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Attorneys for Plaintiff and others similarly situated

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CINNAMON MILLS, individually, on
a representative basis, and on behalf of
all others similarly situated;

Plaintiff,

vs.

TARGET CORPORATION, a
Minnesota Corporation; and DOES 1
through 20, inclusive;

Defendants.

Case No.: 5:20-CV-01460-JGB-KK
[Assigned to Hon. Jesus G. Bernal]

**DECLARATION OF BRIAN J.
MANKIN IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Hearing

Date: November 13, 2023
Time: 9:00 a.m.
Courtroom: 1

Complaint filed: June 10, 2020

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I am a partner with the law firm of Lauby Mankin Lauby LLP, which has offices in Orange County and Riverside County, and I manage the

1 firm's employment law practice. I am thoroughly familiar with and have personal
2 knowledge of all of the facts set forth herein. I submit this declaration in support
3 of Plaintiff's Motion for Preliminary Approval of this Class Action Settlement. If
4 called as a witness, I could and would competently testify thereto.

5 **COUNSEL'S EXPERIENCE**

6 2. I have been a member, in good standing, of the State Bar of California
7 since 2001. I am admitted to practice in the United States District Courts for the
8 Central and Southern District of California and the Ninth Circuit Court of Appeal
9 and have tried cases in various courts in California.

10 3. I have handled well over 500 employee vs. employer litigation matters
11 during my 22 years in practice. Over the last 15 years, my practice has almost
12 entirely consisted of representing employees, the majority of which has included
13 class action and representative action wage and hour matters. In total, I have
14 handled over 250 class action and representative action wage/hour cases, and have
15 been appointed by the court as class counsel and have received final court approval
16 and judgment in over half of those actions to date, and anticipate receiving final
17 approval in many more of those in the future.

18 4. As part of these settlements and judgments, I have recovered in excess
19 of \$250 million in damages for my clients and the class members (who often work
20 as nurses, ambulance drivers, technicians, warehouse workers, truck drivers, sales,
21 professional occupations and countless other trades). My team and I once held the
22 record for the largest known PAGA-only case in California's history - a \$12.5
23 million-dollar court approved settlement, which followed extensive litigation,
24 summary adjudication and writs to the CA Supreme Court against a Fortune 50
25 company (*Garcia v. Macy's*, Los Angeles Superior Court).

26 5. I have tried two major class and PAGA cases against Fortune 100
27 companies. In 2018, I was lead counsel in a PAGA case that my firm tried in the
28 Orange County Superior Court and received a \$425,000 judgment. In 2019, I was

1 co-counsel in a class action case against Walmart in District Court, wherein the
2 jury awarded Plaintiffs and the class over \$6 million. Both cases were appealed.

3 6. I was named by the LA Times as one “Southern California Leading
4 Lawyers” in the May 2023 issue of Consumer Attorney’s of Southern California (a
5 recognition given to 17 employment/labor law attorneys in 2023). Additionally,
6 over the last five consecutive years, I have been selected by my peers as a “Super
7 Lawyer” in Employment Litigation, a distinction that only 5% of lawyers receive.

8 SUMMARY OF THE SETTLEMENT

9 7. While on the verge of trial preparation following a hotly contested
10 litigation and appeal before this Court and the Ninth Circuit, Plaintiff and
11 Defendant Target Corporation (collectively, the “Parties”) entered into a Class
12 Action and PAGA Settlement Agreement (the “Settlement Agreement” or “S.A.”),
13 which is attached hereto as **Exhibit 1**.

14 8. The key provisions of the Settlement Agreement provide:

- 15 a. Target will pay every Class Member the *full Unpaid Vested*
16 *Vacation Wages owed* (and, in many cases, more than owed due to
17 a \$5 minimum payment);
- 18 b. Target will pay a fair and reasonable PAGA amount of \$48,800 to
19 settle Plaintiff’s PAGA claim, allocated 75% to the California
20 Labor Workforce Development Agency (“LWDA”) and 25% to all
21 PAGA Group Members in an equal share.
- 22 c. Target will pay Class Counsel’s *actual* attorney’s fees (*i.e.*,
23 lodestar) through final approval (based on hours worked x hourly
24 rate of all attorneys). From this amount, Class Counsel has agreed
25 to reduce their lodestar-based fee request as needed to ensure that
26 each Class Member receives a minimum payment of least \$5.00.
- 27 d. Target will pay a Service Award to Plaintiff of \$10,000 and will
28 pay Settlement Administrator Expenses of \$47,000.

1 9. Notably, the settlement does not pay Class Members any statutory
2 penalties in light of the Ninth Circuit ruling, affirming Target’s motion for
3 summary judgment on Plaintiff’s claim for waiting time penalties under Labor
4 Code § 203, but does provide a minimum payment guarantee and further pays a
5 PAGA amount to each PAGA Group Member as noted above.

6 10. Plaintiff now seeks preliminary approval of a \$945,456 settlement on
7 behalf of the Class Members. The following payments will be made from the
8 Maximum Settlement Amount: (1) \$314,956 in Unpaid Vested Vacation Wages,
9 representing 100% of the amounts at issue for 13,529 Class Members, (2) an
10 estimated sum of \$15,000 to guarantee a minimum \$5 payment to all Class
11 Members (deducted from Class Counsel’s fee request), (3) \$48,800 to settle
12 Plaintiff’s claim for PAGA penalties, allocated 75% to the LWDA and 25% to the
13 PAGA Group Members, (4) an estimated \$488,750 in attorneys’ fees to Class
14 Counsel, (\$503,750 lodestar minus the estimated \$15,000 to fund the \$5 minimum
15 payment guarantee), (5) actual litigation costs not to exceed \$20,950, (6)
16 settlement administrator costs not to exceed \$47,000, and (7) a service award of
17 \$10,000 to Plaintiff/Class Representative Cinnamon Mills.

18 11. Each Class Member will receive the Class Notice Packet, explaining
19 the nature of the case, and the process for participating, objecting and opting-out,
20 and advising of the estimated settlement payment. The proposed Class Notice is
21 attached hereto as **Exhibit 2** (and also attached as Exhibits A and B to the
22 Settlement Agreement).

23 **PROCEDURAL BACKGROUND**

24 12. My office and my co-counsel have performed considerable work
25 before this Court and the Ninth Circuit, which will benefit employees throughout
26 California for years to come. Our work has resulted in a Ninth Circuit decision
27 that provides clarity regarding what the term “final rate” of pay means under Labor
28 Code § 227.3.

1 13. After being retained by Plaintiff, we sent a letter to Defendant
2 requesting the production of Plaintiff’s personnel and timekeeping records in order
3 to further evaluate her wage and hour claims. We also submitted a letter for civil
4 penalties under the California Labor Code Private Attorneys General Act of 2004
5 (Lab. Code §§ 2698, et seq.) to the California Labor Workforce and Development
6 (“LWDA”) on June 10, 2020.

7 14. That same day, we filed a class action complaint against Target in
8 Superior Court, County of Riverside, alleging three claims: 1) failure to pay vested
9 vacation wages, 2) failure to timely pay final wages, and 3) unfair and unlawful
10 competition under Business and Professions Code § 17200 *et seq.* (Dkt. 1, Exh. 1).
11 Months later, the LWDA declined to assert jurisdiction over the PAGA claims, and
12 Plaintiff amended the complaint to include related PAGA claims. (Dkt. 25).

13 15. Meanwhile, Target retained counsel and began a vigorous defense,
14 including removing the action under the Class Action Fairness Act (“CAFA”)
15 (Dkt. 1), and filing a motion to dismiss the action on the grounds that Target
16 complied with the Labor Code because an “employee is entitled to vacation paid at
17 the rate specified by the contract or employer policy.” (Dkt. 13). Plaintiff opposed,
18 claiming that the action was supported by the plain language of Labor Code §
19 227.3 requiring employers to calculate and pay vested vacation using the departing
20 employee’s “*final rate*” of pay which must include shift differentials. (Dkt. 17).
21 The Court denied Target’s Motion to Dismiss (Dkt. 20), which set in motion a long
22 battle over the meaning of Labor Code § 227.3 that included extensive discovery,
23 depositions, a class certification motion and, ultimately, an appeal.

24 16. After considerable work by both Parties, on May 24, 2021, Target
25 moved for summary judgment in the Action, and Plaintiff moved for class
26 certification in the Action. On July 29, 2021, the Court issued a split decision
27 ruling, denying Target’s motion for summary judgment on Plaintiff’s claim for
28 Unpaid Vested Vacation Wages under Sections 227.3 and 17200, and granting

1 Target's motion for summary judgment on Plaintiff's claim for waiting-time
2 penalties under Section 203. The Court also granted Plaintiff's motion for class
3 certification.

4 17. On October 22, 2021, Target petitioned the Ninth Circuit to hear its
5 interlocutory appeal. On November 15, 2021, Plaintiff answered Target's petition
6 and conditionally cross-petitioned for interlocutory appeal. (S.A. § II.G). Then on
7 March 6, 2023, after extensive briefing and argument, the Ninth Circuit rendered
8 its decision, and effectively adopted this Court's prior rulings, finding in favor of
9 Plaintiff on the vacation claim under Section 227.3, and ruling in favor of Target
10 on the waiting time penalties claims under Section 203. (S.A. § II.H).

11 18. The Ninth Circuit ruling resolved all disputes of liability, leaving
12 damages to be decided at trial. In regard to damages, there was no dispute that
13 Target paid accrued vacation wages to departing employees at the hourly base rate
14 of pay. However, Target did not include shift differentials in the final rate of pay
15 during the Class Period and thus, under the Ninth Circuit's ruling, owed Unpaid
16 Vested Vacation Wages to the Class Members. To determine the potential
17 damages for Unpaid Vested Vacation Wages, Target undertook a comprehensive
18 analysis of each former employee during the Class Period to determine if the
19 employee worked a shift differential during the final pay period worked, and if so,
20 the amount of the underpayment. To qualify as a Class Member and be owed
21 Unpaid Vested Vacation Wages, the individual must have had vested vacation
22 wages and worked a shift differential in the final pay period worked. Target
23 provided a detailed spreadsheet to Class Counsel identifying all Class Members
24 who met these criteria and the amounts owed per person. In total, Target
25 calculated that the Class Members are collectively owed \$314,956.00 in Unpaid
26 Vested Vacation Wages (before applying the \$5.00 minimum payment).

27 19. The Parties also engaged in arm's length negotiations as to the merits
28 of the PAGA claims and potential amount of PAGA Penalties (if any) this Court

1 might have awarded given the Ninth Circuit’s split decision. The Parties also
2 debated the merits of the attorney fee claim, the minimum \$5 payment to the Class,
3 the Service Award to Plaintiff, and obtained several bids from Settlement
4 Administrators.

5 20. Although the Parties continued to dispute various issues, including
6 damages, they ultimately agreed upon a fair and adequate settlement, and then
7 memorialized the terms of the Settlement Agreement. The Parties now seek the
8 Court’s Preliminary Approval of the Settlement.

9 **THE SETTLEMENT IS FAIR, JUST AND REASONABLE**

10 21. This action presented an issue of first impression that challenged the
11 legality of Target’s statewide practice of paying vested vacation owed to departing
12 employees at their hourly *base rate* of pay. Ultimately, this Court and the Ninth
13 Circuit held that under Labor Code § 227.3 final vested vacation wages must be
14 paid at the employee’s “*final rate*” of pay (a rate that includes shift differentials).
15 (The difference between final vested vacation wages including shift differentials
16 and what Target paid is called “Unpaid Vested Vacation Wages” in the settlement.)
17 This Court and the Ninth Circuit also held that Target was not liable for waiting
18 time penalties.

19 22. In the aftermath of the Ninth Circuit’s decision, trial would have
20 merely focused on damages. But in lieu of a costly and time-consuming trial, the
21 Parties engaged in arm’s length negotiations which ultimately resulted in this fair
22 and reasonable settlement.

23 23. Here, there can be no question as to the fairness and adequacy of this
24 Settlement. Based on information and a spreadsheet provided by Target, there are
25 13,529 Class Members subjected to the underpayment of vested vacation, and the
26 total amount of Unpaid Vested Vacation Wages is approximately \$314,956. And,
27 given the rulings from this Court and the Ninth Circuit upholding Plaintiff’s legal
28 theory, the Parties agreed to a settlement that pays every Class Member the full

1 amount owed under Plaintiff's Labor Code § 227.3 claim. And, in many cases, the
2 Class Members will receive *more* than they are owed due to the \$5 minimum
3 payment guarantee. Thus, the "fairness and adequacy" analysis is simple since
4 there was no compromise on the value of the Class claims – Plaintiff's counsel
5 negotiated for and obtained every cent owed to the Class and more.

6 24. Plaintiff also sought PAGA penalties for each violation of Labor Code
7 § 227.3, which occurred each time a PAGA Group Member was terminated with
8 Unpaid Vested Vacation Wages owed. From data provided by Target, Plaintiff's
9 counsel calculated that there were approximately 9,759 PAGA Group Members
10 that separated from employment since June 10, 2019 (the start of the PAGA
11 Period), so there were 9,759 violations for which PAGA penalties could be
12 assessed at trial. Thus, assuming that a PAGA penalty is available in the default
13 amount of \$100 per pay period and is not reduced, the maximum potential PAGA
14 penalty would be \$975,900.

15 25. However, this maximum figure fails to account for several factors that
16 impact valuation of PAGA claims. For instance, the maximum figure fails to
17 acknowledge that courts have wide latitude to reduce the amount of civil penalties
18 "based on the facts and circumstances of a particular case" and if "to do otherwise
19 would result in an award that is unjust, arbitrary and oppressive, or confiscatory."
20 Labor Code § 2699(h); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030, 1037 (N.D. Cal.
21 2016) (noting in the context of approving settlement that a reduction in PAGA
22 penalties would be "appropriate" based on the "unjust, arbitrary and oppressive, or
23 confiscatory" factors because (i) the employer did not "deliberately evad[e] a clear
24 obligation to provide legally required pay and benefits to employees," (ii) the
25 employer did not "negligently fail to learn about its obligations under the wage and
26 hour laws," and (iii) the employer's obligations were "genuinely unclear" because
27 "there is no straight answer to the question."). This reasoning is directly applicable
28 here, as Target would argue at trial that imposing *any* PAGA penalties would be

1 unjust given the uncertainty and contradictory case law regarding the proper rate at
2 which to pay vested vacation. For this reason, the Parties negotiated the value of
3 the PAGA claims and agreed on a PAGA settlement of \$48,880, which is equal to
4 5% of the maximum amount.

5 26. Given the realistic value of Plaintiff's claims, the \$945,456 settlement
6 is an excellent result for the Class, considering that the settlement amount pays
7 100% of the wages owed to the Class.

8 27. Based on my experience in other cases, including wage and hour
9 matters, I believe am qualified to evaluate the class claims and viability of defenses
10 in this class action. In this case, the recovery for each Class Member is reasonable,
11 fair, and adequate, and a settlement at this time is in the best interests of the class.
12 The settlement provides each Class Member with the full compensation owed.

13 28. My office and my co-counsel, as well as Target's counsel, fully
14 endorse the terms and conditions of the settlement as set forth in the Settlement
15 Agreement.

16 **PLAINTIFF'S REQUESTED ENHANCEMENT PAYMENT**

17 29. Plaintiff seeks an enhancement payment of \$10,000, which will be
18 paid by Target in addition to the full amount of wages owed to the Class Members.
19 Thus, Plaintiff's service award is not resulting in a deduction from the amounts
20 owed to the Class. I believe that this payment is fair and warranted for the reasons
21 set forth in the Motion and Plaintiff's declaration.

22 30. Plaintiff also assumed significant risk in bringing this litigation—
23 namely, had she lost, she could have been ordered to pay Target's costs. Plaintiff
24 provided invaluable assistance to Class Counsel and the Class in this case,
25 including submitting to discovery and a deposition; reviewing the litigation
26 documents, providing information and documents about Target's compensation
27 program, participating in phone calls to discuss litigation and settlement strategy,
28 and reviewing the settlement documents. Plaintiff agreed to participate in this case

1 with no guarantee of personal benefit.

2 **ADEQUACY OF COUNSEL AND THE PROVISIONAL**
3 **REASONABLENESS OF THE REQUESTED FEES AND COSTS**

4 31. As set forth above, I have handled well over 250 class and
5 representative actions, have been appointed as class counsel and have successfully
6 resolved about half of those class/PAGA actions, and many others remain pending
7 and will successfully resolve in the future.

8 32. When this case was taken on a contingency fee basis, with the firms
9 representing Plaintiff agreeing to assume responsibility for all litigation costs, the
10 ultimate result was far from certain. Indeed, this was a case of first impression. In
11 the course of this litigation, Plaintiff's counsel have paid all costs including filing
12 fees, court costs, research fees, and appellate costs. There was never a guarantee
13 that we would recoup these expenditures.

14 33. The Settlement Agreement authorizes Class Counsel to seek payment
15 of its *actual* attorneys' fees (lodestar) through the completion of the case, which
16 Class Counsel have calculated to be \$503,750 for both firms and all attorneys that
17 have worked on the case. From that amount, Class Counsel will reduce its fee
18 request by whatever amount is calculated by the Settlement Administrator and
19 determined to be necessary to fund the \$5.00 minimum payment (which is
20 estimated to be approximately \$15,000). Thus, the actual projected fee request at
21 final approval will likely be less than \$503,750 (and approximately \$488,750 if the
22 minimum payment requires a funding of \$15,000).

23 34. While many class actions cases seek a percentage of the common
24 fund, that would not be appropriate here. In a typical common fund settlement, the
25 Parties negotiate based on the estimated value of the class claims, and if a
26 settlement is reached, several deductions are made from the class settlement,
27 including fees, costs, admin costs, service awards, PAGA Penalties, etc. In this
28 case, Class Counsel felt that it would be inappropriate to seek deductions from the

1 Class recovery and instead negotiated to have Target separately pay all deductions
2 in addition to the class recovery. Thus, the class will receive full payment of the
3 wages owed, and in addition, Target will separately fund Class Counsel's
4 attorneys' fees, costs, administration costs, service award and PAGA Penalties.
5 Indeed, having Target separately pay for all deductions in addition to paying the
6 full unpaid vacation wages is an excellent result. It is likely better than the best
7 case result that could have been achieved for the Class at trial (and of course, it
8 saves all parties and the court an enormous amount of time, expense and
9 inconvenience).

10 35. Class Counsel could have elected to proceed to trial to recover full
11 value for the Class Members, and then file its post-trial motion for attorneys' fees
12 and costs. However, the Parties agreed that it made far more sense to conserve the
13 Parties and Court's valuable resources to negotiate a settlement that will fully fund
14 the Class Members for their Unpaid Vested Vacation Wages, and simultaneously
15 fund Class Counsel for their actual attorneys' fees worked on this case.

16 36. Thus, a fee award based on the actual attorneys' fees incurred is
17 appropriate for the following reasons: (1) Class Counsel obtained a valuable
18 recovery for the Class and all employees throughout California after diligently and
19 aggressively litigating the claims, (2) Class Counsel displayed considerable skill
20 (commensurate with their extensive class action wage-and-hour experience) in
21 reaching a favorable settlement given the complex and nuanced issues in the
22 litigation, (3) Class Counsel faced substantial risk in this matter because of the
23 myriad defenses raised by Target, (4) the risk and financial burden borne by Class
24 Counsel in litigating this contingency-fee action, and (5) the fact that Class
25 Counsel is seeking its actual attorneys' fees (to be paid by Target separately,
26 without reducing the value of Class Members' Unpaid Vested Vacation Wages)
27 without requesting any multiplier, and this request is based on reasonable rates that
28 are directly in line with the prevailing community for similar work and identical to

1 the rates awarded to Class Counsel in similar cases.

2 37. We will submit a comprehensive motion for attorneys' fees and costs,
3 but suffice to say, I believe the requested fee is warranted and appropriate based on
4 the risks we undertook and the results we achieved for the Class Members.
5 Defendant does not oppose this fee request.

6 38. The Settlement Agreement caps Plaintiff's counsel's costs at \$20,950,
7 which are its actual estimated costs through final approval. Of course, any unused
8 costs will return to the Net Settlement Amount for payment to the Class Members.

9 SETTLEMENT ADMINISTRATOR

10 39. The Parties sought bids from at least 5 Administrators, and Rust
11 Consulting provided the lowest bid. Thus, subject to the Court's approval, the
12 parties stipulated to Rust Consulting serving as the Settlement Administrator. Rust
13 is experienced in administering class action settlements and has agreed to
14 administer this settlement for \$47,000.00. Rust's proposal is attached hereto as
15 **Exhibit 3**. Any discount from this amount will be placed in the Net Settlement
16 Amount and paid to the Participating Class Members.

17 CONCLUSION

18 40. Plaintiff has concurrently submitted the Motion, declarations, the
19 Settlement Agreement and Notice of PAGA Settlement to the LWDA in
20 accordance with Labor Code § 2699(1)(2). A true and correct copy of the LWDA's
21 confirmation of receipt is attached hereto as **Exhibit 4**.

22 41. For the foregoing reasons, it is respectfully requested that the Court
23 grant preliminary approval of the settlement as being fair, reasonable, and in the
24 best interests of the class, as well as preliminarily approve the requested attorneys'
25 fees, costs, and enhancement payment to the Class Representative.
26
27
28

1 I declare under penalty of perjury under the laws of the State of California
2 that the foregoing is true and correct. Executed on October 13, 2023, at Riverside,
3 California.

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5 By: /s/ Brian J. Mankin
6 Brian J. Mankin, Esq.
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DECLARATION OF BRIAN J. MANKIN IN SUPPORT OF MOTION FOR PRELIMINARY
APPROVAL

EXHIBIT “1”

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (this “Agreement”) is made by and between Cinnamon Mills (“Plaintiff” or “Class Representative”) and Target Corporation (“Target”). Plaintiff and Target collectively are referred to in this Agreement as the “Parties,” and each as a “Party.”

I. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meanings in this Agreement:

- A. “Action” means the civil action entitled “*Cinnamon Mills, Plaintiff v. Target Corporation and Does 1 through 20, Defendants*,” U.S.D.C., C.D., Cal. No. 5:20-cv-01460 JGB (KKx), pending before the District Court.
- B. “CAFA Settlement Notice” means a notice of proposed settlement pursuant to the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1715, substantially in the form evidenced by Exhibit C to this Agreement.
- C. “Class” means all former non-exempt employees employed by Target in the State of California whose employment ended on or after June 10, 2016, through August 17, 2021, and who, at the time of termination of employment, (a) received shift differential pay during the last workweek worked for Target, (b) had vested vacation wages owed upon separation of employment, and (c) upon termination of employment were paid for their vested vacation wages at a rate that did not include the shift differential pay. The Class excludes those individuals who already have resolved the claims asserted in the Action, whether by settlement or adjudication.
- D. “Class Counsel” means Brian J. Mankin and Peter J. Carlson of Lauby, Mankin & Lauby LLP, and Neil K. Sawhney and Deepak Gupta of Gupta Wessler LLP.
- E. “Class Counsel Fees and Expenses Payment” means the amount awarded to Class Counsel by the District Court to compensate them for their fees and expenses in connection with the Action, including their pre-filing investigation, their commencement of the Action and all related litigation activities in the District Court and the Ninth Circuit, this Agreement, and all post-settlement compliance procedures.
- F. “Class Data” means an electronic database for the Class Members compiled by Target in good faith and using reasonable due diligence, containing, for each Class Member, the Class Member’s name, employee identification number, last known address, Social Security number, and Unpaid Vested Vacation Wages, and whether the Class Member is also a PAGA Group Member. If any or all of the Class Data, not including the Class Member’s Unpaid Vested Vacation Wages, are unavailable to Target, Target will use best efforts to deduce or reconstruct the Class Data.

- G. “Class Member Settlement Information Sheet” means the document setting forth settlement information for each Class Member in the format evidenced by Exhibit B to this Agreement and incorporated by reference into this Agreement.
- H. “Class Members” means all members of the Class.
- I. “Class Notice” means the Notice of Proposed Settlement, Preliminary Approval of Settlement and Hearing Date for Final Court Approval as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement, which upon approval by the District Court will be mailed to the Class.
- J. “Class Notice Packet” means the Class Notice and the Class Member Settlement Information Sheet.
- K. “Class Representative Service Payment” means the payment made to Plaintiff, in addition to her Settlement Share, in her capacity as Class Representative to compensate her for initiating and pursuing the Action, undertaking the risk of liability in the event she were unsuccessful in the prosecution of the Action, and granting the general release under the Settlement.
- L. “District Court” means the U.S. District Court for the Central District of California.
- M. “Effective Date” means the date by which all of the following have occurred:
 - 1. Target has not voided this Settlement pursuant to section III.F.4.b. below;
 - 2. the District Court enters the Judgment; and
 - 3. the Judgment becomes Final.
- N. “Exclusion from Settlement” means a written exclusion from the Settlement submitted by a Class Member as set forth in section III.F.3.c. below.
- O. “Final” means the last of the following dates, as applicable:
 - 1. The last date on which a notice of appeal from the Judgment may be filed, and none is filed.
 - 2. If a timely appeal from the Judgment is filed, the last of the following dates:
 - a. the last date by which a petition for review to the Ninth Circuit of the Judgment may be filed, and none is filed;
 - b. if a petition for review by the Ninth Circuit seeking review of the Judgment is timely filed, the date on which the Ninth Circuit renders its decision denying the petition or affirming the Judgment;

- c. the last date by which a petition for *certiorari* to the Supreme Court seeking review of the decision by the Ninth Circuit affirming the Judgment may be filed, and none is filed; or
 - d. if a petition for *certiorari* to the Supreme Court seeking review of the decision by the Ninth Circuit is timely filed, the date on which the Supreme Court renders its decision denying the petition (where the immediately lower court affirmed the Judgment) or affirming the Judgment.
- P. “Final Approval Hearing” means the hearing to be conducted by the District Court to determine whether to approve finally and implement the terms of this Agreement.
- Q. “Judgment” means the Order Granting Final Approval of Class Action and PAGA Settlement and Entering Final Judgment entered by the District Court that is consistent with this Agreement and the Preliminary Approval of the Settlement.
- R. “LWDA” means the California Labor and Workforce Development Agency.
- S. “LWDA Payment” means the amount payable from the Maximum Settlement Amount to the LWDA as specified in section III.C. below.
- T. “Maximum Settlement Amount” means the maximum amount to be paid by Target as provided by this Agreement.
- U. “Net Settlement Amount” means the Maximum Settlement Amount less (as approved by the District Court) (i) the PAGA Settlement Payment; (ii) the Class Representative Service Payment; (iii) the Class Counsel Fees and Expenses Payment; and (iv) the Settlement Administrator’s fees and expenses.
- V. “Ninth Circuit” means the U.S. Court of Appeals for the Ninth Circuit.
- W. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.*
- X. “PAGA Group Members” means all former non-exempt employees employed by Target in the State of California whose employment ended on or after June 10, 2019, through August 17, 2021, and who, at the time of termination of employment, (a) received shift differential pay during the last workweek worked for Target, (b) had vested vacation wages owed upon separation of employment, and (c) upon termination of employment were paid for their vested vacation wages at a rate that did not include the shift differential pay.
- Y. “PAGA Settlement Notice” means a notice of proposed settlement pursuant to PAGA, substantially in the form evidenced by Exhibit D to this Agreement.

- Z. “PAGA Settlement Payment” means the \$48,800 to be paid from the Maximum Settlement Amount in settlement of Plaintiff’s claims under PAGA, allocated 25% to the PAGA Group Members (\$12,200) and 75% to the LWDA (\$36,600).
- AA. “Participating Class Members” means all Class Members other than those who timely submit an Exclusion from Settlement. A Class Member need not file a claim to become a Participating Class Member.
- BB. “Preliminary Approval of the Settlement” means the District Court’s preliminary approval of the Settlement without material change, or with material changes to the Settlement to which the Parties agree.
- CC. “Released Class Claims” means the claims being released by Participating Class Members as set forth in section III.G.2. below.
- DD. “Response Deadline” means 30 days after the Settlement Administrator mails the Notice Packet to Class Members, and will be the last date on which Class Members may mail (a) an Exclusion from Settlement, or (b) an objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator will have an additional 14 days beyond the Response Deadline has expired.
- EE. “Settlement Administrator” means Rust Consulting, Inc., the administrator proposed by the Parties to be appointed by the District Court to administer the Settlement.
- FF. “Settlement Share” means the portion of the Net Settlement Amount allocable to each Class Member as provided by this Agreement.
- GG. “Supreme Court” means the U.S. Supreme Court.
- HH. “Target’s Counsel” means Jeffrey D. Wohl and Lindsey C. Jackson of Paul Hastings LLP.
- II. “Target Released Parties” means Target and each of its former and current parent companies, subsidiaries, and affiliated corporations and entities, and each of their respective former and current employees, officers, directors, agents, attorneys, shareholders, fiduciaries, other service providers, and related persons and entities, and assigns.
- JJ. “Unpaid Vested Vacation Wages” means the difference between (i) vested vacation wages that would have been paid to a Class Member had the shift differential paid to the Class Member during the last workweek been included and (ii) the vested vacation wages that were paid to the Class Member.

