

STIPULATION OF SETTLEMENT AND RELEASE

This Stipulation of Settlement and Release (“**Settlement Agreement**” or “**Settlement**”) is reached by and between Plaintiff Ana Arman (the “**Plaintiff**” or “**Class Representative**”), individually and on behalf of all members of the Settlement Class (defined below), and Defendant The Gap, Inc. and Defendant Banana Republic LLC (“**Defendants**”) (The Class Representative and Defendants are collectively referred to herein as the “**Parties**”).

The Class Representative and the Settlement Class are represented by Sullivan & Yaeckel Law Group, APC (“**Class Counsel**”). Defendants are represented by Orrick, Herrington & Sutcliffe LLP (“**Defendants’ Counsel**”).

Plaintiff filed a Representative Action Complaint on February 23, 2021 in San Diego County Superior Court, entitled *Ana Arman v. