Five Percent (25%), or Twenty Five Thousand Dollars (\$25,000), of the PAGA Settlement Amount will be included in the Net Settlement Amount.

16. “Net Settlement Amount” means the portion of the Class Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, the Labor and Workforce Development Agency Payment, and Settlement Administration Costs. The Net Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Amount to Defendant.

1 17. “Notice of Objection” means a Class Member’s valid and timely written objection to the
2 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector’s full
3 name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection
4 accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
5 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear
6 at the final fairness hearing. Any Class Member who does not submit a timely written objection to the
7 Settlement, or who fails to otherwise comply with the specific and technical requirements of this section,
8 will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the
9 Settlement, by appeal or otherwise. At no time shall any of the Parties, Class Counsel, or Defense
10 Counsel seek to solicit or otherwise encourage Class Members to submit a Notice of Objection or
11 file an appeal from the Final Order and Judgment. Class Members are not permitted to object to the
12 Labor and Workforce Development Agency Payment.

13 18. “Notice Packet” means the Notice of Class Action Settlement, substantially in the form
14 attached as Exhibit A.

15 19. “Parties” means Plaintiff and Defendant collectively.

16 20. “Participating Class Members” means all Class Members who do not submit timely and
17 valid Requests for Exclusion.

18 21. “Plaintiff” means Sherice Duncan.

19 22. “Preliminary Approval” means the date on which the Court enters an order granting
20 preliminary approval of the Settlement Agreement.

21 23. “Released Claims” means all claims under state, federal or local employment and labor
22 laws, whether statutory, common law or administrative law, arising out of or related to allegations set
23 forth in the operative statutory, common law or administrative law, arising out of or related to allegations
24 set forth in the operative Complaint or PAGA Notice to the LWDA, including but not limited to: claims
25 for minimum wage violations; failure to pay overtime wages; unreimbursed expenses; rest period
26 violations; meal period violations; itemized wage statement violations; waiting time penalties; unfair
27 competition; declaratory relief; and claims for violation of the California Private Attorneys General Act
28 based on the preceding violations; including, but not limited to, injunctive relief; punitive damages;

1 liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations
2 made or which could have been made in the Action based on the facts alleged in the operative Complaint
3 or PAGA Notice, through the date of Final Approval of the Settlement.

4 24. "Released Parties" means Defendant, its past or present officers, directors, shareholders,
5 employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and
6 reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and
7 attorneys, if any.

8 25. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a
9 request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name,
10 address, telephone number and last four digits of the Social Security Number of the Class Member
11 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
12 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
13 and (v) be faxed or postmarked on or before the Response Deadline. A Class Member who does not
14 request exclusion from the Settlement will be deemed a "Participating Class Member" and will be
15 bound by all terms of the Settlement, if the Settlement is granted final approval by the Court. No
16 later than ten (10) calendar days after the Response Deadline, the Settlement Administrator shall
17 provide counsel for the Parties a complete list of all Class Members who submitted a timely and
18 valid Request for Exclusion. Defendant, at its sole discretion, then shall have the right, but not the
19 obligation, to revoke the Settlement if five percent (5%) or more of the Class Members timely
20 exclude themselves. Defendant shall exercise its revocation rights, if at all, within thirty (30)
21 calendar days of the Response Deadline. If Defendant exercises its right of revocation, then
22 Defendant will be responsible for all Settlement Administration Costs incurred to the date of rescission.
23 Class Members shall be prohibited from submitting a Request for Exclusion with respect to claims under
24 PAGA and thus shall receive their portion of the Labor and Workforce Development Agency Payment.

25 26. "Response Deadline" means the deadline by which Class Members must postmark or
26 fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the
27 Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial
28 mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day

falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

27. “Settlement Administration Costs” means the costs payable from the Class Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Class Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Class Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of approximately Two Thousand Five Hundred and Thirteen (2,513) Class Members, the Settlement Administration Costs are currently estimated to be Twenty Thousand Dollars (\$20,000).

28. “Settlement Administrator” means CPT Group, Inc., or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

29. “Workweeks” means the number of days of employment for each Class Member during the Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least one Workweek.

TERMS OF AGREEMENT

The Plaintiff, on behalf of himself and the Settlement Class, and Defendant agree as follows:

30. Funding of the Class Settlement Amount. Defendant will make a one-time deposit of the Class Settlement Amount of One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendant will pay the employer’s share of payroll taxes separately, but such payroll taxes shall be deposited into the Qualified Settlement Account. After the Effective Date, the Class Settlement Amount will be used for: (i) Individual Settlement Payments; (ii) the Labor and Workforce Development Agency Payment; (iii) the Class Representative Enhancement Payment; (iv) Attorneys’ Fees and Costs;

1 and (v) Settlement Administration Costs. Defendant will deposit the Class Settlement Amount and the
2 employer's share of payroll taxes within five (5) business days after the Effective Date ("Funding Date").

3 31. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
4 or motion by Class Counsel for Attorneys' Fees and Costs of not more than Four Hundred Fifty Eight
5 Thousand Three Hundred Thirty Three Dollars (\$458,333), plus the reimbursement of all out-of-pocket
6 costs and expenses associated with Class Counsel's litigation and settlement of the Action (including
7 expert fees, investigations expenses, photocopying, etc.), not to exceed Twenty Thousand Dollars
8 (\$20,000), both of which will be paid from the Class Settlement Amount. Class Counsel shall be solely
9 and legally responsible to pay all applicable taxes on the Class Counsel Award. The Settlement
10 Administrator shall issue an IRS Form 1099 to Class Counsel for the Class Counsel Award. Any
11 Attorneys' Fees and Costs not awarded by the Court shall become part of the Net Settlement Amount
12 and shall be distributed to Participating Class Members as described in this Settlement Agreement.

13 32. Class Representative Enhancement Payment. In exchange for a general release, and in
14 recognition of her effort and work in prosecuting the Action on behalf of Class Members, Defendant
15 agrees not to oppose or impede any application or motion for a Class Representative Enhancement
16 Payment of Ten Thousand Dollars (\$10,000), to Plaintiff. The Class Representative Enhancement
17 Payment will be paid from the Class Settlement Amount and will be in addition to Plaintiff's Individual
18 Settlement Payment paid pursuant to the Settlement. The Settlement Administrator shall issue an IRS
19 Form 1099 to Plaintiff for her Class Representative Enhancement Payment. Plaintiff will be solely and
20 legally responsible to pay any and all applicable taxes on the Class Representative Enhancement
21 Payment and shall hold harmless Defendant, Class Counsel and Defense Counsel from any claim or
22 liability for taxes, penalties, or interest arising as a result of payment of the Class Representative
23 Enhancement Payment. Any amount requested by Plaintiff for the Class Representative Enhancement
24 Payment and not awarded by the Court shall become part of the Net Settlement Amount and shall be
25 distributed to Participating Class Members as part of their Individual Settlement Awards.

26 33. Settlement Administration Costs. The Settlement Administrator will be paid for the
27 reasonable costs of administration of the Settlement and distribution of payments from the Class
28 Settlement Amount, which is currently estimated to be Twenty Thousand Dollars (\$20,000). These

costs, which will be paid from the Class Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice Packets, calculating and distributing the Class Settlement Amount, and providing necessary reports and declarations.

34. Labor and Workforce Development Agency Payment. Subject to Court approval, the Parties agree that the amount of One Hundred Thousand Dollars (\$100,000) from the Class Settlement Amount will be designated for satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or Twenty Five Thousand Dollars (\$25,000), will become part of the Net Settlement Amount. Class Members are prohibited from objecting to and/or seeking a Request for Exclusion with respect to the Labor and Workforce Development Agency Payment.

35. Net Settlement Amount. The entire Net Settlement Amount will be distributed to Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by Defendant.

36. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:

36(a) Defendant will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period.

36(b) To determine each Class Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The Net Settlement Amount will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek

1 Value.

2 36(c) The Individual Settlement Payment will be reduced by any required
3 deductions for each Participating Class Member as specifically set forth
4 herein, including employee-side tax withholdings or deductions.

5 36(d) The entire Net Settlement Amount will be disbursed to all Class Members
6 who do not submit timely and valid Requests for Exclusion. If there are any
7 valid and timely Requests for Exclusion, the Settlement Administrator shall
8 proportionately increase the Individual Settlement Payment for each
9 Participating Class Member according to the number of Workweeks
10 worked, so that the amount actually distributed to the Settlement Class
11 equals 100% of the Net Settlement Amount. However, each individual
12 Class Member shall receive his/her share of the Labor Workforce
13 Development Agency Payment even if such Class Member submitted a
14 Request for Exclusion as the Settlement Class may not submit a Request for
15 Exclusion as to claims under PAGA.

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

23 38. All monies received by Participating Class Members under the Settlement which
24 are attributable to wages shall constitute income to such Participating Class Members solely in the
25 year in which such monies actually are received by the Participating Class Members. It is the
26 intent of the Parties that Individual Settlement Payments provided for in this Settlement are the sole
27 payments to be made by Defendant to Participating Class Members in connection with this
28 Settlement, with the exception of Plaintiff, and that the Participating Class Members are not

entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments. Furthermore, the receipt of Individual Settlement Payments by Participating Class Members shall not, and does not, by itself establish any general, special, or joint employment relationship between and among the Participating Class Member(s) and Defendant.

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

40. Delivery of the Class List. Within thirty (30) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator and to Class Counsel.

41. Notice by First-Class U.S. Mail. Class Counsel and Defense Counsel will instruct the Settlement Administrator to mail, within ten (10) calendar days after receiving the Class List from Defendant, a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

42. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator:

- Perform a search, prior to mailing, based on the National Change of Address Database for information to update and correct for any known or identifiable address changes
- Promptly send any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline via regular First-Class U.S. Mail to the forwarding address affixed thereto and will indicate the date of such re-mailing on the Notice Packet or, if no forwarding address is provided, promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and then perform a single re-mailing.

Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

43. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet

1 will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's
2 principal terms; (iii) the Settlement Class definition; (iv) the total number of Workweeks each respective
3 Class Member worked for Defendant during the Class Period; (v) each Class Member's estimated
4 Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the
5 dates which comprise the Class Period; (vii) instructions on how to submit Requests for Exclusion or
6 Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Request for
7 Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

8 44. Disputed Information on Notice Packets. Class Members will have an opportunity to
9 dispute the information provided in their Notice Packets. To the extent Class Members dispute their
10 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
11 Settlement Administrator showing that such information is inaccurate. Class Counsel and Defense
12 Counsel agree that the Settlement Administrator will decide the dispute and will authorize and instruct
13 the Settlement Administrator to do so. Defendant's records will be presumed correct, but the Settlement
14 Administrator will evaluate the evidence submitted by the Class Member and will make the final
15 decision as to the merits of the dispute. All disputes will be decided within ten (10) business days of the
16 Response Deadline.

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

25 46. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
26 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
27 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
28 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request

for Exclusion has been timely submitted. Class Members shall be prohibited from objecting to and/or seeking a Request for Exclusion with respect to claims under PAGA.

47. Proportional Increase to Class Settlement Amount. The Class Settlement Amount was calculated with, and is premised on, the understanding that there are approximately Two Thousand Five Hundred and Thirteen (2,513) Class Members eligible to participate in the Settlement as of May 31, 2020. If the actual number of Class Members eligible to participate in the Settlement is greater than one hundred and ten percent (110%) of this estimate as of May 31, 2020, or greater than Two Thousand Seven Hundred Sixty-Five (2,765) Class Members, then either the Class Settlement Amount will be increased by the same proportion above one hundred and ten percent (110%) or Defendant, at its sole discretion, may elect to cut off the Settlement Class as of the date the Settlement Class exceeds 2,765 members.

48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

49. Releases by Participating Class Members. Upon the Funding Date, each Participating Class Member, together and individually, on their behalf and on behalf of their respective spouses, heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Claims during the Class Period.

50. Defendant's Right to Rescind. If five percent (5%) or more of the Class Members validly opt out of the Settlement, Defendant may, at its election and in its sole discretion, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission in writing, by certified or electronic mail to Class Counsel, within thirty (30) calendar days of the Response Deadline. If Defendant exercises its option to rescind the Settlement, then it must pay all Settlement Administration costs incurred to the date of rescission.

51. Objection Procedures. To object to the Settlement Agreement, a Class Member must postmark a valid Notice of Objection to the Settlement Administrator on or before the Response

1 Deadline. The Notice of Objection must be signed by the Class Member and contain all information
2 required by this Settlement Agreement. The postmark will be deemed the exclusive means for
3 determining that the Notice of Objection is timely. Class Members who fail to object in the manner
4 specified above will be deemed to have waived all objections to the Settlement and will be foreclosed
5 from making any objections, whether by appeal or otherwise, to the Settlement Agreement. Class
6 Members who postmark timely Notices of Objection will have a right to appear at the Final Approval
7 Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their
8 counsel seek to solicit or otherwise encourage Class Members to submit written objections to the
9 Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any
10 Class Members with respect to any such objections to this Settlement. Class Members shall be prohibited
11 from objecting to claims under PAGA.

12 52. Certification Reports Regarding Individual Settlement Payment Calculations. The
13 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
14 certifies the number of Class Members who have submitted valid Requests for Exclusion, objections to
15 the Settlement, and whether any Class Member has submitted a challenge to any information contained
16 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both
17 Parties any updated reports regarding the administration of the Settlement Agreement as needed or
18 requested.

19 53. Distribution Timing of Individual Settlement Payments. Within twenty (20) calendar
20 days of the Effective Date, the Settlement Administrator will issue payments to: (i) Participating Class
21 Members; (ii) the Labor and Workforce Development Agency; (iii) Plaintiff; and (iv) Class Counsel.
22 The Settlement Administrator will also issue a payment to itself for Court-approved services performed
23 in connection with the Settlement.

24 54. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
25 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
26 more than one hundred and eighty (180) calendar days after issuance will be tendered to the State
27 Controller's Office, Unclaimed Property Division. In the event a Participating Class Member fails to
28 cash/deposit his or her Individual Settlement Payment check, the Participating Class Member shall

1 nevertheless remain bound by the Settlement.

2 55. Certification of Completion. Upon completion of administration of the Settlement, the
3 Settlement Administrator will provide a written declaration under oath to certify such completion to the
4 Court and counsel for all Parties.

5 56. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
6 be allocated as follows: (i) Twenty-Five Percent (25%) of each Individual Settlement Payment will be
7 allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy-Five (75%) will be
8 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

9 57. Administration of Taxes by the Settlement Administrator. The Settlement
10 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
11 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
12 this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
13 and penalties to the appropriate government authorities.

14 58. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
15 of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on
16 any statement, representation, or calculation by Defendant or by the Settlement Administrator in this
17 regard. Participating Class Members and Class Counsel understand and agree that Participating
18 Class Members shall be responsible for the payment of all taxes and penalties assessed on the
19 payments specified herein, and shall hold the Parties, Class Counsel and Defense Counsel free and
20 harmless from and against any claims resulting from treatment of such payments as non-taxable,
21 including the treatment of such payments as not subject to withholding or deduction for payroll
22 and employment taxes.

23 59. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
24 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
25 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
26 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
27 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
28 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR

1 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
2 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
3 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
4 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
5 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
6 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
7 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
8 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
9 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
10 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
13 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
14 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 AGREEMENT.

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

22 61. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
23 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
24 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
25 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning and this Settlement and any documents related to it shall
27 not be used by any Class Member or Class Counsel to support any claim or request for class certification
28 in the Action, and shall not be used in any other civil, criminal or administrative action against Defendant

1 or any of the other Released Parties. Additionally, should the Settlement not become final for any
2 reason, the Parties will request that the Court reopen proceedings within thirty (30) calendar days, and
3 any Settlement Administration Costs already incurred by the Settlement Administrator shall be split
4 evenly amongst the Parties. The Parties agree to ensure that the matter is transferred to Federal Court,
5 where the matter will continue. If Defendant elects to revoke the Settlement, as specified in Paragraph 51
6 (Defendant's Right to Rescind), the Parties and any monies required to be paid under this Settlement
7 shall be returned to their respective statuses as of the date and time immediately prior to the execution of
8 this Settlement, and the Parties shall proceed in all respects as if this Settlement had not been executed,
9 except that any Settlement Administration Costs already incurred by the Settlement Administrator shall
10 be paid to the Settlement Administrator by Defendant. In the event an appeal is filed from the Court's
11 Final Order and Judgment, or any other appellate review is sought, administration of the Settlement shall
12 be stayed pending final resolution of the appeal or other appellate review and the stay shall only be lifted
13 if the end result of the appeal or other proceeding is that the terms of this Settlement Agreement are
14 upheld.

15 62. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to
16 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
17 Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii)
18 preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness
19 hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class
20 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will
21 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
22 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible
23 for drafting all documents necessary to obtain preliminary approval.

24 63. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
25 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
26 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
27 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii)
28 the Class Representative Enhancement Payment; (iii) Individual Settlement Payments; (iv) the Labor

1 and Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final
2 fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class
3 Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel
4 will also be responsible for drafting the attorneys' fees and costs application to be heard at the final
5 approval hearing.

6 64. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
7 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
8 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
9 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
10 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
11 as set forth in this Settlement Agreement.

12 65. Release by Plaintiff. Upon the Effective Date, in addition to the claims being released by
13 all Participating Class Members, Plaintiff releases and forever discharges the Released Parties, to the
14 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
15 asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this
16 Settlement Agreement ("Plaintiff's Released Claims"). Plaintiff's Released Claims include, but are
17 not limited to, all of the Released Claims and any other claims arising under the California Labor
18 Code; any claim arising out of the California common law of contract; the Fair Labor Standards
19 Act, 29 U.S.C. § 201 *et seq.*, and federal common law; all claims for lost wages and benefits,
20 emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under
21 federal, state, or local laws for discrimination, harassment, and wrongful termination, including
22 but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the
23 Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair
24 Employment and Housing Act, the California Labor Code, and the law of contract and tort. This
25 release excludes the release of claims not permitted by law.

26 Plaintiff's Released Claims include all claims, whether known or unknown. Even if Plaintiff
27 discover facts in addition to or different from those that she now knows or believes to be true with
28 respect to the subject matter of Plaintiff's Released Claims, those claims will remain released and forever

1 barred. To effect a full and complete general release as described above, Plaintiff expressly waives any
2 and all rights and benefits conferred upon her by the provisions of Section 1542 of the California Civil
3 Code or similar provisions of applicable law which are as follows:

4 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
5 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
6 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
7 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
8 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
9 PARTY.

10 Thus, notwithstanding the provisions of section 1542, and to implement a full and
11 complete release and discharge of the Released Parties, Plaintiff expressly acknowledges this
12 Settlement is intended to include in its effect, without limitation, all claims Plaintiff does not know
13 or suspect to exist in Plaintiff's favor at the time of signing this Settlement, and that this
14 Settlement contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff
15 has read this Settlement, including this waiver of California Civil Code section 1542, and that
16 Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing
17 about this Settlement and specifically about the waiver of section 1542, and that Plaintiff
18 understands this Settlement and the section 1542 waiver, and so Plaintiff freely and knowingly
19 enters into this Settlement. Plaintiff further acknowledges that Plaintiff later may discover facts
20 different from or in addition to those Plaintiff now knows or believes to be true regarding the
21 matters released or described in this Settlement, and even so Plaintiff agrees that the releases and
22 agreements contained in this Settlement shall remain effective in all respects notwithstanding any
23 later discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of
24 any mistake in connection with the true facts involved in the matters, disputes, or controversies
25 released or described in this Settlement or with regard to any facts now unknown to Plaintiff
26 relating thereto.

27 66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include
28 the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set

1 forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

2 67. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
3 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
4 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
5 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
6 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
7 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
8 contradict the terms of this Settlement Agreement.

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

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

20 70. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
21 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

22 71. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
23 will be governed by and interpreted according to the laws of the State of California.

24 72. Execution and Counterparts. This Settlement Agreement is subject only to the execution
25 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
26 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
27 copies of the signature page, will be deemed to be one and the same instrument.

28 73. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this

1 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
2 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
3 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
4 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
5 fairness and reasonableness of this Settlement.

6 74. Invalidity of Any Provision. Before declaring any provision of this Settlement
7 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
8 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
9 valid and enforceable.

10 75. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
11 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
12 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
13 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

14 76. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate
15 to class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
16 approved, the stipulation to certification will be void. The Parties further agree that certification for
17 purposes of the Settlement is not an admission that class action certification is proper under the standards
18 applied to contested certification motions and that this Settlement Agreement will not be admissible in
19 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant
20 is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

21 77. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
22 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
23 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
24 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
25 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
26 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
27 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
28 of the negotiations connected with it, will be construed as an admission or concession by Defendant of

1 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding
2 to enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not
3 be offered or received as evidence in any action or proceeding to establish any liability or admission on
4 the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
5 compliance with, federal, state, local or other applicable law.

6 78. No Public Comment: The Parties and their counsel agree that they will not issue any
7 press releases, initiate any contact with the press, respond to any press inquiry, or have any
8 communication with the press about the fact, amount or terms of the Settlement. Class Counsel further
9 agrees not to use the Settlement or any of its terms for any marketing or promotional purposes. Nothing
10 herein will restrict Class Counsel from including publicly available information regarding this settlement
11 in future judicial submissions regarding Class Counsel's qualifications and experience. Further, Class
12 Counsel will not include, reference or use the Settlement for any marketing or promotional purposes, or
13 for attempting to influence business relationships at Claire's locations, either before or after the Motion
14 for Preliminary Approval is filed.

15 79. Waiver. No waiver of any condition or covenant contained in this Settlement
16 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to
17 imply or constitute a further waiver by such party of the same or any other condition, covenant, right or
18 remedy.

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

24 81. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
25 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
26 more strictly against one party than another merely by virtue of the fact that it may have been prepared
27 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
28 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

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

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

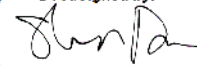
84. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

85. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 12/8/2020

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DEFENDANT CLAIRE'S BOUTIQUES, INC.

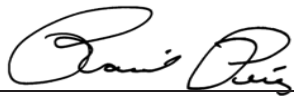
Dated: _____

 Please Print Name of Authorized Signatory

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: December 8, 2020

By: 
 Raul Perez

Attorneys for Plaintiff Sherice Duncan

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

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Sherice Duncan

DEFENDANT CLAIRE'S BOUTIQUES, INC.

Dated: December 1, 2020

Brendan McKeough

Please Print Name of Authorized Signatory
Brendan McKeough

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

By: _____

Raul Perez

Attorneys for Plaintiff Sherice Duncan

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JACKSON LEWIS, P.C.

Dated: December 8, 2020

By: 
Adam Y. Siegel

Attorneys for Defendant Claire's Boutiques, Inc.

4837-9983-8927, v. 2

Exhibit A

Duncan v. Claire's Boutiques, Inc., No. 20STCV15355
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who worked for Defendant Claire's Boutiques, Inc. ("Defendant") as non-exempt, hourly paid employees in California at any time from March 1, 2018 to [the date of Preliminary Approval].

On _____, the Honorable William F. Highberger of the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.** All checks will be negotiable for 180 days—checks that are not cashed within 180 days will be paid to the California State Controller to be deposited in the Unclaimed Property Fund in the Class Members' name.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____:00 ____m. on _____, 2021 in Department 10 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012. You are not required to attend the hearing.

Please note that face masks and/or facial coverings are required and mandatory at all times to enter any courthouse or courtroom and must be worn covering the nose and mouth. This policy applies to attorneys, parties, witnesses, court staff, Judges, Commissioners, vendors and the general public. The only exceptions to this policy will be for a documented medical condition or excuse, or an ADA accommodation approved by the Court. If an exception is granted, admittance into the courthouse may be restricted to a specific time of the day. If necessary, the time allotted for any granted exception may require the individual to wait until later in the day or schedule an appointment for admittance. Visit http://www.lacourt.org/pdf/recovery_social_distancing_all.pdf for more information about the Court's social distancing protocol.

Summary of the Litigation

Plaintiff Sherice Duncan, on her behalf and on behalf of other current and former non-exempt employees, alleges that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse employees for necessary business expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On October 5, 2020, the parties participated in a mediation with Michael Dickstein, an experienced and well-respected class action mediator. With Mr. Dickstein's guidance, the parties were able to negotiate a complete settlement of Plaintiff's claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff's claims and that it has complied with all requirements under the law. By agreeing to settle,

Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying class claims in exchange for a Class Settlement Amount of \$1,375,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to Sherice Duncan for her services on behalf of the class; (3) \$458,333 in attorneys' fees and up to \$20,000 in litigation costs and expenses; (4) a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection and accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA"), and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$20,000. After deducting the Class Representative Enhancement Payment, attorneys' fees and costs, the payment to the LWDA, and the Settlement Administrator's fees and expenses, a total of approximately ____ will be allocated to Class Members who do not opt out of the settlement ("Net Settlement Amount").

Each Class Member's settlement payment will be based on the number of Workweeks each Class Member worked in a non-exempt position during the period from March 1, 2018 to [the date of Preliminary Approval] ("Class Period"). The formula for calculating settlement payments is as follows:

- (a) Defendant will calculate the total aggregate number of Workweeks that all Class Members worked during the applicable Class Period ("Total Workweeks").
- (b) The value of each individual Workweek shall then be determined by dividing the proceeds of the Net Settlement Amount by the Total Workweeks amount, resulting in the "Workweek Point Value".
- (c) An "Individual Settlement Payment" amount for each Class Member will then be determined by multiplying the individual Class Member's number of Workweeks by the Workweek Point Value.
- (d) The entire Net Settlement Amount will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment is approximately \$ _____. If you believe the information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes should be postmarked or faxed on or before [insert date of Response Deadline] to:

Settlement Administrator

c/o _____

Fax No. _____

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the following claims (“Released Claims”): All claims under state, federal or local employment and labor laws, whether statutory, common law or administrative law, arising out of or related to allegations set forth in the operative statutory, common law or administrative law, arising out of or related to allegations set forth in the operative Complaint or PAGA Notice to the LWDA, including but not limited to: claims for minimum wage violations; failure to pay overtime wages; unreimbursed expenses; rest period violations; meal period violations; itemized wage statement violations; waiting time penalties; unfair competition; declaratory relief; and claims for violation of the California Private Attorneys General Act based on the preceding violations; including, but not limited to, injunctive relief; punitive damages; liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations made or which could have been made in the Action based on the facts alleged in the operative Complaint or PAGA Notice, through the date of Final Approval of the Settlement.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The written request to be excluded must be postmarked or faxed not later than _____, 2021. If you submit a request for exclusion which is not postmarked or faxed by _____, 2021, your request for exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims, (2) be barred from filing an objection to the settlement, and (3) not receive a payment from the settlement. However, Class Members are prohibited from opting out of the settlement with respect to claims asserted under PAGA and shall receive their portion of the Labor and Workforce Development Agency Payment.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you must submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator’s address].

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

All written objections must be received by the administrator by not later than _____ 2021. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only. However, Class Members are prohibited from objecting to the settlement with respect to claims asserted under PAGA and shall receive their portion of the Labor and Workforce Development Agency Payment.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Los Angeles and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: (888) 819-3505

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

4851-2262-1135, v. 2

Questions? Contact the Settlement Administrator toll free at 1-*-***-******