II. RECITALS

- A. On June 10, 2020, Plaintiff commenced the Action in the Superior Court of California in and for the County of Riverside. In the Second Amended Complaint filed in the Action, Plaintiff alleged that Target failed to pay vested vacation wages upon termination of employment at a rate that included shift differentials. On the basis of that allegation, Plaintiff asserted claims for Unpaid Vested Vacation Wages under California Labor Code section 227.3 (“Section 227.3”) and California Business and Professions Code section 17200 *et seq.* (“Section 17200”); waiting-time penalties under California Labor Code section 203 (“Section 203”); and civil penalties under PAGA. Plaintiff asserted these claims on behalf of herself and the Class.
- B. Also on June 10, 2020, Plaintiff gave notice to the LWDA of her claims under PAGA.
- C. On July 22, 2020, Target removed the Action to the District Court pursuant to diversity-of-citizenship jurisdiction, as modified by CAFA.
- D. Target denied all of Plaintiff’s material allegations in the Action. Specifically, Target contended, among other things, that Plaintiff and the putative class were paid all vested vacation wages upon termination to which they were entitled, and that waiting-time penalties and PAGA penalties should not be awarded even if vested vacation wages were owed.
- E. On May 24, 2021, Target moved for summary judgment in the Action, and Plaintiff moved for class certification in the Action. On July 29, 2021, the District Court denied Target’s motion for summary judgment on Plaintiff’s claim for Unpaid Vested Vacation Wages under Sections 227.3 and 17200, and granted Target’s motion for summary judgment on Plaintiff’s claim for waiting-time penalties under Section 203. The District Court also granted Plaintiff’s motion for class certification.
- F. On August 9, 2021, Target moved the District Court to certify its July 29, 2021, order for interlocutory appeal. On October 15, 2021, the District Court granted Target’s motion to certify the District Court’s July 29, 2021, order for interlocutory appeal and stayed all proceedings before the District Court while the interlocutory appeal process was pending.
- G. On October 22, 2021, Target petitioned the Ninth Circuit to hear its interlocutory appeal. On November 15, 2021, Plaintiff answered Target’s petition and conditionally cross-petitioned for interlocutory appeal. On December 6, 2021, the Ninth Circuit granted both Target’s petition and Plaintiff’s cross-petition.
- H. On March 6, 2023, the Ninth Circuit rendered its decision on the interlocutory appeals. The Ninth Circuit affirmed the District Court’s denial of summary judgment for Target on Plaintiff’s claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200, and affirmed the District Court’s grant of summary

judgment for Target on Plaintiff's claim for waiting-time penalties under Section 203.

- I. Following the Ninth Circuit's decision, the Parties negotiated in good faith and agreed to settle the Action, and all other matters covered by this Agreement, pursuant to the terms and conditions of this Agreement. This Agreement replaces and supersedes any other agreements, understandings, or representations between the Parties.

Based on these Recitals, the Parties agree as follows:

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Maximum Settlement Amount.** Subject to the terms and conditions of this Agreement and the Judgment becoming Final, the Maximum Settlement Amount that Target may be obligated to pay in connection with the Settlement of the Action is \$945,456, not including the employer's share of payroll taxes applicable to Settlement Shares, which Target will separately pay. This amount will cover (i) the Settlement Shares; (ii) the PAGA Settlement Payment; (iii) the Class Representative Service Payment; (iv) the Class Counsel Fees and Expenses Payment; and (v) the Settlement Administrator's fees and expenses. Target will not be required to pay the Maximum Settlement Amount until the Judgment becomes Final. Once those conditions are satisfied, Target will pay the Maximum Settlement Amount within ten days after the latter of those two events occurs.
- B. **Settlement Shares.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will allocate Settlement Shares from the Net Settlement Amount to the Class as follows:
 1. **Calculation.** A Class Member's Settlement Share will equal the product of (a) the Class Member's Unpaid Vested Vacation Wages divided by the total Unpaid Vested Vacation Wages of all Class Members times (b) the Net Settlement Amount, provided that no Settlement Share will be less than \$5.00.
 2. **Treatment.**
 - a. That portion of each Settlement Share representing the Class Member's Unpaid Vested Vacation Wages will be reduced by the Class Member's applicable payroll tax withholding and deductions, and the Settlement Administrator will issue to the Class Member a Form W-2 with respect to that portion.
 - b. The remainder of each Settlement Share will be treated as a payment in settlement of the Class Member's claim for interest. Accordingly, that portion will not be reduced by payroll tax withholding and deductions; instead, the Settlement Administrator will issue to the Class Member Form 1099-INT with respect to that portion.

3. **Effect of Class Members Who Submit Exclusions from Settlement on Other Class Members' Settlement Shares.** Except for the settlement of Plaintiff's PAGA claims as set forth in this Agreement, a Class Member who submits a timely Exclusion from Settlement will not participate in or be bound by the Settlement and not receive a Settlement Share; however, that Class Member's Unpaid Vested Vacation Wages will be included in the denominator for the calculation of Settlement Shares for Participating Class Members, and the Settlement Share that otherwise would have been payable to such a Class Member will be retained in the Net Settlement Amount for distribution to all Participating Class Members.

C. **PAGA Settlement Payment.** The Parties will apply to the District Court for a PAGA Settlement Payment of \$48,800. This amount reflects the Parties' good-faith and reasonable assessment, for purposes of settlement, of the likelihood that a PAGA representative action would be maintained; that liability under PAGA would be established; and reduction in penalties the District Court would find reasonable and award even if a PAGA representative action were maintained and liability were found in light of the defenses Target has asserted. The Settlement Administrator will pay the PAGA Settlement Amount approved by the District Court out of the Maximum Settlement Amount. If the District Court approves a PAGA Settlement Amount of less than \$48,800, the remainder will be retained in the Net Settlement Amount. If the District Court requires a PAGA Settlement Payment of greater than \$48,800, it will constitute a material change to this Settlement, unless the Parties mutually agree to the change. The Settlement Administrator will pay to the LWDA an amount equal to 75% of the PAGA Settlement Amount and will pay to each PAGA Group Member an equal share of the remaining 25% of the PAGA Settlement Amount. The payment will be made to the PAGA Group Member regardless of whether the PAGA Group Member submits a timely Exclusion from Settlement pursuant to the Agreement. The PAGA Group Member's share of the PAGA Settlement Amount will not be reduced by payroll tax withholding and deductions; instead, to the extent required by law, the Settlement Administrator will issue to the PAGA Group Member a Form 1099-MISC with respect to the payment. A PAGA Group Member's portion of the PAGA Settlement Payment may be paid in the same check as his or her Settlement Share paid to him or her as a Participating Class Member.

D. **Payments to Plaintiff, Class Counsel and Settlement Administrator.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Maximum Settlement Amount as follows:

1. **To Plaintiff:** In addition to her Settlement Share, Plaintiff will apply to the District Court for an award of not more than \$10,000 as her Class Representative Service Payment in consideration of her initiating and pursuing the Action, undertaking the risk of liability in the event she was unsuccessful in the prosecution of the Action, and granting the general release she is granting as part of the Settlement. Target will not join in, but will not oppose, Plaintiff's request for a Class Representative Service

Payment of up to \$10,000. The Settlement Administrator will pay the Class Representative Service Payment approved by the District Court (but not more than \$10,000) out of the Maximum Settlement Amount. If the District Court approves a Class Representative Service Payment of less than \$10,000, the remainder will be retained in the Net Settlement Amount. Payroll tax deductions and withholdings will not be taken from the Class Representative Service Payment, and instead a Form 1099-MISC will be issued to Plaintiff with respect to this payment.

2. **To Class Counsel:** Class Counsel will apply to the District Court for a Class Counsel Fees and Expenses Payment of not more than \$524,700, representing attorneys' fees, costs and litigation expenses incurred in this Action by Class Counsel. In the event a higher part of the Maximum or Net Settlement Amount is needed to be directed to Settlement Shares to ensure the minimum Settlement Shares set forth in section III.B.1. above are paid, Class Counsel will reduce their request accordingly. Target will not join in, but will not oppose, Class Counsel's request for a Class Counsel Fees and Expenses Payment of this amount, and will not oppose Class Counsel's argument that the Class Counsel Fees and Expenses Payment should be awarded on the basis of the lodestar method rather than the percentage-of-common-fund method. The Settlement Administrator will pay the amount approved by the District Court out of the Maximum Settlement Amount. If the District Court approves a Class Counsel Fees and Expenses Payment of less than the amount sought by Class Counsel, the remainder will be retained in the Net Settlement Amount. If the District Court uses the percentage of the common fund method, rather than the lodestar method, Class Counsel reserves the right to appeal the decision. Payroll tax deductions and withholdings will not be taken from the Class Counsel Fees and Expenses Payment, and instead a Form 1099-MISC will be issued to Class Counsel. In consideration of their awarded Class Counsel Fees and Expenses Payment, Class Counsel and any counsel associated with Class Counsel hereby fully and finally releases the Target Released Parties of any and all claims to any further attorneys' fees and expenses in connection with the Action.
3. **To the Settlement Administrator:** The Settlement Administrator will pay to itself out of the Maximum Settlement Amount its reasonable fees and expenses as approved by the District Court, not to exceed \$47,000.

- E. **Appointment of Settlement Administrator.** The Parties will ask the District Court to appoint Rust Consulting, Inc., as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include posting relevant case documents to Rust's website; preparing, printing, and mailing to all Class Members the Class Notice Packet; conducting a National Change of Address search and using Accurint and other reasonable and cost-effective skip trace methods to locate any Class Member

whose Class Notice Packet was returned by the U.S. Postal Service as non-deliverable, and re-mailing the Class Notice Packet to the Class Member's new address; setting up a toll-free telephone number to receive calls from Class Members; receiving corrected or disputed Class Member Settlement Information Sheets, completed Exclusions from Settlement and objections to the Settlement; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of disputed or corrected Class Member Settlement Information Sheets, Exclusions from Settlement and objections to the Settlement; calculating Settlement Shares and the portion of the PAGA Settlement Payment payable to PAGA Group Members; preparing declarations for the Court; issuing the checks to effectuate the payments due under the Settlement; remitting to the State Controller proceeds from uncashed check; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Class Member's Settlement Share, subject to the dollar limitations set forth in this Agreement. The Settlement Administrator's reasonable fees and expenses of \$47,000, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Maximum Settlement Amount.

F. Procedure for Approving Settlement.

1. Motion for Preliminary Approval.

- a. Plaintiff will file with the District Court a motion (the "Motion for Preliminary Approval") for an order granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice Packet. Target will be given at least seven days to review and comment upon the motion prior to the filing and will not oppose the Motion for Preliminary Approval so long as it is consistent with this Agreement.
- b. Pursuant to CAFA, within 10 days after Plaintiff files the Motion for Preliminary Approval, Target will mail the CAFA Settlement Notice to the Attorney General of the United States and the appropriate state official in each state in which a Class Member resides at the time of notice. The Parties intend and believe that dissemination of the CAFA Settlement Notice pursuant to the procedures described in this section complies with the requirements of CAFA; and will request the District Court to adjudicate the validity of the CAFA Settlement Notice in the motion for final approval of the Settlement and bar any Class Member's claim to void or avoid the Settlement under CAFA.
- c. Concurrent with filing the Motion for Preliminary Approval with the District Court, Plaintiff will serve the LWDA with the PAGA Settlement Notice and include a copy of this Agreement and the Motion for Preliminary Approval. The Parties intend and believe

that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the District Court to adjudicate the validity of the PAGA Settlement Notice in the Motion for Final Approval of the Settlement and bar any claim to void or avoid the Settlement under PAGA.

- d. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear in person or via Zoom or telephone, as directed by the District Court, and (provided that it is consistent with the Settlement) support the granting of the motion and submit an order granting the motion.
- e. Should the District Court decline to preliminarily approve all material aspects of the Settlement, or order material changes to the Settlement to which the Parties do not agree, the Settlement will be null and void and the Parties will have no further obligations under it.

2. **Notice to Class Members.** After the District Court enters its order granting Preliminary Approval of the Settlement, every Class Member will be provided with the Class Notice Packet as follows:

- a. Within 30 days after the District Court enters its order granting Preliminary Approval of the Settlement, Target will provide the Class Data to the Settlement Administrator. The Class Data otherwise will remain confidential and will not be disclosed to anyone, except in order to carry out the reasonable efforts described in section III.F.2.c. below, or pursuant to Target's express written authorization or by order of the District Court.
- b. Within 10 days after receiving the Class Data, the Settlement Administrator will conduct a National Change of Address search to determine if any Class Member has a different current address than the one shown in the Class Data provided by Target; populate the Class Member Settlement Information Sheet; provide a draft of the Class Notice Packet to Class Counsel and Target's Counsel; and mail the Class Notice Packet to all identified Class Members via first-class regular U.S. Mail using the mailing address information provided by Target, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
- c. If a Class Notice Packet is returned because of an incorrect address, the Settlement Administrator will promptly and, not later than five days from receipt of the returned Class Notice Packet, search for a more current address for the Class Member using Accurint and other

reasonable and cost-effective skip trace methods, and re-mail the Class Notice Packet to the Class Member. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records the date and address of each such re-mailing.

- d. Each week, the Settlement Administrator will provide to Class Counsel and Target's Counsel a report showing whether any Class Notice Packets have been returned and re-mailed and the receipt of any corrected or disputed Class Member Settlement Information Sheets, Exclusions from Settlement, or objections to the Settlement. The Settlement Administrator's final report on Exclusions from Settlement will be delivered to the Parties not later than seven days after the close of the Response Deadline.
- e. Not later than 35 days prior to the Final Approval Hearing, the Settlement Administrator will provide to the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. Plaintiff will file the declaration with the District Court when Plaintiff files the motion for final approval of the Settlement. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Correction or Dispute of Class Member Settlement Information Sheet; Objections to Settlement; Exclusions from Settlement.** Class Members may correct or dispute the information in their Class Member Settlement Information Sheet, raise objections to the Settlement, or submit Exclusions from Settlement pursuant to the following procedures:

- a. **Settlement Information.** If a Class Member wishes to correct or dispute the information shown on his or her Class Member Settlement Information Sheet, by not later than the Response Deadline the Class Member must ask the Settlement Administrator to resolve the matter by returning the sheet with the information that he or she contends is correct and including with the sheet any documentation the Class Member has to support his or her contention. In the event of such a dispute, the Settlement Administrator will have the right to demand additional information from the Class Member, and Target will have the right to review its payroll and personnel records to verify the correct information, and Target's records will have a rebuttable presumption of correctness. After consultation with Class Counsel, the Class Member and Target, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Class Member, and non-appealable. Notwithstanding the forgoing, if the Class Member wishes merely

to update his or her contact information, the Class Member instead may call the Settlement Administrator, or call or e-mail Class Counsel, with the updated information.

- b. **Objection to Settlement.** Any Class Member (other than Plaintiff) may object to the Settlement, except with respect to the settlement of Plaintiff's PAGA claims. A Class Member who wishes to object to the Settlement (other than the settlement of Plaintiff's PAGA claims) must mail a written objection to the Settlement Administrator at the address set forth in the Class Notice. Such objection will include the objecting Class Member's full name, address, telephone number, last four digits of the Class Member's Social Security number or date of birth, signature, and dates of employment with Target; the basis(es) for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof; and, if the Class Member is represented by counsel, the name and address of his or her counsel. The Settlement Administrator will provide the objections, if any, to Class Counsel and Target's Counsel within three days of receipt, and the Settlement Administrator will attach the same to its declaration of due diligence and file with the Court prior to the Final Approval Hearing. Any Participating Class Member who files an objection remains eligible to receive his or her Settlement Share and (as applicable) portion of the PAGA Settlement Payment. The Parties will not be responsible for any attorneys' fees, costs or expenses incurred by any Class Member and/or his or her counsel related to any objections to the Settlement.
- c. **Exclusion from Settlement.** A Class Member who wishes to be excluded from the Settlement must mail to the Settlement Administrator an Exclusion from Settlement postmarked no later than the Response Deadline stating:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE TARGET LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT."

To be valid, any Exclusion from Settlement must include the Class Member's full name, address, telephone number, last four digits of the Class Member's Social Security number or date of birth, and signature. The Exclusion from Settlement must be returned by mail to the Settlement Administrator at the specified address as set forth in the Class Notice postmarked not later than the Response Deadline. If a question is raised about the authenticity of a signed

Exclusion from Settlement, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. A Class Member who submits a timely Exclusion from Settlement will not participate in or be bound by the Settlement and the Judgment, will not receive a Settlement Share and will retain the right, if any, to pursue an individual claim encompassed by the Class Members' Released Claims against Target. However, all Class Members who also are PAGA Group Members and who submit timely Exclusions from Settlement will remain PAGA Group Members and remain subject to the Released PAGA Claims to the fullest extent permitted by law and will be sent his or her portion of the PAGA Settlement Payment. Class Members who do not mail an Exclusion from Settlement in the manner and by the deadline specified above automatically will become Participating Class Members and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the District Court, and by the Judgment, regardless of whether they have objected to the Settlement.

- d. **Report.** Not later than seven days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate list of all Class Members who submitted timely and valid Exclusions from Settlement and objections to the Settlement.
- e. **Target's Right to Rescind Settlement.** If 5% or more of all Class Members, or a number of Class Members whose Settlement Shares represent 5% or more of the Settlement Shares of all Class Members, submit Exclusions from Settlement, Target 'will have the right, but not the obligation, to rescind the Settlement, in which case the Settlement will be null and void and have no effect; the Parties will have no further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount, or any amounts that otherwise would have been owed under this Agreement, except that Target will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that Target exercises its right to void the Settlement; and the Parties will stipulate to restore the proceedings in the Action to the *ante quo*. Target will notify Class Counsel and the District Court whether it is exercising this right to void not later than seven days after the Settlement Administrator notifies the Parties of the final number of Exclusions from Settlement in the Settlement.
- f. **No Solicitation of Exclusion from Settlement, Objection or Appeal.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to submit an Exclusion from Settlement, object to the Settlement or appeal from the Judgment.

4. **Final Approval.**

- a. By the date set by the District Court, and after Target has been provided with at least seven days prior to filing to review and comment on the motion and the proposed Judgment, Plaintiff will file with the District Court a motion for final approval of the Settlement.
- b. If the District Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement to which the Parties do not agree, then either Party will have the right to void the Settlement; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount, except that the Party exercising the right to void the Settlement under this paragraph will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Party exercised that right. However, an award by the District Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Service Payment or the Class Counsel Fees and Expenses Payment will not constitute a material change to the Settlement within the meaning of this paragraph.
- c. Upon filing the motion for final approval of the Settlement, Plaintiff will present to the District Court for its approval and entry the Judgment. After entry of the Judgment, the District Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-judgment matters as may be appropriate under court rules or applicable law.

5. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the material terms of this Agreement, Plaintiff, Class Members who did not timely submit an objection to the Settlement, Target, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. This paragraph does not preclude Plaintiff or Class Counsel from appealing from a refusal by the District Court to award the full Class Representative Service Payment or the Class Counsel Fees and Expenses Payment sought by them, but not the approval of the Settlement otherwise. If an appeal is taken from the Judgment, the time for consummating the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final, as defined in this Agreement.

6. **Vacation, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal or a petition for review, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material change to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Plaintiff or Target will have the right to void the Settlement, which the Party must do by giving written notice to the other Party, the reviewing court, and the District Court not later than 30 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the District Court's award of the Class Representative Service Payment or the Class Counsel Fees and Expenses Payment will not constitute a vacating, reversal, or material modification of the Judgment within the meaning of this paragraph.
7. **Timing of Settlement Payments.** Within five days after receipt of the Maximum Settlement Amount, the Settlement Administrator will pay to Participating Class Members, the Settlement Shares; to the LWDA and the PAGA Group Members, the PAGA Settlement Payment; to Plaintiff, the Class Representative Service Payment; to Class Counsel, the Class Counsel Fees and Expenses Payment; and to the Settlement Administrator, its reasonable fees and expenses.
8. **Uncashed Settlement Checks.**
 - a. A Participating Class Member or PAGA Group Member must cash his or her settlement check within 180 days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Class Member at his or her correct address.
 - b. If one or more Participating Class Members or PAGA Group Members fail to cash their settlement check within 180 days after it is mailed to their last known address, the Settlement Administrator will place a stop-payment on the check and remit the proceeds to the State of California's Controller in the name of the Participating Class Member or the PAGA Group Member.

G. Release and Waiver of Claims.

1. **Plaintiff.** In consideration of her Settlement Share, her awarded Class Representative Service Payment, and the other terms and conditions of the Settlement, Plaintiff releases any and all claims against the Target Released Parties. These released claims (the "Plaintiff's Released Claims") include, but are not limited to, any and all claims that were raised or that could have been raised in the Action based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to

timely pay Unpaid Vested Vacation Wages for the period from June 10, 2016, through August 17, 2021. Such claims include, but are not necessarily limited to, claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; claims for waiting-time penalties under Section 203; civil penalties under PAGA on behalf of herself and all aggrieved employees with respect to whom and which Plaintiff's PAGA claims pertain; any other associated statutory or civil penalties, whether recovery is founded on federal, state, or municipal law; and any associated claim for interest, attorneys' fees, or costs. Plaintiff waives all such claims, whether known or unknown, and waives the protection of California Civil Code section 1542, which states:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Thus, even if Plaintiff discovers facts in addition to or different from those that she now knows or believes to be true with respect to the subject matter of the Plaintiff's Released Claims, those claims will remain released and forever barred.

2. **Class Members.** In consideration of their Settlement Shares and the other terms and conditions of the Settlement, each Participating Class Member releases any and all claims against the Target Released Parties that were raised or that could have been raised in the Action based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2016, through August 17, 2021; claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; any other associated statutory or civil penalties, whether recovery is founded on federal, state, or municipal law; and any associated claim for interest, attorneys' fees, or costs, based on Unpaid Vested Vacation Wages (the "Class Members' Released Claims"). The Class Members' Released Claims include all such claims, whether known or unknown by the Class Members or any of them. However, the Class Members' Released Claims do not include a claim that Target failed to pay vested vacation wages upon termination other than Unpaid Vested Vacation Wages.
3. **PAGA Group Members.** In consideration of their portion of the PAGA Settlement Payment and the other terms and conditions of the Settlement, all PAGA Group Members are deemed to release the Target Released Parties from all claims for civil penalties under PAGA that Plaintiff alleged against the Target Released Parties, on behalf of PAGA Group Members and State of California, based on the factual allegations made in the Action

or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2019, through August 17, 2021 (the “Released PAGA Claims”), including civil penalties based on (1) claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; (2) claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; (3) claims for any other associated penalties, whether recovery is founded on federal, state, or municipal law, based on Unpaid Vested Vacation Wages; and (4) any associated claim for interest, attorneys’ fees, or costs, based on Unpaid Vested Vacation Wages. The Released PAGA Claims include all such claims, whether known or unknown by PAGA Group Members. By this release, the PAGA Group Members do not release any claims for wages or statutory penalties.

- H. **No Effect on Other Benefits.** The Settlement Shares and the PAGA Settlement Payment will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff, Class Members and PAGA Group Members, and Class Members will be deemed to have waived all such claims, whether known or unknown by them, as part of their release of claims under this Agreement.

- I. **Limitation on Public Statements About Settlement Before Motion for Preliminary Approval.** Before the Motion for Preliminary Approval is filed, Plaintiff and Class Counsel will not issue any press or other media releases or have any communication with the press or media or anyone else (other than the Settlement Administrator or the District Court) regarding the Settlement except as specifically authorized by Target. If prior to the filing of the Motion for Preliminary Approval, Plaintiff or Class Counsel disclose to any non-party (i) that a settlement has been reached or (ii) any of the terms of the Settlement, Target may rescind the Settlement, rendering it null and void. Nothing in this section will prevent Class Counsel from responding to inquiries by Class Members.

- J. **Miscellaneous Terms.**
 - 1. **No Admission of Liability or Class Certification for Other Purposes.**
 - a. This Settlement and the fact that Plaintiff and Target were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).
 - b. Target has agreed not to contest the certification of the Class for the sole purpose of effectuating this Settlement. Should the Settlement be voided by Target pursuant to this Agreement, or not approved by the District Court, or should the Judgment not become Final, the case will proceed in its current procedural posture as a certified class

action, but nothing in this Agreement will limit Target's ability to challenge class certification at a later date.

- c. Whether or not the Judgment becomes Final, nothing in the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, or any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Target or any of the other Target Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Target Released Parties of any liability, fault, wrongdoing, omission, concession or damage; (ii) disclosed, referred to or offered in evidence against any of the Target Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement; or (iii) construed in any way to limit the amount of Class Counsel's recoverable attorneys' fees and costs should the Judgment not become Final and Class Counsel later file a motion for attorneys' fees.
 - d. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings brought by or against Plaintiff to enforce any or all terms of this Agreement, or in defense against any claims released or barred by this Agreement. The prevailing party in any action to enforce this Agreement will be entitled to its reasonable attorneys' fees and costs. The District Court will retain jurisdiction to enforce the terms of this Agreement.
2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
 3. **Attorney Authorization.** Class Counsel and Target's Counsel warrant and represent that they are authorized by Plaintiff and Target, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed

to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the District Court, and in all cases all such documents, supplemental provisions and assistance of the District Court will be consistent with this Agreement.

4. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.
5. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
6. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
7. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
8. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
9. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
10. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by U.S. Mail, addressed as follows:

To Plaintiff and the Class:

Brian J. Mankin
 Peter J. Carlson
 Lauby, Mankin & Lauby LLP
 5198 Arlington Avenue, PMB 513
 Riverside, California 92504
 Telephone: (951) 320-1444
 Facsimile: (951) 320-1445
 E-mail: brian@lmlfirm.com
peter@lmlfirm.com

To Target:

Jeffrey D. Wohl
 Lindsey C. Jackson
 Paul Hastings LLP
 101 California Street, 48th Floor
 San Francisco, California 94111
 Telephone: (415) 856-7000
 Facsimile: (415) 856-7100
 E-mail: jeffwohl@paulhastings.com
lindseyjackson@paulhastings.com

11. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. Facsimile or DocuSign signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 9/12/2023.

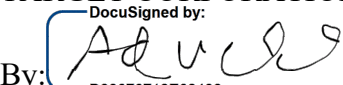
CINNAMON MILLS

DocuSigned by:

88CCB48F6A604AF...

Dated: 9/8/2023.

TARGET CORPORATION

DocuSigned by:

By: D88676712E62408...

Adam B. Klarfeld

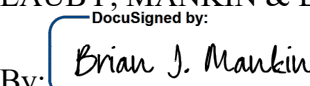
Director, Employee Relations Counsel

Dated: 9/8/2023.

BRIAN J. MANKIN

PETER J. CARLSON

LAUBY, MANKIN & LAUBY LLP

DocuSigned by:

By: 74FDC4790FFB436...

Brian J. Mankin

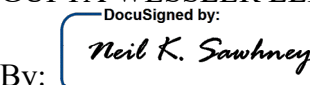
Attorneys for Plaintiff Cinnamon Mills

Dated: 9/12/2023.

NEIL K. SAWHNEY

DEEPAK GUPTA

GUPTA WESSLER LLP

DocuSigned by:

By: 329A947D62FE4D7...

Neil K. Sawhney

Attorneys for Plaintiff Cinnamon Mills

Dated: 9/8/2023.

JEFFREY D. WOHL

LINDSEY C. JACKSON

PAUL HASTINGS LLP

DocuSigned by:

By: 31A458488E824A3...

Jeffrey D. Wohl

Attorneys for Target Corporation

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND
FINAL APPROVAL HEARING**

Mills v. Target Corporation

(U.S.D.C., C.D. Cal., No. 5:20-cv-01460 JGB (KKx)) (the “Action”)

To: All Class Members, defined as: all former non-exempt employees employed by Target Corporation (“Target”) in the State of California whose employment ended on or after June 10, 2016, through August 17, 2021, and who, at the time of termination of employment, (a) received shift differential pay during the last workweek worked for Target, (b) had vested vacation wages owed upon separation of employment, and (c) upon termination of employment were paid for their vested vacation wages at a rate that did not include the shift differential pay, and excluding those individuals who already have resolved the claims asserted in this Action, whether by settlement or adjudication.

PLEASE READ THIS NOTICE CAREFULLY

It is not junk mail, spam, an advertisement, or a solicitation by a lawyer. You are not being sued.

You may be eligible to receive money as a Class Member under a proposed settlement (the “Settlement”) of this Action brought by plaintiff Cinnamon Mills (“Plaintiff”) for unpaid vested vacation wages allegedly owed at the end of your employment with Target (your “Settlement Share”). Additionally, if you received this Notice because you qualify as a Class Member and your employment with Target ended after June 10, 2019, through August 17, 2021, you also qualify as a “PAGA Group Member,” which will entitle you to a share of the settlement of Plaintiff’s claims under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”). The Settlement has been preliminarily approved by the U.S. District Court for the Central District of California (the “District Court”). This Notice explains the terms of the Settlement, along with your rights and options, which are summarized in the Chart below.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING & PARTICIPATE IN THE SETTLEMENT	If you want to receive your Settlement Share, then no further action is required on your part. You will automatically receive your Settlement Share if the Settlement receives final approval by the District Court. You also will be bound by the terms of the Settlement and will give up your right to sue on the Class Members’ Released Claims described below. Review the enclosed Class Member Information Sheet to see your estimated Settlement Share, and confirm that your contact information is correct. If any changes are needed, see section 7 of this Notice for instructions.
OPT OUT (EXCLUDE YOURSELF FROM THE SETTLEMENT)	If you do not want to participate in the Settlement, you can opt out of the Settlement by sending the Settlement Administrator a written Exclusion from Settlement. If you opt out, you will no longer be a Class Member, and (1) you will <u>not</u> receive your Settlement Share; (2) you will preserve your right to pursue a claim individually on the Class Members’ Released Claims described below, subject to applicable statutes of limitations; and (3) you will be barred from filing an objection to the Settlement. See section 4.4 of this Notice for instructions. However, you cannot opt out of the PAGA part of the Settlement. You still will receive your share of the PAGA part of the Settlement, and will be barred from pursuing any of the Released PAGA Claims described below.
OBJECT TO THE SETTLEMENT	All Class Members who do not opt out of the Settlement (“Participating Class Members”) can object to any aspect of the Settlement. See section 4.3 of this Notice for instructions.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT

DISPUTE YOUR SETTLEMENT SHARE

If you believe that the amount shown on the enclosed Class Member Information Sheet as your share of the Share is incorrect, you may challenge it. See section 3.4 of this Notice for instructions.

Please note that your Settlement Share includes 100% of your unpaid vested vacation wages, subject to a minimum \$5.00 payment. (Class Counsel will reduce their attorneys' fees request to ensure that no Class Member receives less than \$5.00.) The Parties heavily litigated this matter in District Court and the Ninth Circuit Court of Appeals. Plaintiff won on the claim that vested vacation wages payable upon termination must include shift differentials, but lost on the claim for waiting-time penalties.

In addition to Settlement Shares, the Settlement covers settlement of Plaintiff's PAGA Claims, the Class Representative Service Payment, Class Counsel's attorneys' fees and litigation expenses, and the Settlement Administrator's expenses.

1. WHAT IS THIS NOTICE ABOUT?

The District Court has certified the Class and preliminarily approved the Settlement. You have received this notice because Target records indicate that you are a member of the Class. This notice is designed to inform you of how you can object to the Settlement, exclude yourself from the Settlement or provide corrected information to the Settlement Administrator. If finally approved by the District Court, the Settlement will be binding upon you unless you submit an Exclusion from Settlement, but even if you do, you still will be bound by the Settlement's resolution of Plaintiff's claims for civil penalties under PAGA.

2. WHAT IS THIS LAWSUIT ABOUT?

In the Action, Plaintiff alleged that Target failed to pay vested vacation wages upon termination of employment at a rate that included shift differentials. The difference between vested vacation wages that included shift differentials and those that did not is called "Unpaid Vested Vacation Wages." Based on this allegation, Plaintiff asserted claims for Unpaid Vested Vacation Wages under California Labor Code section 227.3 ("Section 227.3") and California Business & Professions Code section 17200 *et seq.* ("Section 17200"); waiting-time penalties under California Labor Code section 203 ("Section 203"); and civil penalties under PAGA. Plaintiff sued on behalf of herself and the Class.

Target denied all of Plaintiff's material allegations. Specifically, Target contended, among other things, that Plaintiff and the putative class were paid all vested vacation wages upon termination to which they were entitled, and that waiting-time penalties and PAGA penalties should not be awarded even if Unpaid Vested Vacation Wages were owed.

The District Court denied Target's motion for summary judgment on Plaintiff's Sections 227.3 and 17200 claims, granted Target's motion for summary judgment on Plaintiff's Section 203 claim, and granted Plaintiff's motion for class certification. The U.S. Court of Appeals for the Ninth Circuit (the "Ninth Circuit") affirmed the District Court's rulings on Target's motion for summary judgment.

Following the Ninth Circuit's ruling, the parties negotiated and agreed to the Settlement. The Parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Target Will Pay \$945,456.00 as the Maximum Settlement Amount. Target has agreed to pay the Maximum Settlement Amount (plus Target's share of payroll taxes on the Class Member's Settlement Shares) into an account controlled by the Settlement Administrator. The Settlement Administrator will use the Maximum Settlement Amount to pay the Class Members' Settlement Shares, the PAGA settlement payments, the Class Representative Service Payment, Class Counsel's Fees and Expenses, and the Settlement Administrator's Expenses. If the District Court grants Final Approval, Target will fund the Maximum Settlement Amount not more than 10 days after the Judgment is entered by the District Court and the Settlement becomes Final. The Judgment will become Final on after the deadline to file an appeal has passed or any appeal is resolved.
2. Court-Approved Payments from the Maximum Settlement Amount. At the Final Approval Hearing, Plaintiff and Class Counsel will ask the District Court to approve the following payments from the Maximum Settlement Amount:
 - a. Settlement Shares to Class Members. To each Participating Class Member (*i.e.*, those who do not submit a timely Exclusion from Settlement) a Settlement Share that is equal or greater than the Class Member's Unpaid Vested Vacation Wages, calculated as follows: A Class Member's Settlement Share will equal the product of (a) the Class Member's Unpaid Vested Vacation Wages divided by the total Unpaid Vested Vacation Wages of all Class Members times (b) the Net Settlement Amount (defined below), provided that no Settlement Share will be less than \$5.00. An approximation of your Settlement Share based on these assumptions appears on your Class Member Information Sheet accompanying this Notice.
 - b. PAGA Settlement Payment. A PAGA Settlement Payment of \$48,000, 75% or \$36,600 payable to the California Labor Workforce Development Agency ("LWDA") and 25% or \$12,200 payable to all PAGA Group Members in equal shares. The payment will be made to all PAGA Group Members regardless of whether a PAGA Group Member timely submits an Exclusion from Settlement.
 - c. Class Representative Service Payment. To Plaintiff, \$10,000 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive from the Settlement other than Plaintiff's Settlement Share and her share of the PAGA Settlement Payment.
 - d. Class Counsel's Attorneys' Fees and Expenses. To Class Counsel, \$503,750 for attorneys' fees and \$20,950 for litigation expenses incurred by them in prosecuting the Action. Class Counsel include several lawyers from two law firms who have handled all the litigation against Target in the District Court and the Ninth Circuit. Class Counsel have been prosecuting the Action against Target on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or costs. Class Counsel will ask the District Court to Order Target to pay its estimated attorneys' fees (hours worked multiplied by the hourly rate of all attorneys, which is not to exceed \$503,750) as fair and reasonable compensation for the work Class Counsel performed and will continue to perform in the Action through final approval of the Settlement. Class Counsel will reduce its fees request in order to cover the \$5.00 minimum Settlement Share to all Class Members, if that becomes necessary.
 - e. Settlement Administrator Expenses. To the Settlement Administrator, \$47,000 to cover its reasonable costs of administering the Settlement. The District Court has appointed Rust Consulting, Inc., to act as the Settlement Administrator and administer the Settlement, including resolving any dispute concerning the calculation of a Class Member's Settlement Share.
3. "Net Settlement Amount." The Net Settlement Amount means the Maximum Settlement Amount less (i) the PAGA Settlement Payment; (ii) the Class Representative Service Payment; (iii) the Class Counsel Fees and Expenses Payment; and (iv) the Settlement Administrator's fees and expenses. If the District

Court awards less than the amount sought for any of these payments, the difference between the amount sought and the amount awarded will be retained as part of the Net Settlement Amount for distribution to Class Members.

4. Challenge the Calculation of your Settlement Share. If you dispute the accuracy of any of the information used to calculate your Settlement Share, shown on your enclosed Class Member Settlement Information Sheet, you must ask the Settlement Administrator to resolve the matter. In order to do so, you must return your Class Member Settlement Information Sheet to the Settlement Administrator by the deadline of [REDACTED], 2023 (the "Response Deadline"), informing the Settlement Administrator of the fact of the dispute and the basis for your contention that different information is correct for you (including any documentary evidence that you have to support your contention). In the event of such a dispute, Target will manually review its payroll and personnel records to verify the corrected information. Target's records will have a rebuttable presumption of correctness. After consultation with you, Class Counsel, and Target, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on you and Target, and non-appealable. If you wish merely to update your contact information, you may call the Settlement Administrator or call or e-mail Class Counsel by the Response Deadline.
5. If five percent or more of Class Members, or a number of Class Members whose Settlement Shares represent five percent or more of the Settlement Shares of all Class Members, timely submit Exclusions from Settlement, Target will have the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount, or any amounts that otherwise would have been owed under this Settlement, except that Target will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that Target exercises its right to void the Settlement. Target will notify Class Counsel and the District Court whether it is exercising this right to void not later than seven days after the Settlement Administrator notifies the Parties of the number of Exclusions from Settlement.
6. If the District Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the terms of the Settlement with respect to the payments to be made to Class Members or the scope of their release of claims, or the final judgment to be entered in the Action, then the Settlement will become null and void; if that occurs, neither Plaintiff nor Target will have further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount or any amounts that otherwise would have been owed under this Settlement. An award by the District Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment and the Class Counsel Fees and Expenses Payment will not constitute a material change to the Settlement. Notwithstanding the foregoing, Plaintiff and Class Counsel reserve their right to appeal an award by the District Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment and Class Counsel Fees and Expenses Payment, but not the approval of the Settlement otherwise.
7. The Settlement includes the following release for Participating Class Members:

Once the Judgment becomes Final, and in consideration of their Settlement Shares and the other terms and conditions of the Settlement, each Class Member who does not submit a timely Exclusion from Settlement releases any and all claims against the Target Released Parties that were raised or that could have been raised in the Action based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2016, through August 17, 2021. Such claims include, but are not necessarily limited to, claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; any other associated statutory or civil penalties, whether recovery is founded on federal, state, or municipal law; and any associated claim for interest, attorneys' fees, or costs, based on Unpaid Vested Vacation Wages (the "Class Members' Released Claims"). The Class Members' Released Claims include all such claims, whether known or unknown by the Class Members or any of them. However, the Class

Members' Released Claims do not include a claim that Target failed to pay vested vacation wages upon termination other than Unpaid Vested Vacation Wages.

"Target Released Parties" means Target and each of its former and current parent companies, subsidiaries, and affiliated corporations and entities, and each of their respective former and current employees, officers, directors, agents, attorneys, shareholders, fiduciaries, other service providers, and related persons and entities, and assigns.

8. The Settlement includes the following release for Plaintiff, the LWDA and PAGA Group Members:

In consideration of their portion of the PAGA Settlement Payment and the other terms and conditions of the Settlement, all PAGA Group Members are deemed to release the Target Released Parties from all claims for civil penalties under PAGA that Plaintiff alleged against the Target Released Parties, on behalf of PAGA Group Members and State of California, based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2019, through August 17, 2021 (the "Released PAGA Claims"), including civil penalties based on (1) claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; (2) claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; (3) claims for any other associated penalties, whether recovery is founded on federal, state, or municipal law, based on Unpaid Vested Vacation Wages; and (4) any associated claim for interest, attorneys' fees, or costs, based on Unpaid Vested Vacation Wages. The Released PAGA Claims include all such claims, whether known or unknown by PAGA Group Members. By this release, the PAGA Group Members do not release any claims for wages or statutory penalties.

9. **Plaintiff and Class Counsel's Support of the Settlement:** Plaintiff as Class Representative and Class Counsel support the Settlement. Their reasons include the inherent delays and uncertainties associated with litigation. Based on their experience litigating similar cases, Class Counsel believe that further proceedings in this case, including a trial, would be very expensive and protracted. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believe that the Settlement is fair, reasonable, and adequate. Target does not oppose or challenge the Settlement.

4. WHAT ARE MY RIGHTS AS A CLASS MEMBER?

1. **Receipt of Settlement Share:** If the enclosed Class Member Settlement Information Sheet ("Information Sheet") correctly states your identifying information and the information about your employment with Target, you do not need to take any further action to receive your Settlement Share if the District Court grants final approval of the Settlement. The Class Member Information Sheet provides the information on which your Settlement Share will be calculated and an estimate of your Settlement Share; your actual Settlement Share may be more or less. If the information in the Information Sheet is not correct, please correct the information on the form where indicated and return it to the Settlement Administrator at the following address by not later than [REDACTED], 2023 (again, the "Response Deadline"):

Target Vested Vacation Settlement Administrator
Rust Consulting, Inc.

[REDACTED]
[REDACTED]
Telephone: ([REDACTED]) [REDACTED]
E-mail: [REDACTED]
URL: [REDACTED]

Other than correcting your information, you may not change any other part of the Class Member Information Sheet. It is your obligation to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Share is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Share. If you wish merely to update your contact information,

you may call the Settlement Administrator at the number above or call/email Class Counsel (see Section 6 for their contact information).

2. **Participating in the Settlement:** Plaintiff as Class Representative and Class Counsel represent your interests as a Class Member. Unless you submit a timely Exclusion from Settlement, you are a part of the Class, you will be bound by the terms of the Settlement and any final judgment that may be entered by the District Court, and you will be deemed to have released the claims against Target and the other released parties described above. As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.
3. **Objecting to the Settlement:** You may object to the terms of the Settlement before final approval. To object to the Settlement, you must mail to the Settlement Administrator at the address shown above a written objection postmarked by not later than the Response Deadline. Your objection must include your full name, address, telephone number, last four digits of your Social Security number or date of birth, signature, and dates of employment with Target; the basis(es) for your objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof; and, if you are represented by counsel, the name and address of your counsel. The Parties will not be responsible for any attorneys' fees, costs or expenses incurred by you related to any objections to the Settlement.

If you submit a timely written objection, you also may appear or appear through counsel of your choice, paid at your own expense, and be heard at the time of the final approval hearing, if you wish to do so, but only if you indicate in your objection that you intend to appear.

If the District Court overrules your objection and you did not submit a timely Exclusion from Settlement, you will be bound by the terms of the Settlement.

4. **Excluding Yourself from the Settlement:** If you do not wish to participate in the Settlement, you must mail to the Settlement Administrator at the address shown above an Exclusion from Settlement postmarked no later than by the Response Deadline. Your Exclusion from Settlement must state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE TARGET LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT."

To be valid, your Exclusion from Settlement must include your full name, address, telephone number, last four digits of your Social Security number or date of birth, and signature. If you submit a timely Exclusion from Settlement, you will not participate in or be bound by the Settlement, will not receive a Settlement Share and will retain the right, if any, to pursue a claim against Target. However, if you also are a PAGA Group Member, you will remain a PAGA Group Member, remain subject to Plaintiff's settlement of her PAGA claims and receive your portion of the PAGA Settlement Payment. If you do not mail a timely Exclusion from Settlement in the manner and by the deadline specified above will be bound by all terms and conditions of the Settlement, if the Settlement is approved by the District Court, and by the Judgment, regardless of whether you have objected to the Settlement.

There will be no retaliation or adverse action taken by Target against any Class Member who participates in the Settlement or chooses not to participate in the Settlement.

5. FINAL SETTLEMENT APPROVAL HEARING

The District Court will hold a final approval hearing on [REDACTED], 2023, at [REDACTED] a.m., at 3470 Twelfth Street, Courtroom 1, Riverside, California 92501, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The District Court will also be asked to approve the requests for the Class Representative Payment and the Class Counsel Fees and Expenses Payment.

The hearing may be postponed without further notice to the Class. **It is not necessary for you to appear at this hearing. If you have submitted a written objection and indicated that you intend to appear in the manner set forth above, you may appear at the hearing and be heard.**

6. GETTING MORE INFORMATION

The Settlement Agreement sets forth everything Target and Plaintiff have agreed to do under the Settlement. The easiest way to read the Settlement Agreement or related documents is to go to the Settlement Administrator's website at **INSERT URL**. You can also telephone the Settlement Administrator or telephone or send an e-mail to Class Counsel using the contact information listed below, or personally review court documents in the Clerk's Office at 3470 Twelfth Street, Riverside, California 92501.

DO NOT TELEPHONE THE DISTRICT COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

The contact information for Class Counsel and the Settlement Administrator are below:

<u>Class Counsel</u>	
Brian Mankin, Esq. <i>brian@lmlfirm.com</i> Peter Carlson, Esq. <i>peter@lmlfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, California 92504 Tel: (951) 320-1444	Neil K. Sawhney <i>neil@guptawessler.com</i> Gupta Wessler PLLC 100 Pine Street, Suite 12350 San Francisco, California 94111 Telephone: (415) 573-0336 Deepak Gupta <i>deepak@guptawessler.com</i> Gupta Wessler PLLC 2001 K Street, NW Suite 850 North Washington, D.C. 20006 Telephone: (202) 888-1741

<u>Settlement Administrator:</u>
Target Vested Vacation Settlement Administrator Rust Consulting, Inc. [REDACTED] Telephone: () [REDACTED] E-mail: [REDACTED] URL

7. WHAT IF I CHANGE MY ADDRESS?

You should immediately notify the Settlement Administrator if you move or otherwise change your mailing address. You also may telephone or e-mail Class Counsel with your new address.

PLEASE DO NOT TELEPHONE THE DISTRICT COURT OR TARGET'S COUNSEL FOR INFORMATION REGARDING THE SETTLEMENT!

EXHIBIT B

MILLS V. TARGET CORP.

U.S.D.C., C.D. Cal., No. 5:20-cv-01460 JGB (KKx)

CLASS MEMBER SETTLEMENT INFORMATION SHEET

PLEASE REVIEW THE INFORMATION BELOW TO CONFIRM THAT YOUR CONTACT AND PERSONAL INFORMATION IS CORRECT.

IF THE INFORMATION BELOW IS CORRECT, YOU DO NOT NEED TO TAKE ANY FURTHER ACTION.

IF THE INFORMATION BELOW IS NOT CORRECT, PROVIDE CORRECTED INFORMATION IN THE SPACES PROVIDED BELOW, THEN DATE, SIGN AND RETURN THIS FORM, POSTMARKED NOT LATER THAN [REDACTED], 2023, TO:

Target Vested Vacation Settlement Administrator
Rust Consulting, Inc.

[REDACTED]
Telephone: ([REDACTED]) [REDACTED]-[REDACTED]

IF YOU NEED TO CORRECT ONLY YOUR CONTACT INFORMATION, YOU ALSO MAY CALL THE SETTLEMENT ADMINISTRATOR AT ([REDACTED]) [REDACTED]-[REDACTED] OR CALL CLASS COUNSEL, LAUBY, MANKIN & LAUBY, LLP, AT (951) 320-1444, OR E-MAIL THEM AT BRIAN@LMLFIRM.COM.COM.

**PERSONAL INFORMATION FOR
CLASS MEMBER RECEIVING THIS NOTICE**

1. Your name: _____
 2. Your mailing address: _____

 3. Last four digits of your Social Security number: XXX-XX-_____
 4. Unpaid Vested Vacation Wages from June 10, 2016, through August 17, 2021: _____
- Your estimated Settlement Share: \$_____

IF ANY OF THE INFORMATION SHOWN ABOVE (NUMBERS 1 TO 4) IS NOT CORRECT, PLEASE SO INDICATE BELOW. IF YOU ARE DISPUTING THE INFORMATION IN NUMBER 4, STATE WHAT YOU BELIEVE TO BE THE CORRECT INFORMATION AND ATTACH ANY DOCUMENTATION THAT SUPPORTS YOUR CONTENTION.

Corrected Information	
1. Your <i>corrected</i> name:	_____
2. Your <i>corrected</i> mailing address (include telephone number, starting with area code):	_____ _____ _____
3. <i>Corrected</i> last four digits of your Social Security number (you are <i>not</i> required to provide your entire Social Security number):	XXX-XX-_____
4. <i>Corrected</i> Unpaid Vested Vacation Wages from June 10, 2016, through August 17, 2021:	_____

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Dated: _____, _____, at _____ [city], _____ [state].

(print name)

(signature)

PLEASE REMEMBER: IT IS YOUR OBLIGATION TO INFORM THE SETTLEMENT ADMINISTRATOR OR CLASS COUNSEL OF ANY CHANGE TO YOUR MAILING ADDRESS PRIOR TO OUR RECEIPT OF YOUR SETTLEMENT SHARE. FAILURE TO UPDATE YOUR MAILING ADDRESS MAY PREVENT YOUR RECEIPT OF YOUR SETTLEMENT SHARE.

EXHIBIT C

JEFFREY D. WOHL (Cal. State Bar No. 096838)
LINDSEY C. JACKSON (Cal. State Bar No. 313396)
PAUL HASTINGS LLP
101 California Street, 48th Floor
San Francisco, California 94111
Telephone: (415) 856-7000
Facsimile: (415) 856-7100
E-mail: jeffwohl@paulhastings.com
lindseyjackson@paulhastings.com

Attorneys for Defendant
Target Corporation

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CINNAMON MILLS, individually, on
a representative basis, and on behalf of
all others similarly situated,

Plaintiff,

vs.

TARGET CORPORATION, a
Minnesota Corporation; and DOES 1
through 20, inclusive,

Defendants.

No. 5:20-CV-01460-JGB-KKx

**NOTICE OF PROPOSED
SETTLEMENT**

28 U.S.C. § 1715

Date: [REDACTED], 2023
Time: [REDACTED] : [REDACTED] .m.
Judge: Hon. Jesus G. Bernal
Courtroom: 1
3470 Twelfth Street
Riverside, California 92501

Complaint filed: June 10, 2020
SAC filed: March 11, 2021

PLEASE TAKE NOTICE that the parties to this class action have settled the case with a proposed class settlement. Defendant Target Corporation (“Target”) provides this notice to the Attorney General of the United States of America and the appropriate state official in each state in which a Class Member resides. Target encloses the following documents:

1. Plaintiff Cinnamon Mills’s Second Amended Complaint in this action.
2. The parties’ Settlement Agreement, which, among other documents attached as exhibits, includes:
 - a. the parties’ proposed forms of Notice of Proposed Settlement, Preliminary Approval of Settlement and Hearing Date for Final Court Approval of Settlement (Exh. A); and
 - b. the parties’ proposed Class Member Settlement Information Sheet (Exh. B).
3. Plaintiff’s Notice of Motion and Motion for Preliminary Approval of Class Action Settlement, Approval of Class Notice, and Setting of Final Approval Hearing, and the memorandum in support of the motion.
4. The names of Class Members who reside in each state and the estimated proportionate share of the Class Members in each state to the entire settlement.

The Court has scheduled the preliminary approval hearing on the settlement for [REDACTED], 2023. To access updated information about the status of the parties’ settlement, you may access the electronic docket for this case through Public Access to Court Electronic Records (“PACER”), https://ecf.cacd.uscourts.gov/cgi-bin/DktRpt.pl?70514717202491-L_1_0-1. Through PACER, you may access the complete case file in this case and access information about the upcoming hearing.

PLEASE TAKE FURTHER NOTICE that pursuant to CAFA you are not required to comment on the settlement. However, if you wish to comment, please file your comments by [REDACTED], 2023, at the following address:

United States District Court
Central District of California
3470 Twelfth Street
Riverside, California 92501

If you choose to comment, please also provide notice to the parties' counsel as follows:

CLASS COUNSEL

Brian J. Mankin
Peter J. Carlson
Lauby, Mankin & Lauby LLP
5198 Arlington Avenue, PMB 513
Riverside, California 92504
Telephone: (951) 320-1444
Facsimile: (951) 320-1445
E-mail: brian@lmlfirm.com
peter@lmlfirm.com

Neil K. Sawhney
Gupta Wessler LLP
505 Montgomery Street, Suite 625
San Francisco, California 94111
Telephone: (415) 573-0336
E-mail: neil@guptawessler.com

Deepak Gupta
Gupta Wessler LLP
2001 K Street, NW, Suite 850 North
Washington, D.C. 20006
Telephone: (202) 888-1741
E-mail: deepak@guptawessler.com

TARGET'S COUNSEL

Jeffrey D. Wohl
Lindsey C. Jackson
Paul Hastings LLP
101 California Street, 48th Floor
San Francisco, California 94111
Telephone: (415) 856-7000
Facsimile: (415) 856-7100
E-mail: jeffwohl@paulhastings.com
lindseyjackson@paulhastings.com

If you have questions about this notice, the underlying actions, or the enclosed materials, please contact counsel for the parties as provided above.

Dated: _____, 2023.

JEFFREY D. WOHL
LINDSEY C. JACKSON
PAUL HASTINGS LLP

By: _____
Jeffrey D. Wohl
Attorneys for Defendant
Target Corporation

EXHIBIT D

BRIAN J. MANKIN (Cal. State Bar No. 216228)
 PETER J. CARLSON (Cal. State Bar No. 295611)
 LAUBY, MANKIN & LAUBY LLP
 5198 Arlington Avenue, PMB 513
 Riverside, California 92504
 Telephone: (951) 320-1444
 Facsimile: (951) 320-1445
brian@lmlfirm.com
peter@lmlfirm.com

DEEPAK GUPTA (admitted *pro hac vice*)
 GUPTA WESSLER LLP
 1900 L Street NW, Suite 312
 Washington, D.C. 20036
 Telephone: (202) 888-1741
deepak@guptawessler.com

NEIL K. SAWHNEY (Cal. State Bar No. 300130)
 GUPTA WESSLER LLP
 505 Montgomery Street, Suite 625
 San Francisco, California 94111
 Telephone: (415) 573-0336
neil@guptawessler.com

Attorneys for Plaintiff Cinnamon Mills and the Class

UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA

CINNAMON MILLS, individually,
 on a representative basis, and on
 behalf of all others similarly
 situated,

Plaintiff,

vs.

TARGET CORPORATION, a
 Minnesota Corporation; and DOES 1
 through 20, inclusive,

Defendants.

No. 5:20-CV-01460-JGB-KKx

**NOTICE OF PROPOSED PAGA
 SETTLEMENT**

Cal. Lab. Code § 2698 *et seq.*

Date: [REDACTED], 2023

Time: [REDACTED] .m.

Judge: Hon. Jesus G. Bernal

Courtroom: 1
 3470 Twelfth Street
 Riverside, California 92501

Complaint filed: June 10, 2020

SAC filed: March 11, 2021

To the California Labor and Workforce Development Agency ("LWDA"):

PLEASE TAKE NOTICE that the parties to this wage-and-hour class action have settled the case, which includes settlement of a derivative Labor Code Private Attorneys General Act ("PAGA") claim. In accordance with PAGA, Cal. Lab. Code § 2699(l)(2), plaintiff Cinnamon Mills provides this notice to the LWDA and attaches a copy of the parties' Settlement Agreement and motion for preliminary approval of the settlement.

If you have questions about this notice or the enclosed materials, please contact counsel for the parties as follows:

To Plaintiff:

Brian J. Mankin
Peter J. Carlson
Lauby, Mankin & Lauby LLP
5198 Arlington Avenue, PMB 513
Riverside, California 92504
Telephone: (951) 320-1444
Facsimile: (951) 320-1445
E-mail: brian@lmlfirm.com
peter@lmlfirm.com

Neil K. Sawhney
Gupta Wessler LLP
505 Montgomery Street, Suite 625
San Francisco, California 94111
Telephone: (415) 573-0336
E-mail: neil@guptawessler.com

Deepak Gupta
Gupta Wessler LLP
2001 K Street, NW
Suite 850 North
Washington, D.C. 20006
Telephone: (202) 888-1741
E-mail: deepak@guptawessler.com

To Target:

Jeffrey D. Wohl
Lindsey C. Jackson
Paul Hastings LLP
101 California Street, 48th Floor
San Francisco, California 94111
Telephone: (415) 856-7000
Facsimile: (415) 856-7100
E-mail: jeffwohl@paulhastings.com
lindseyjackson@paulhastings.com

1 Dated: [REDACTED], 2023.

2 BRIAN J. MANKIN
3 PETER J. CARLSON
4 LAUBY, MANKIN & LAUBY LLP

5 DEEPAK GUPTA
6 NEIL K. SAWHNEY
7 GUPTA WESSLER LLP

8 By: _____
9 Brian J. Mankin
10 Attorneys for Plaintiff Cinnamon Mills and
11 the Class
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EXHIBIT “2”

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND
FINAL APPROVAL HEARING**

Mills v. Target Corporation

(U.S.D.C., C.D. Cal., No. 5:20-cv-01460 JGB (KKx)) (the “Action”)

To: All Class Members, defined as: all former non-exempt employees employed by Target Corporation (“Target”) in the State of California whose employment ended on or after June 10, 2016, through August 17, 2021, and who, at the time of termination of employment, (a) received shift differential pay during the last workweek worked for Target, (b) had vested vacation wages owed upon separation of employment, and (c) upon termination of employment were paid for their vested vacation wages at a rate that did not include the shift differential pay, and excluding those individuals who already have resolved the claims asserted in this Action, whether by settlement or adjudication.

PLEASE READ THIS NOTICE CAREFULLY

It is not junk mail, spam, an advertisement, or a solicitation by a lawyer. You are not being sued.

You may be eligible to receive money as a Class Member under a proposed settlement (the “Settlement”) of this Action brought by plaintiff Cinnamon Mills (“Plaintiff”) for unpaid vested vacation wages allegedly owed at the end of your employment with Target (your “Settlement Share”). Additionally, if you received this Notice because you qualify as a Class Member and your employment with Target ended after June 10, 2019, through August 17, 2021, you also qualify as a “PAGA Group Member,” which will entitle you to a share of the settlement of Plaintiff’s claims under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”). The Settlement has been preliminarily approved by the U.S. District Court for the Central District of California (the “District Court”). This Notice explains the terms of the Settlement, along with your rights and options, which are summarized in the Chart below.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING & PARTICIPATE IN THE SETTLEMENT	If you want to receive your Settlement Share, then no further action is required on your part. You will automatically receive your Settlement Share if the Settlement receives final approval by the District Court. You also will be bound by the terms of the Settlement and will give up your right to sue on the Class Members’ Released Claims described below. Review the enclosed Class Member Information Sheet to see your estimated Settlement Share, and confirm that your contact information is correct. If any changes are needed, see section 7 of this Notice for instructions.
OPT OUT (EXCLUDE YOURSELF FROM THE SETTLEMENT)	If you do not want to participate in the Settlement, you can opt out of the Settlement by sending the Settlement Administrator a written Exclusion from Settlement. If you opt out, you will no longer be a Class Member, and (1) you will <u>not</u> receive your Settlement Share; (2) you will preserve your right to pursue a claim individually on the Class Members’ Released Claims described below, subject to applicable statutes of limitations; and (3) you will be barred from filing an objection to the Settlement. See section 4.4 of this Notice for instructions. However, you cannot opt out of the PAGA part of the Settlement. You still will receive your share of the PAGA part of the Settlement, and will be barred from pursuing any of the Released PAGA Claims described below.
OBJECT TO THE SETTLEMENT	All Class Members who do not opt out of the Settlement (“Participating Class Members”) can object to any aspect of the Settlement. See section 4.3 of this Notice for instructions.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT

DISPUTE YOUR SETTLEMENT SHARE

If you believe that the amount shown on the enclosed Class Member Information Sheet as your share of the Share is incorrect, you may challenge it. See section 3.4 of this Notice for instructions.

Please note that your Settlement Share includes 100% of your unpaid vested vacation wages, subject to a minimum \$5.00 payment. (Class Counsel will reduce their attorneys' fees request to ensure that no Class Member receives less than \$5.00.) The Parties heavily litigated this matter in District Court and the Ninth Circuit Court of Appeals. Plaintiff won on the claim that vested vacation wages payable upon termination must include shift differentials, but lost on the claim for waiting-time penalties.

In addition to Settlement Shares, the Settlement covers settlement of Plaintiff's PAGA Claims, the Class Representative Service Payment, Class Counsel's attorneys' fees and litigation expenses, and the Settlement Administrator's expenses.

