

SETTLEMENT AND RELEASE

This Settlement and Release is made and entered into by and between Plaintiffs ROBERTO GONZALEZ SANCHEZ and YESSICA TRUJILLO (“Plaintiffs”), on behalf of themselves, the State of California and all other allegedly similarly aggrieved employees, as a private attorney general, on the one hand, and Defendant OAKLEY, INC., (“Oakley”) on the other hand.

This Settlement and Release agreement shall be binding on Plaintiffs and the Aggrieved Employees (as defined below) whom Plaintiffs purport to represent and on Defendant and its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be jointly liable with Defendant, and their respective counsel, subject to the terms and conditions hereof and the approval of the Court.

REPRESENTATIONS AND DEFINITIONS

1. “Aggrieved Employees” or singularly “Aggrieved Employee” shall mean and refer to: all current and former non-exempt employees employed by Oakley in California at any time during the Settlement Period.
2. “Counsel for Defendant” shall refer to Michael Hood, Kelli Winkle, and Vincent Chen of Jackson Lewis P.C.
3. “Court” refers to the Orange County Superior Court.
4. “Covered Claims” shall mean and refer to: any and all claims for penalties, attorneys’ fees, interest and/or costs under the California Private Attorneys General Act of 2004 (“PAGA”) for violations of the California Labor Code, that have been pled or could have been pled, including meal and rest period claims, based upon the factual allegations and issues set forth in the PAGA notices and the operative complaint(s) occurring during the Settlement Period.
5. “Settlement Period” shall mean and refer to the period from March 29, 2019 through September 30, 2021, or the date of approval of the settlement, whichever is earlier.
6. “Defendant” shall mean and refer to OAKLEY, INC.
7. “Eligible Pay Periods” shall mean and refer to the total number of pay periods that each

Aggrieved Employee worked as a non-exempt employee during the Settlement Period.

8. “Effective Date” will be the date the Court has signed and entered the Approval Stipulation and Order Thereon or the Final Judgment (as defined below), whichever is sooner.

9. “Lawsuit” refers to the civil actions filed in the Superior Court of the State of California for the County of Orange, entitled *ROBERTO GONZALEZ SANCHEZ v. OAKLEY, INC.*, Case No. 30-2020-01139833-CU-OE-CXC, and *YESSICA TRUJILLO V. OAKLEY, INC.*, Case No. 30-2020-01150691-CU-OE-CXC.

10. “LWDA” refers to the California Labor and Workforce Development Agency.

11. “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, codified at Labor Code § 2699, *et seq.*

12. “PAGA Counsel” shall refer to KINGSLEY & KINGSLEY APC and KOKOZIAN LAW FIRM, APC.

13. “Plaintiffs” refers to Named Plaintiffs ROBERTO GONZALEZ SANCHEZ and YESSICA TRUJILLO.

14. “Parties” shall collectively refer to Plaintiffs and Defendant.

15. “Settlement” or “Settlement Agreement” shall mean the terms and conditions as set forth in this Settlement and Release agreement.

16. “Settlement Administrator” shall mean and refer to the ILYM Group, Inc.

NATURE OF ACTION

17. On March 23, 2020, Plaintiff Gonzalez Sanchez filed his wage and hour Class Action Complaint against Oakley bearing Case No. 30-2020-01139833-CU-OE-CXC (hereafter, the “Gonzalez Sanchez Action”). He alleged causes of action for: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, and 1199; (2) Violation of Labor Code § 226(a); (3) Waiting Time Penalties Pursuant to Labor Code § 203; and (4) Violation of Business & Professions Code § 17200. On May 27, 2020, Gonzalez Sanchez filed a First Amended Complaint (“FAC”) that added a Private Attorney General Act (“PAGA”) cause of action to the existing wage and hour class action claims.

18. On July 23, 2020, Plaintiff Trujillo filed her wage and hour Class Action Complaint

bearing Case No. 30-2020-01150691-CU-OE-CXC (hereafter, the “Trujillo Action”).

19. Plaintiffs and the Counsel in each action agreed to coordinate their efforts and work together.

20. Although the actions were initially filed as both a representative action under PAGA and class action under California Code of Civil Procedure § 382, the Parties entered a joint stipulation on January 14, 2021 to amend the operative complaint and dismiss the class action allegations due to Plaintiffs having executed an arbitration agreement limiting their ability to participate in class action litigation governing their employment allegations. The stipulation requested that the Court enter an order to consolidate the Gonzalez Sanchez Action with the Trujillo Action, that the class allegations would be dismissed without prejudice under California Rule of Court 3.770, and the case would proceed as a representative action only. Accordingly, on February 4, 2021, Plaintiffs filed their Second Amended Complaint for civil penalties under PAGA.

21. Plaintiffs agreed to amend their notice letter to the LWDA notifying the LWDA of their intent to pursue meal and rest period claims against Oakley. PAGA Counsel represent that this amended notice letter was provided to the LWDA on September 24, 2021.

22. Pursuant to Labor Code § 2699.3(a)(2)(A), after the sixty-five-day waiting period to amend a complaint, the Parties will stipulate to Plaintiffs amending their operative Second Amended Complaint to file a Third Amended Complaint alleging meal and rest period claims as additional bases of their PAGA claims. If, for any reason, the LWDA decides to investigate the meal and rest claims, Defendant reserves the right to rescind the terms of this Settlement Agreement.

23. After the matter was at issue, the Parties began to engage in fact discovery and exchange pertinent information to understand the nature of the allegations and the scope of potential liability. This included the production of time and pay data for the Aggrieved Employees and information regarding the number of Aggrieved Employees and the number of pay periods. The Parties engaged in arms-length settlement discussions. Through the exchange of information and attendant discussions between the Parties, Plaintiffs learned that the number of Aggrieved Employees is no more than 981 (including Plaintiffs) and there is a maximum of 37,887 pay periods at issue.

24. Thereafter, the Parties attended mediation with Tripper Ortman, Esq. on May 25, 2021 and a settlement was reached.

25. Plaintiffs assert that the maximum exposure for the PAGA claims for Aggrieved Employees using \$100 per violation is \$3,788,700 ($37,887 \text{ pay periods} \times \$100 = \$3,788,700$).

26. PAGA Counsel considered the following facts and arguments in determining that the Settlement was fair and reasonable: Plaintiffs believed that Defendant may persuasively argue that the Court should exercise its discretion under PAGA to significantly reduce any penalties ultimately awarded under PAGA. Pursuant to Labor Code § 226.3, the Labor Commissioner has the discretion to “decide not to penalize an employer for a first violation when that violation was due to a clerical error or inadvertent mistake.” And in accordance with PAGA, the court in a PAGA action has the same discretion “to assess a civil penalty” that the Labor Commissioner would have, as well as complete discretion to “award a lesser amount than the maximum civil penalty amount specified [by PAGA] if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” (Labor Code § 2699(e)(1) and (e)(2)). In light of all these arguments and the potential risks on the merits and manageability of the PAGA claims, PAGA Counsel determined that the Settlement was fair and reasonable.

27. This Settlement relates solely to the PAGA claim on behalf of all Aggrieved Employees whom Plaintiffs purport to represent in the Lawsuit.

28. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in Plaintiffs’ PAGA notices and operative complaint(s), denies liability for the Covered Claims, and further denies that this action is appropriate for representative treatment for any purpose other than settling this Lawsuit. Defendant contends, among other things, that it has complied at all times with the California Labor Code, the related California Wage Orders and the California Business & Professions Code, all other state and federal wage laws, and further contends that all of its respective employees were and are paid properly, provided accurate wage statements, and provided meal and rest periods, and that the Lawsuit is without merit. Defendant has denied and continues to deny each and every material factual allegation and alleged claim asserted against it in the Lawsuit.

29. Neither the existence of this Settlement nor anything contained in this Settlement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. Nothing herein shall constitute an admission by Defendant that the Lawsuit was properly brought as a class or representative action other than for settlement purposes. Settlement of the Lawsuit, the negotiation and execution of this Settlement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement or the settlement of the Lawsuit: (a) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of either Defendant or of the truth of any of the factual allegations in the operative Complaint in the Lawsuit; (b) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of Defendant in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal; (c) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for representative treatment, class certification or administration other than for purposes of administering this Settlement; and (d) shall not constitute or be deemed a waiver of Defendant's right to compel arbitration of any dispute with Aggrieved Employees that is not the subject of the releases in the Settlement.

30. The Parties recognize that the issues presented in the Lawsuit are likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.

31. Plaintiffs and PAGA Counsel have diligently pursued an investigation of the Aggrieved Employees' claims against Defendant.

32. Based on their own independent investigations and evaluations, the Parties and their respective counsel are of the opinion that the settlement for the consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and is in the best interests of Plaintiffs, the Aggrieved Employees, and Defendant in light of all known facts and circumstances and the risks inherent in litigation, including the potential appellate issues. Further, PAGA Counsel believes that the settlement

amount entered into is in the best interests of the Aggrieved Employees and that the settlement for each Aggrieved Employee is fair, reasonable, and adequate given the inherent risk of litigation.

33. The purpose of this Settlement is to settle and compromise the Lawsuit, all Covered Claims by Plaintiffs and the Aggrieved Employees that Plaintiffs and the Aggrieved Employees have against Defendant and the Releasees (as defined below).

TERMS OF SETTLEMENT

34. In consideration of the mutual covenants, promises and representations set forth in this Settlement, Plaintiffs, on behalf of themselves, the State of California, and all Aggrieved Employees, and Defendant agree to settle and compromise the Lawsuit and the Covered Claims.

The Amount of Settlement

35. As consideration for the settlement described herein and the release contained in this Settlement, Defendant agrees to pay a total settlement of \$685,000.00 ("Gross Settlement Amount"). The Gross Settlement Amount will include:

- a) \$10,000.00 litigation enhancement to Plaintiffs (with \$5,000 being allocated to each named Plaintiff); and
- b) Settlement Administrator costs of \$7,000.00; and
- c) PAGA Counsel will request Court approval of a 33.33% fee in the amount of \$228,333.33 and cost reimbursement of up to \$20,000; and
- d) The Net Settlement Amount, which is the Gross Settlement Amount less Plaintiffs' enhancement awards, the Settlement Administrator costs, and PAGA Counsel's attorneys' fees and costs; and
- e) The Net Settlement Amount, allocated as "PAGA Penalties," will be split between the LWDA and the Aggrieved Employees as required by Labor Code § 2699(i) with \$XX (75%) going to the LWDA and \$XX (25%) going to the Aggrieved Employees.

36. Except as provided in paragraph 67 herein, under no Circumstances will the total amount of the Gross Settlement Amount exceed \$685,000.00.

Allocation and Calculation of the PAGA Penalties.

37. Each Aggrieved Employee shall receive a portion of the Net Settlement Amount on a

pro-rata basis. The actual amount paid will be calculated through a two-step process. First, the \$XX allocated as "PAGA Penalties" will be divided by the total number of Eligible Pay Periods during the Settlement Period (the "Pay Period Amount") and then the Pay Period Amount will be multiplied by the number of Eligible Pay Periods worked by the individual Aggrieved Employee as determined by the Settlement Administrator. The resulting number is the "Individual PAGA Payment." Second, once the total Individual PAGA Payment is calculated, 75% of the Individual PAGA Payment will be paid to the LWDA as is required by PAGA. The remaining amount, which is 25% of the Individual PAGA Payment, shall be paid to the Aggrieved Employee in the form of a payment check ("Individual Settlement Check").

PAGA Counsel's Fees and Costs.

38. As part of the request for approval of this Settlement, PAGA Counsel will request court approval of 33.33% of Plaintiffs' representative and individual payments, which is \$228,333.33 and cost reimbursement of already-incurred costs of up to \$20,000.00. Any attorneys' fees and costs awarded to PAGA Counsel, hereinafter referred to as "PAGA Counsel Fees & Costs," shall fully compensate and reimburse PAGA Counsel for any and all of the work already performed in connection with the Lawsuit and all work remaining to be performed in fully and finally resolving the Lawsuit.

39. Should PAGA Counsel request a lesser amount for attorneys' fees and costs and/or the court approve a lesser amount, the difference shall be divided among the participating Aggrieved Employees pursuant to the allocation described in paragraph 37.

40. Payment of PAGA Counsel Fees & Costs will be reflected in a Form 1099 to PAGA Counsel who shall assume full responsibility and liability for the payment of taxes due on such payments.

Settlement Administration Costs

41. As part of the request for approval of this Settlement, PAGA Counsel will request court approval of up to \$7,000.00 for Settlement Administration Costs by a reputable third-party settlement administrator.

42. Should PAGA Counsel request a lesser amount for Settlement Administration Costs

and/or the court approve a lesser amount, the difference shall be divided among the participating Aggrieved Employees pursuant to the allocation described in paragraph 37.

Tax Treatment of Individual Settlement Checks to Aggrieved Employees.

43. The Parties agree that Individual Settlement Checks sent to Aggrieved Employees will be characterized 100% as penalties and Form 1099s will be issued. Nothing in this Settlement is intended to constitute legal advice regarding federal, state and/or local tax obligations. Plaintiffs acknowledge that they have obtained no tax advice from Defendant and that neither Defendant nor Counsel for Defendant has made any representation concerning the tax consequences, if any, of the Settlement Amount in this Agreement. To the extent that this Settlement or any of its attachments is interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Defendant is not responsible for any employee tax obligations regarding the allocation of the Gross Settlement Amount. The Individual PAGA Payments are not wages or compensation under the terms of any Retirement Plan(s) or other Benefit(s).

44. The Gross Settlement Amount and any Individual Settlement Check paid to Plaintiffs and the Aggrieved Employees pursuant to this Settlement are not intended to count as earnings by Plaintiffs or the Aggrieved Employees.

RELEASE

Release By All Aggrieved Employees.

45. Upon the final approval by the Court of this Settlement, each Aggrieved Employee (including Plaintiffs), shall, for the Settlement Period, fully release and forever discharge Defendant and their respective present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, parent companies, subsidiaries, divisions, affiliates, predecessors, successors, assigns, including and any individual or entity that could be jointly liable with Defendant (the foregoing are collectively referred to hereafter as the "Releasees") from the Covered Claims as defined above.

Release by Plaintiffs.

46. In addition, Plaintiffs expressly waive the rights provided under California Civil Code Section 1542, which states that:

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

47. Plaintiffs understand the significance and consequences of a California Civil Code Section 1542 waiver, and understand that they hereby waive all claims, known or unknown, suspected or unsuspected against Defendant. Plaintiffs alone shall assume full responsibility for any damages or losses caused by this waiver.

48. Nothing contained in this Agreement shall be deemed a release or waiver by Plaintiffs of claims Plaintiffs may have against any Releasees for: (a) unemployment, disability and paid family leave insurance benefits pursuant to the terms of applicable California law; (b) workers' compensation insurance injury or pay benefits pursuant to Division 4 of the California Labor Code, under the terms of any worker's compensation insurance policy or fund of the Plaintiffs; and (c) any claims that, under applicable federal, state or local law, are not waivable.

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

49. The Parties recognize in accordance with Labor Code § 2699(l)(2) that Court approval is required in the event of any settlement of a PAGA action ["The superior court shall review and approve any settlement of any civil action filed pursuant to this part."]. However, as explained in *Arias v. Superior Court* (2009) 46 Cal.4th 969, the Parties are not obligated to follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement thorough a motion for primary or final approval. Instead, in order to comply with the requirements of Labor Code § 2699, promptly upon execution of this Settlement, PAGA Counsel shall submit a motion to the Court identifying the key terms of the Settlement and requesting that the Court approve the PAGA Penalties

provided for in this Settlement Agreement (“Approval Motion”). PAGA Counsel shall concurrently apply to the Court for the entry of an order approving the PAGA Penalties provided for in this Settlement.

50. At the same time PAGA Counsel submit the Approval Motion and proposed order thereon, Plaintiffs shall submit a Proposed Final Judgment in accord with terms of this settlement agreement

51. If the Court should fail to approve the Settlement as agreed upon by the Parties, the Parties shall coordinate efforts to address the Court’s questions or concerns and resubmit the Approval Motion if required by the Court. If, after the Parties make a second attempt to obtain approval of the terms of the Settlement, unless the Parties specifically agree to continue with their coordinated efforts to obtain Court approval, (a) the Court fails to approve this Settlement in the form agreed to by the Parties (except for the amount of attorneys’ fees or costs requested), or (b) the Court’s approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Settlement shall be considered null and void; (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Settlement, except for the amount of attorneys’ fees and costs, shall invalidate this Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

DUTIES AFTER COURT APPROVAL AND ADMINISTRATION OF THE SETTLEMENT

52. Within thirty (30) calendar days after the Effective Date, Defendant will compile and send a list of all Aggrieved Employees to the Settlement Administrator containing: (1) name; (2) last known home address and telephone number; (3) number of pay periods as an Aggrieved Employee during the Settlement Period; and (4) social security number (“Group List”). The format and transmittal of the list shall be in excel format and determined by the requirements of the Settlement Administrator.

53. Within thirty (30) calendar days after the Effective Date, Defendant shall transmit the entire Gross Settlement Amount due under this Agreement to the Settlement Administrator. The

Settlement Administrator shall release the PAGA Counsel Fees & Costs to PAGA Counsel upon receipt of the Gross Settlement Amount.

54. Within three (3) days of receipt of the Group List, the Settlement Administrator shall send an email to the Parties confirming receipt of the Group List and indicating the number of Aggrieved Employees and the number of Eligible Pay Periods included in the data.

55. Within thirty (30) calendar days after the Effective Date, the Settlement Administrator shall run all the addresses provided in the Group List through the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information.

56. Within forty-five (45) calendar days after the Effective Date, the Settlement Administrator shall mail via U.S. First Class mail each Individual Settlement Check to the last known address with directions to the Postmaster to forward the payment checks and return all undeliverable payment checks to the Settlement Administrator. It will be conclusively presumed that an Aggrieved Employee's Individual Settlement Check was received if the payment check has not been returned within thirty (30) days of the original mailing of the payment check. The date of the initial mailing of the payment check, shall be conclusively determined according to the records of the Settlement Administrator.

57. A letter approved by the Parties in advance of Plaintiffs filing the Approval Stipulation explaining this Settlement will be included in the mailing of each Aggrieved Employee's Individual Settlement Check. The letter will notify all Aggrieved Employees of the binding nature of the release and the Parties agree that such shall have the same force and effect as if this Settlement were executed by each Aggrieved Employees. (See Exhibit "A" hereto).

58. Settlement Administrator shall ensure that 75% of each participating Aggrieved Employee's Individual PAGA Payment is paid to the LWDA.

59. Settlement checks shall remain valid and negotiable for one hundred sixty (160) calendar days from the date of their issuance. If there are uncashed checks following this period, the uncashed funds shall escheat to the State of California Department of Industrial Relations Unclaimed Wages Fund

in the name of the Aggrieved Employees who did not cash their checks.

BEST EFFORTS

60. The Parties agree to use their best efforts to carry out the terms of this settlement.

PARTIES' AUTHORITY

61. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions hereof.

MUTUAL FULL COOPERATION

62. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Settlement, PAGA Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the approval of this Settlement from the Court.

NO PRIOR ASSIGNMENTS

63. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

NO ADMISSION

64. Nothing contained herein nor is the consummation of this Settlement to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the Releasees. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

NON-EVIDENTIARY USE

65. Whether or not the Effective Date occurs, neither this Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Lawsuit, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that an Aggrieved Employee has resolved any of his/her claims released through this Agreement.

NULLIFICATION

66. If (a) the Court should for any reason fail to approve this Settlement in the form agreed to by the Parties (except for the amount of attorneys' fees or costs), or (b) the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement, except for the amount of attorneys' fees and costs, shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. In the event of nullification of the Agreement, it shall not be admissible as evidence in any proceedings between the parties or at trial on the merits.

TERMINATION

67. It was represented to Plaintiffs that there were a maximum of 37,887 Eligible Pay Periods at issue and a maximum of 981 Aggrieved Employees at issue. As detailed in Paragraph 54 above, upon receipt of the Group List, the Settlement Administrator shall confirm to Plaintiffs that the data transmitted is consistent with the terms of this Settlement Agreement. To the extent the number of pay

periods at issue increases by more than 5%, Defendant shall have the option to increase the Gross Settlement Amount by a proportionate amount (the amount by which the increase is more than 105%) or cutting the aggrieved employee group off at a date certain which limits the number of aggrieved employees to no more than 1,030 persons or pay periods to no more than 39,781 pay periods. If Defendant fails to increase the Gross Settlement Amount proportionately or cut the aggrieved employee group off at a date certain which limits the class, Plaintiffs shall have the right to terminate this Agreement and the Parties will be restored to their positions prior to the Settlement and the Settlement shall be null and void.

ATTORNEYS' FEES, COSTS AND EXPENSES

68. Except as specifically set forth herein, each party shall bear its/his/her own attorneys' fees, costs and expenses, taxable or otherwise, incurred by him/her/it/them arising out of the Lawsuit, and shall not seek reimbursement thereof from any other party to this Stipulation.

NO PUBLICITY OR MEDIA AND PRESS COMMUNICATIONS

69. Plaintiffs agree that they will not publicize this litigation or this Settlement in any manner. Plaintiffs and PAGA Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about this case. In addition, the Parties and their counsel agree that they will not engage in any advertising or marketing relating to the settlement of this case in any manner that identifies or that is suggestive of Defendant (e.g., eyewear designer, manufacturer, and retailer), including but not limited to any postings on any websites maintained by Plaintiffs' Counsel. If contacted by the press or media, Plaintiffs may only state that the case has been resolved. Plaintiffs will refrain from discussing the terms or the fact of this Settlement with third parties other than: (1) their immediate family members; and (2) their accountants or lawyers as necessary for tax purposes. If they are asked by any person or entity about the matter, they may only state that the case has been resolved.

70. The terms of this settlement shall remain confidential until Plaintiffs' motion for approval is filed with the Court.

CONSTRUCTION

71. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Agreement constitutes the entire agreement between Plaintiffs and Defendant regarding actual or potential claims asserted by Plaintiffs against Releasees. Excluding any Arbitration or Confidentiality Agreement executed by Plaintiffs with Defendant, both of which will remain in full force and effect, this Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding those claims or potential claims and the resolution of those claims, no other agreement, statement, or promise made by one Party to another as to any matter addressed in this Agreement shall be binding or valid.

CAPTIONS AND INTERPRETATIONS

72. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

MODIFICATION

73. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

MISCELLANEOUS

74. This Settlement contains the entire agreement between the Parties relating to the Settlement of the Covered Claims and Plaintiffs' released claims, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

75. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

76. This Settlement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken

entirety except for the submission of documents needed to obtain approval of the PAGA Penalties provided for in this Settlement. Should the Court fail to grant approval of this Settlement, the stay will be lifted five (5) days thereafter and the Parties will be restored to their positions prior to the Settlement and the Settlement shall be null and void.

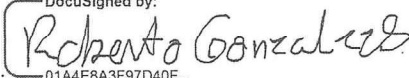
78. The Parties agree that upon approval by the Court, this Settlement shall be enforceable by the Court, and the Court shall retain exclusive and continuing equity jurisdiction pursuant to California Code of Civil Procedure § 664.6 of this action over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions, and obligations set forth in this Settlement. The Parties agree that if any immaterial provision of this Settlement is determined to be invalid, the invalid portion shall be deemed severed and the remaining Settlement deemed enforceable.

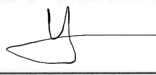
I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: November 5, 2021

11/15/2021

DATED: _____

DocuSigned by:

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 ROBERTO GONZALEZ SANCHEZ



 YESSICA TRUJILLO

DATED: _____

 OAKLEY, INC.

By: _____

together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be transmitted electronically (PDF) or by facsimile.

77. Upon full execution of this Agreement, the Parties agree that based upon Code of Civil Procedure § 583.310 (“the 5 year rule”), the Lawsuit shall be stayed in its entirety except for the submission of documents needed to obtain approval of the PAGA Penalties provided for in this Settlement. Should the Court fail to grant approval of this Settlement, the stay will be lifted five (5) days thereafter and the Parties will be restored to their positions prior to the Settlement and the Settlement shall be null and void.

78. The Parties agree that upon approval by the Court, this Settlement shall be enforceable by the Court, and the Court shall retain exclusive and continuing equity jurisdiction pursuant to California Code of Civil Procedure § 664.6 of this action over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions, and obligations set forth in this Settlement. The Parties agree that if any immaterial provision of this Settlement is determined to be invalid, the invalid portion shall be deemed severed and the remaining Settlement deemed enforceable.

I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: _____

ROBERTO GONZALEZ SANCHEZ

DATED: _____

YESSICA TRUJILLO

DATED: 1/31/2022

Emilia Flamini, CFO North America
OAKLEY, INC.

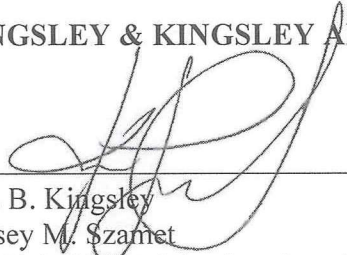
By: 

APPROVED AS TO FORM:

DATED: November 8, 2021

KINGSLEY & KINGSLEY APC

By: _____


Eric B. Kingsley
Kelsey M. Szamet
For Plaintiffs and the Aggrieved Employees

DATED: 11/8/21

KOKOZIAN LAW FIRM, APC

By: _____


Bruce Kokoziian
For Plaintiffs and the Aggrieved Employees

DATE: November 5, 2021

JACKSON LEWIS P.C.

By: _____


Michael A. Hood
Kelli M. Winkle
Vincent L. Chen
For Defendant OAKLEY, INC.

EXHIBIT “A”

[Mailing Date]

NOTICE OF SETTLEMENT

Re: *ROBERTO GONZALEZ SANCHEZ and YESSICA TRUJILLO, individuals on behalf of the State of California, as a private attorney general, Plaintiffs v. OAKLEY, INC., and Does 1 thru 50, inclusive, Defendants*, Orange County Superior Court, Case Nos. 30-2020-01139833-CU-OE-CXC and 30-2020-01150691-CU-OE-CXC.

[Settlement Administrator's info]

Dear OAKLEY, INC. Employee:

A settlement was reached between Plaintiffs ROBERTO GONZALEZ SANCHEZ and YESSICA TRUJILLO and Defendant OAKLEY, INC. On ~~XXXX~~, the Court issued an Order approving settlement of the claim Plaintiffs brought against Defendant pursuant to the Private Attorneys General Act of 2004 (“PAGA”) for an alleged failure to provide all wages and/or overtime, accurate itemized wage statements, meal and rest breaks, and wages due at the time of resignation in compliance with California law. Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

After accounting for Court approved deductions from the Settlement amount for things such as attorneys’ fees and costs, administration of the settlement and a payment to Roberto Gonzalez Sanchez and Yessica Trujillo for their work in bringing the lawsuit, the remainder is ~~\$\$\$~~. Of the remainder, the law requires that 75% is allocated to the State of California and 25% is allocated to the eligible employees (described below). Therefore, the State of California will receive ~~\$\$\$~~ (75% of the penalties) and the eligible employees will each receive a pro rata share of the remaining ~~\$\$\$~~ (25% of the penalties).

The employees eligible to receive a payment under this Settlement are defined as: all current and former non-exempt employees employed by Oakley in California at any time during the Settlement Period (hereafter “Aggrieved Employees” or individually “Aggrieved Employee.”).

The settlement and enclosed check represents your pro-rata share of the penalties and is based on a formula that took into account the total number of pay periods that you worked as a non-exempt employee in relation to the aggregate number of pay periods attributable to all Aggrieved Employees during the time period from March 29, 2019 through September 30, 2021, or the date of approval of the settlement, whichever is earlier.

By way of this Settlement, you release OAKLEY, INC. from any Covered Claims which means penalties, attorneys’ fees, interest and/or costs under the California Private Attorneys General Act of 2004 (“PAGA”) for violations of the California Labor Code, any causes of action whether suspected or unsuspected, contingent or accrued, known or unknown, that have been pled or could have been pled, including meal and rest period claims, based upon the factual allegations and issues set forth in the PAGA notices and the operative complaint(s) for actions or any acts occurring from March 29, 2019 through September 30, 2021. You have not released OAKLEY, INC. from anything other than the Covered Claims.

Your check is valid for 160 days from the date of issuance. Funds attributable to any uncashed checks will be sent to the Unclaimed Wage Fund administered by the California Division of Labor Standards Enforcement in the name of the Aggrieved Employee who did not cash the check within 160 days.

If you have any questions concerning this Settlement, please contact the ILYM Group, Inc. at XXXX.
4854-9969-7410, v. 1