1. WHAT IS THIS NOTICE ABOUT?

The District Court has certified the Class and preliminarily approved the Settlement. You have received this notice because Target records indicate that you are a member of the Class. This notice is designed to inform you of how you can object to the Settlement, exclude yourself from the Settlement or provide corrected information to the Settlement Administrator. If finally approved by the District Court, the Settlement will be binding upon you unless you submit an Exclusion from Settlement, but even if you do, you still will be bound by the Settlement's resolution of Plaintiff's claims for civil penalties under PAGA.

2. WHAT IS THIS LAWSUIT ABOUT?

In the Action, Plaintiff alleged that Target failed to pay vested vacation wages upon termination of employment at a rate that included shift differentials. The difference between vested vacation wages that included shift differentials and those that did not is called "Unpaid Vested Vacation Wages." Based on this allegation, Plaintiff asserted claims for Unpaid Vested Vacation Wages under California Labor Code section 227.3 ("Section 227.3") and California Business & Professions Code section 17200 *et seq.* ("Section 17200"); waiting-time penalties under California Labor Code section 203 ("Section 203"); and civil penalties under PAGA. Plaintiff sued on behalf of herself and the Class.

Target denied all of Plaintiff's material allegations. Specifically, Target contended, among other things, that Plaintiff and the putative class were paid all vested vacation wages upon termination to which they were entitled, and that waiting-time penalties and PAGA penalties should not be awarded even if Unpaid Vested Vacation Wages were owed.

The District Court denied Target's motion for summary judgment on Plaintiff's Sections 227.3 and 17200 claims, granted Target's motion for summary judgment on Plaintiff's Section 203 claim, and granted Plaintiff's motion for class certification. The U.S. Court of Appeals for the Ninth Circuit (the "Ninth Circuit") affirmed the District Court's rulings on Target's motion for summary judgment.

Following the Ninth Circuit's ruling, the parties negotiated and agreed to the Settlement. The Parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Target Will Pay \$945,456.00 as the Maximum Settlement Amount. Target has agreed to pay the Maximum Settlement Amount (plus Target's share of payroll taxes on the Class Member's Settlement Shares) into an account controlled by the Settlement Administrator. The Settlement Administrator will use the Maximum Settlement Amount to pay the Class Members' Settlement Shares, the PAGA settlement payments, the Class Representative Service Payment, Class Counsel's Fees and Expenses, and the Settlement Administrator's Expenses. If the District Court grants Final Approval, Target will fund the Maximum Settlement Amount not more than 10 days after the Judgment is entered by the District Court and the Settlement becomes Final. The Judgment will become Final on after the deadline to file an appeal has passed or any appeal is resolved.
2. Court-Approved Payments from the Maximum Settlement Amount. At the Final Approval Hearing, Plaintiff and Class Counsel will ask the District Court to approve the following payments from the Maximum Settlement Amount:
 - a. Settlement Shares to Class Members. To each Participating Class Member (*i.e.*, those who do not submit a timely Exclusion from Settlement) a Settlement Share that is equal or greater than the Class Member's Unpaid Vested Vacation Wages, calculated as follows: A Class Member's Settlement Share will equal the product of (a) the Class Member's Unpaid Vested Vacation Wages divided by the total Unpaid Vested Vacation Wages of all Class Members times (b) the Net Settlement Amount (defined below), provided that no Settlement Share will be less than \$5.00. An approximation of your Settlement Share based on these assumptions appears on your Class Member Information Sheet accompanying this Notice.
 - b. PAGA Settlement Payment. A PAGA Settlement Payment of \$48,000, 75% or \$36,600 payable to the California Labor Workforce Development Agency ("LWDA") and 25% or \$12,200 payable to all PAGA Group Members in equal shares. The payment will be made to all PAGA Group Members regardless of whether a PAGA Group Member timely submits an Exclusion from Settlement.
 - c. Class Representative Service Payment. To Plaintiff, \$10,000 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive from the Settlement other than Plaintiff's Settlement Share and her share of the PAGA Settlement Payment.
 - d. Class Counsel's Attorneys' Fees and Expenses. To Class Counsel, \$503,750 for attorneys' fees and \$20,950 for litigation expenses incurred by them in prosecuting the Action. Class Counsel include several lawyers from two law firms who have handled all the litigation against Target in the District Court and the Ninth Circuit. Class Counsel have been prosecuting the Action against Target on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or costs. Class Counsel will ask the District Court to Order Target to pay its estimated attorneys' fees (hours worked multiplied by the hourly rate of all attorneys, which is not to exceed \$503,750) as fair and reasonable compensation for the work Class Counsel performed and will continue to perform in the Action through final approval of the Settlement. Class Counsel will reduce its fees request in order to cover the \$5.00 minimum Settlement Share to all Class Members, if that becomes necessary.
 - e. Settlement Administrator Expenses. To the Settlement Administrator, \$47,000 to cover its reasonable costs of administering the Settlement. The District Court has appointed Rust Consulting, Inc., to act as the Settlement Administrator and administer the Settlement, including resolving any dispute concerning the calculation of a Class Member's Settlement Share.
3. "Net Settlement Amount." The Net Settlement Amount means the Maximum Settlement Amount less (i) the PAGA Settlement Payment; (ii) the Class Representative Service Payment; (iii) the Class Counsel Fees and Expenses Payment; and (iv) the Settlement Administrator's fees and expenses. If the District

Court awards less than the amount sought for any of these payments, the difference between the amount sought and the amount awarded will be retained as part of the Net Settlement Amount for distribution to Class Members.

4. Challenge the Calculation of your Settlement Share. If you dispute the accuracy of any of the information used to calculate your Settlement Share, shown on your enclosed Class Member Settlement Information Sheet, you must ask the Settlement Administrator to resolve the matter. In order to do so, you must return your Class Member Settlement Information Sheet to the Settlement Administrator by the deadline of [REDACTED], 2023 (the “Response Deadline”), informing the Settlement Administrator of the fact of the dispute and the basis for your contention that different information is correct for you (including any documentary evidence that you have to support your contention). In the event of such a dispute, Target will manually review its payroll and personnel records to verify the corrected information. Target’s records will have a rebuttable presumption of correctness. After consultation with you, Class Counsel, and Target, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on you and Target, and non-appealable. If you wish merely to update your contact information, you may call the Settlement Administrator or call or e-mail Class Counsel by the Response Deadline.
5. If five percent or more of Class Members, or a number of Class Members whose Settlement Shares represent five percent or more of the Settlement Shares of all Class Members, timely submit Exclusions from Settlement, Target will have the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount, or any amounts that otherwise would have been owed under this Settlement, except that Target will pay the Settlement Administrator’s reasonable fees and expenses incurred as of the date that Target exercises its right to void the Settlement. Target will notify Class Counsel and the District Court whether it is exercising this right to void not later than seven days after the Settlement Administrator notifies the Parties of the number of Exclusions from Settlement.
6. If the District Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the terms of the Settlement with respect to the payments to be made to Class Members or the scope of their release of claims, or the final judgment to be entered in the Action, then the Settlement will become null and void; if that occurs, neither Plaintiff nor Target will have further obligations under the Settlement, including any obligation by Target to pay the Maximum Settlement Amount or any amounts that otherwise would have been owed under this Settlement. An award by the District Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment and the Class Counsel Fees and Expenses Payment will not constitute a material change to the Settlement. Notwithstanding the foregoing, Plaintiff and Class Counsel reserve their right to appeal an award by the District Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment and Class Counsel Fees and Expenses Payment, but not the approval of the Settlement otherwise.
7. The Settlement includes the following release for Participating Class Members:

Once the Judgment becomes Final, and in consideration of their Settlement Shares and the other terms and conditions of the Settlement, each Class Member who does not submit a timely Exclusion from Settlement releases any and all claims against the Target Released Parties that were raised or that could have been raised in the Action based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2016, through August 17, 2021. Such claims include, but are not necessarily limited to, claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; any other associated statutory or civil penalties, whether recovery is founded on federal, state, or municipal law; and any associated claim for interest, attorneys’ fees, or costs, based on Unpaid Vested Vacation Wages (the “Class Members’ Released Claims”). The Class Members’ Released Claims include all such claims, whether known or unknown by the Class Members or any of them. However, the Class

Members' Released Claims do not include a claim that Target failed to pay vested vacation wages upon termination other than Unpaid Vested Vacation Wages.

"Target Released Parties" means Target and each of its former and current parent companies, subsidiaries, and affiliated corporations and entities, and each of their respective former and current employees, officers, directors, agents, attorneys, shareholders, fiduciaries, other service providers, and related persons and entities, and assigns.

8. The Settlement includes the following release for Plaintiff, the LWDA and PAGA Group Members:

In consideration of their portion of the PAGA Settlement Payment and the other terms and conditions of the Settlement, all PAGA Group Members are deemed to release the Target Released Parties from all claims for civil penalties under PAGA that Plaintiff alleged against the Target Released Parties, on behalf of PAGA Group Members and State of California, based on the factual allegations made in the Action or otherwise based on or related to the allegations that Target failed to timely pay Unpaid Vested Vacation Wages for the period from June 10, 2019, through August 17, 2021 (the "Released PAGA Claims"), including civil penalties based on (1) claims for Unpaid Vested Vacation Wages under Sections 227.3 and 17200; (2) claims for waiting-time penalties under Section 203 based on Unpaid Vested Vacation Wages; (3) claims for any other associated penalties, whether recovery is founded on federal, state, or municipal law, based on Unpaid Vested Vacation Wages; and (4) any associated claim for interest, attorneys' fees, or costs, based on Unpaid Vested Vacation Wages. The Released PAGA Claims include all such claims, whether known or unknown by PAGA Group Members. By this release, the PAGA Group Members do not release any claims for wages or statutory penalties.

9. **Plaintiff and Class Counsel's Support of the Settlement:** Plaintiff as Class Representative and Class Counsel support the Settlement. Their reasons include the inherent delays and uncertainties associated with litigation. Based on their experience litigating similar cases, Class Counsel believe that further proceedings in this case, including a trial, would be very expensive and protracted. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believe that the Settlement is fair, reasonable, and adequate. Target does not oppose or challenge the Settlement.

4. WHAT ARE MY RIGHTS AS A CLASS MEMBER?

1. **Receipt of Settlement Share:** If the enclosed Class Member Settlement Information Sheet ("Information Sheet") correctly states your identifying information and the information about your employment with Target, you do not need to take any further action to receive your Settlement Share if the District Court grants final approval of the Settlement. The Class Member Information Sheet provides the information on which your Settlement Share will be calculated and an estimate of your Settlement Share; your actual Settlement Share may be more or less. If the information in the Information Sheet is not correct, please correct the information on the form where indicated and return it to the Settlement Administrator at the following address by not later than [REDACTED], 2023 (again, the "Response Deadline"):

Target Vested Vacation Settlement Administrator
Rust Consulting, Inc.

[REDACTED]
[REDACTED]
Telephone: ([REDACTED]) [REDACTED]
E-mail: [REDACTED]
URL [REDACTED]

Other than correcting your information, you may not change any other part of the Class Member Information Sheet. It is your obligation to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Share is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Share. If you wish merely to update your contact information,

you may call the Settlement Administrator at the number above or call/email Class Counsel (see Section 6 for their contact information).

2. **Participating in the Settlement:** Plaintiff as Class Representative and Class Counsel represent your interests as a Class Member. Unless you submit a timely Exclusion from Settlement, you are a part of the Class, you will be bound by the terms of the Settlement and any final judgment that may be entered by the District Court, and you will be deemed to have released the claims against Target and the other released parties described above. As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.
3. **Objecting to the Settlement:** You may object to the terms of the Settlement before final approval. To object to the Settlement, you must mail to the Settlement Administrator at the address shown above a written objection postmarked by not later than the Response Deadline. Your objection must include your full name, address, telephone number, last four digits of your Social Security number or date of birth, signature, and dates of employment with Target; the basis(es) for your objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof; and, if you are represented by counsel, the name and address of your counsel. The Parties will not be responsible for any attorneys' fees, costs or expenses incurred by you related to any objections to the Settlement.

If you submit a timely written objection, you also may appear or appear through counsel of your choice, paid at your own expense, and be heard at the time of the final approval hearing, if you wish to do so, but only if you indicate in your objection that you intend to appear.

If the District Court overrules your objection and you did not submit a timely Exclusion from Settlement, you will be bound by the terms of the Settlement.

4. **Excluding Yourself from the Settlement:** If you do not wish to participate in the Settlement, you must mail to the Settlement Administrator at the address shown above an Exclusion from Settlement postmarked no later than by the Response Deadline. Your Exclusion from Settlement must state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE TARGET LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT."

To be valid, your Exclusion from Settlement must include your full name, address, telephone number, last four digits of your Social Security number or date of birth, and signature. If you submit a timely Exclusion from Settlement, you will not participate in or be bound by the Settlement, will not receive a Settlement Share and will retain the right, if any, to pursue a claim against Target. However, if you also are a PAGA Group Member, you will remain a PAGA Group Member, remain subject to Plaintiff's settlement of her PAGA claims and receive your portion of the PAGA Settlement Payment. If you do not mail a timely Exclusion from Settlement in the manner and by the deadline specified above will be bound by all terms and conditions of the Settlement, if the Settlement is approved by the District Court, and by the Judgment, regardless of whether you have objected to the Settlement.

There will be no retaliation or adverse action taken by Target against any Class Member who participates in the Settlement or chooses not to participate in the Settlement.

5. FINAL SETTLEMENT APPROVAL HEARING

The District Court will hold a final approval hearing on [REDACTED], 2023, at [REDACTED] a.m., at 3470 Twelfth Street, Courtroom 1, Riverside, California 92501, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The District Court will also be asked to approve the requests for the Class Representative Payment and the Class Counsel Fees and Expenses Payment.

The hearing may be postponed without further notice to the Class. **It is not necessary for you to appear at this hearing. If you have submitted a written objection and indicated that you intend to appear in the manner set forth above, you may appear at the hearing and be heard.**

6. GETTING MORE INFORMATION

The Settlement Agreement sets forth everything Target and Plaintiff have agreed to do under the Settlement. The easiest way to read the Settlement Agreement or related documents is to go to the Settlement Administrator's website at [INSERT URL](#). You can also telephone the Settlement Administrator or telephone or send an e-mail to Class Counsel using the contact information listed below, or personally review court documents in the Clerk's Office at 3470 Twelfth Street, Riverside, California 92501.

DO NOT TELEPHONE THE DISTRICT COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

The contact information for Class Counsel and the Settlement Administrator are below:

<u>Class Counsel</u>	
Brian Mankin, Esq. <i>brian@lmlfirm.com</i> Peter Carlson, Esq. <i>peter@lmlfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, California 92504 Tel: (951) 320-1444	Neil K. Sawhney <i>neil@guptawessler.com</i> Gupta Wessler PLLC 100 Pine Street, Suite 12350 San Francisco, California 94111 Telephone: (415) 573-0336 Deepak Gupta <i>deepak@guptawessler.com</i> Gupta Wessler PLLC 2001 K Street, NW Suite 850 North Washington, D.C. 20006 Telephone: (202) 888-1741

<u>Settlement Administrator:</u>
Target Vested Vacation Settlement Administrator Rust Consulting, Inc. Telephone: () E-mail: URL

7. WHAT IF I CHANGE MY ADDRESS?

You should immediately notify the Settlement Administrator if you move or otherwise change your mailing address. You also may telephone or e-mail Class Counsel with your new address.

PLEASE DO NOT TELEPHONE THE DISTRICT COURT OR TARGET'S COUNSEL FOR INFORMATION REGARDING THE SETTLEMENT!

MILLS V. TARGET CORP.

U.S.D.C., C.D. Cal., No. 5:20-cv-01460 JGB (KKx)

CLASS MEMBER SETTLEMENT INFORMATION SHEET

**PLEASE REVIEW THE INFORMATION BELOW TO CONFIRM THAT YOUR
CONTACT AND PERSONAL INFORMATION IS CORRECT.**

**IF THE INFORMATION BELOW IS CORRECT, YOU DO NOT NEED TO TAKE ANY
FURTHER ACTION.**

**IF THE INFORMATION BELOW IS NOT CORRECT, PROVIDE CORRECTED
INFORMATION IN THE SPACES PROVIDED BELOW, THEN DATE, SIGN AND
RETURN THIS FORM, POSTMARKED NOT LATER THAN [REDACTED], 2023, TO:**

Target Vested Vacation Settlement Administrator
Rust Consulting, Inc.

[REDACTED]
[REDACTED]
Telephone: ([REDACTED]) [REDACTED]-[REDACTED]

**IF YOU NEED TO CORRECT ONLY YOUR CONTACT INFORMATION, YOU ALSO
MAY CALL THE SETTLEMENT ADMINISTRATOR AT ([REDACTED]) [REDACTED]-[REDACTED] OR CALL
CLASS COUNSEL, LAUBY, MANKIN & LAUBY, LLP, AT (951) 320-1444, OR E-MAIL
THEM AT BRIAN@LMLFIRM.COM.COM.**

**PERSONAL INFORMATION FOR
CLASS MEMBER RECEIVING THIS NOTICE**

1. Your name: _____
 2. Your mailing address: _____

 3. Last four digits of your Social Security number: XXX-XX-_____
 4. Unpaid Vested Vacation Wages from
June 10, 2016, through August 17, 2021: _____
- Your estimated Settlement Share: \$_____

**IF ANY OF THE INFORMATION SHOWN ABOVE (NUMBERS 1 TO 4) IS NOT
CORRECT, PLEASE SO INDICATE BELOW. IF YOU ARE DISPUTING THE
INFORMATION IN NUMBER 4, STATE WHAT YOU BELIEVE TO BE THE
CORRECT INFORMATION AND ATTACH ANY DOCUMENTATION THAT
SUPPORTS YOUR CONTENTION.**

Corrected Information	
1. Your <i>corrected</i> name:	_____
2. Your <i>corrected</i> mailing address (include telephone number, starting with area code):	_____ _____ _____
3. <i>Corrected</i> last four digits of your Social Security number (you are <i>not</i> required to provide your entire Social Security number):	XXX-XX-_____
4. <i>Corrected</i> Unpaid Vested Vacation Wages from June 10, 2016, through August 17, 2021:	_____

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Dated: _____, _____, at _____ [city], _____ [state].

(print name)

(signature)

PLEASE REMEMBER: IT IS YOUR OBLIGATION TO INFORM THE SETTLEMENT ADMINISTRATOR OR CLASS COUNSEL OF ANY CHANGE TO YOUR MAILING ADDRESS PRIOR TO OUR RECEIPT OF YOUR SETTLEMENT SHARE. FAILURE TO UPDATE YOUR MAILING ADDRESS MAY PREVENT YOUR RECEIPT OF YOUR SETTLEMENT SHARE.

EXHIBIT “3”



Settlement Administration Estimate
Mills v. Target
April 28, 2023

Prepared by:
Andrew Meyer
Business Development Consultant
612-987-8835
ameyer@rustconsulting.com

EXPERIENCE

With experience on approximately 3,300 labor and employment cases, we are the nation's largest labor and employment settlement administrator. We have managed employment settlements with class sizes ranging from dozens to multi-million class members. In fact, we've been trusted to administer many of the nation's largest settlements, including the nation's top wage-and-hour cases in recent years.

DATA SECURITY

Rust's infrastructure and capabilities related to data processing and security ensure that your sensitive data will be protected. Our "unified compliance posture" includes a system certification and accreditation under FISMA from two federal agencies and an annual SSAE18 SOC 2 Type II Report audit of our data and system security controls and protocols.

DEDICATED SPECIALISTS

Our labor and employment case team is strictly dedicated to managing settlement administration for cases involving matters such as wage-and-hour, FLSA, discrimination and ERISA. They're specialists, not generalists, with an industry reputation for responsiveness and expertise in relevant areas such as the applicable banking and tax regulations. We are confident that Rust is the best choice for the administration of your settlement.

Project Summary

Estimated Class Size	13,600
<u>Project Cost</u>	
Mailed Notice	\$ 15,303
Processing and Administration	\$ 865
Telephone support	\$ 5,141
Website	\$ 350
Fund Distribution & Tax Reporting	\$ 16,886
Project Management	\$ 10,825
Other Out-of-pocket Expenses	\$ 350
Project Cost	\$ 49,720
Discount	\$ (3,171)
Total Project Cost (assumes scope within)	\$ 46,549

Key Assumptions:

Notice mailing w/option to opt-out

Case specific Telephone support included
Weekly Status Reports

Posting of relevant documents/information to Rust's
Website

W2/1099 Payments with 180 payment void date
Uncashed to CA Controller's Office or Cy Pres

Preliminary, Final Approval and Final Payment
Declarations

Not Included: Translation, Static or Dynamic Website,
Email, Claims processing, Reminder postcards

Thank you for considering Rust Consulting, Inc. as your administrator -- we appreciate the opportunity to submit this estimate.



Settlement Administration Estimate
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Key Assumptions Used to Prepare this Estimate

Class Size	13,600	
Initial Mailed Notice:		
Mailed Notice	13,600	100.0%
Forwarded Notices	340	2.5%
Undeliverable Notices	1,360	10.0%
Re-Mailed Notices after Trace	1,088	80.0%
Telephone Support:		
Number of Telephone Contacts	1,632	12.0%
Connect Minutes per Call - CSRs	5.0	
Claimant Communications:		
Opt-outs / Correspondence received	68	0.5%
Payments	13,532	100.0%

Standard Hourly Rates*

SVP	\$175-\$275
Program Manager	\$160-\$180
Project Manager	\$100-\$140
Technical Consultant	\$110-\$180
Call Center Manager	\$125
CSR	\$ 43-\$ 50
Processor	\$ 43-\$ 50
Other	\$ 43-\$125

**Subject to change*

Additional Administration Assumptions Used to Prepare this Estimate:

Database Development: Receive and Process Database assumes that the data provided is complete with respect to the data components needed to mail and calculate settlement payments. Data that includes multiple records for individuals or work history that needs to be accumulated and totaled by individual generally requires additional efforts to bring to a point where it is final settlement data. These additional efforts can take a significant amount of time and should be considered when setting key settlement dates, especially the mailed notice deadline. Data must be provided in a complete, consistent, standardized electronic format. Rust's standard format is ASCII fixed width complete with field layout. Other formats may be accepted at Rust's discretion. Resources used to enhance or further develop non-standardized data will be billed on a time and materials basis according to Rust's Current Standard Hourly Rates.

CASS/NCOA/LACS: CASS - Coding Accuracy Support System; NCOA - National Change of Address; LACS - Locatable Address Conversion System.

Notice Package: Print and Mail per unit price is estimated. Actual prices will be provided after form is finalized prior to mailing. Notice package includes notice.

Telephone Support is included.

Processing & Administration: Receipt and Process Forms includes open, date stamp, label and data capture a 1-page form with up to five fields.

Project Management: Project Management fees are estimated and will be billed on actual time expended based on the rates found in the Current Standard Hourly Rates section above. The rates included in the estimate are a blended estimate of the rates listed above.

Out of Pocket Expenses: Includes post office box rental, overnight shipments, postage, labels, travel, long distance and other miscellaneous charges and expenses.

Pricing good for 90 days.



Settlement Administration Estimate

Mills v. Target

April 28, 2023

Prepared by:
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 Business Development Consultant
 612-987-8835
 ameyer@rustconsulting.com

Administrative Task	Estimated Quantity		Per Unit	Task Amount	Total
Database Development					
Receive and Process Database	4	Hours @	\$ 175	\$ 700	\$ 700
Additional Efforts to Finalize Settlement Data				<i>As Incurred</i>	
Initial Mailed Notice					
CASS / NCOA / LACS Processing				\$ 500	
Print and Mail Notice Package	13,600	Notices @	\$ 0.30	\$ 4,080	
Postage - 1 Ounce First Class	13,600	Notices @	\$ 0.53	\$ 7,222	\$ 11,802
Follow-up to Initial Notice					
Receive Undeliverable Notices and Update Database	1,360	Notices @	\$ 0.30	\$ 408	
Address Trace	1,360	Traces @	\$ 0.50	\$ 680	
Remail Notice Package	1,428	Notices @	\$ 0.60	\$ 857	
Remail Postage - 1 Ounce First Class	1,428	Notices @	\$ 0.60	\$ 857	\$ 2,802
Telephone Support					
Telephone Support	1,632	Calls @	2.50	\$ 4,080	
800# Charges	8,160	Minutes @	\$ 0.13	\$ 1,061	\$ 5,141
Website					
Posting of relevant documents/information to Rust site	1	Fee @	\$ 350	\$ 350	\$ 350
Processing and Administration					
Declarations - reviewed, signed/completion	3	Hours @	\$ 175	525	
Receipt, Process, and Validate Forms	68	Forms @	\$ 5.00	340	\$ 865
Additional Administrative Services Requested by Client					<i>As Incurred</i>
Fund Distribution					
Print and Mail Payments	13,532	Payments @	\$ 0.40	\$ 5,413	
Postage - 1 Ounce First Class	13,532	Payments @	\$ 0.53	\$ 7,185	
Check Processing	13,532	Payments @	\$ 0.15	\$ 2,030	
FDIC Fees				\$ 658	
Monthly Bank Account Fee	6	Months @	\$ 100	\$ 600	\$ 15,886
Tax Reporting					
Annual Fee -Qualified Settlement Fund	1	Year @	\$ 750	\$ 750	
Individual income Tax Reporting (W2/1099)	1	Year @	\$ 500	\$ 250	\$ 1,000
Project Management					
Director/Consultant	2	Hours @	\$ 225	Waived	
Project Management	46	Hours @	\$ 175	\$ 8,050	
Technical Consulting	15	Hours @	\$ 185	\$ 2,775	\$ 10,825
Other Charges and Out-of-pocket Costs					
					\$ 350
Total Settlement Administration Estimate					\$ 49,720



Settlement Administration Estimate

Mills v. Target

April 28, 2023

Prepared by:
Andrew Meyer
Business Development Consultant
612-987-8835
ameyer@rustconsulting.com

Terms and Conditions

All administration services to be provided by Rust Consulting to you ("Customer") shall be subject to the following terms and conditions:

1. **Services.** Subject to the terms hereof, Rust Consulting agrees to provide the Customer with claims administration services (hereinafter, "Claims Services") as specified in the Proposal provided to Customer to which these Terms and Conditions are attached.
2. **Term.** The terms of this agreement will remain in effect until completion of the Claims Services, unless earlier terminated in accordance with Section 10 hereof.
3. **Charges for Services.** Charges to the Customer for Claims Services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Customer to Rust Consulting. Actual fees charged by Rust Consulting to Customer may be greater or less than such estimate, and Customer shall be responsible for the payment of all such charges and expenses in accordance with Section 4 hereof. Furthermore, Customer will be responsible for payment of all state and local sales and use taxes, if any, levied upon the charges payable by the Customer hereunder. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Customer to the extent that funds are received from the taxing authorities offset these charges. Rust Consulting may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.
4. **Payment of Charges.** Payment by Customer of Rust Consulting's monthly invoices shall be due upon receipt thereof. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Customer's liability to Rust Consulting for payment of Claims Services. **Claims Services are not provided on a contingency fee basis.**
5. **Confidentiality.** Rust Consulting agrees to implement and maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Customer data provided to Rust Consulting by Customer in connection herewith. Should Rust Consulting ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Customer, Rust Consulting will promptly notify the Customer, unless prohibited by applicable law. The Customer shall have the option to (1) provide legal representation at the Customer's expense to avoid such access or (2) promptly reimburse Rust Consulting for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If Rust Consulting is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, Rust Consulting will not be liable for breach of said obligation.
6. **Standard Banking Procedures.** In accordance with Rust Consulting's standard banking procedures, Rust Consulting will establish a demand deposit checking account (i.e. non-interest bearing) for funds received related to a distribution, unless directed otherwise in writing by the parties or unless the settlement agreement stipulates otherwise. In cases where funds are temporarily placed in interest bearing or investment accounts, funds will eventually be migrated to a demand deposit checking account prior to a fund distribution.
7. **Rights in Data.** Rust Consulting does not convey nor does the Customer obtain any right in the programs, system data, or materials utilized or provided by Rust Consulting in the ordinary course of business in the performance of this Agreement.
8. **Document Retention.** Unless directed otherwise in writing by Customer, Rust will maintain digitally scanned documents of undeliverable mail, claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later. Rust Consulting will retain all bank and tax documents for such period of time as it determines is required to maintain compliance with various federal and state requirements.
9. **Limitation of Liability: Disclaimer of Warranty.** Rust Consulting warrants that our services will be performed with reasonable care in a diligent and competent manner. Our sole obligation will be to correct any non-conformance with this warranty. Rust Consulting shall not be liable, whether under theories of contract, negligence or other tort, statutory duty or other theories of liability in an amount exceeding the total charges to the Customer for the specific work affected by the error or omission. Rust Consulting will not be liable for any incidental, special, indirect, consequential or exemplary damages of any kind; or for any lost profits, lost opportunities, business interruption or for any liability incurred by the Customer or others to any third party. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR USE FOR PARTICULAR PURPOSE.
10. **Termination.** The Claims Services to be provided under this Agreement may be terminated, at will by the Customer upon at least 30 calendar days' prior written notice to Rust Consulting. The Customer's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. Rust Consulting may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Customer is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Customer.
11. **Notice.** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of Rust Consulting or the Customer, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.
12. **Force Majeure.** To the extent performance by Rust Consulting of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond Rust Consulting's reasonable control, then such performance shall be excused and this Agreement, at Rust Consulting's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
13. **Nonwaiver of Rights.** No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.
14. **Jurisdiction.** The parties hereto irrevocably and unconditionally submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby irrevocably and unconditionally waive any objection to the laying of venue of any such suit, action or proceeding in the Court.
15. **Survival.** All accrued payment obligations hereunder, any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 7 (Rights in Data); Section 5 (Confidentiality), Section 9 (Limitation of Liability; Disclaimer of Warranty), and Section 14 (Jurisdiction).
16. **Entire Agreement.** These Terms and Conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT “4”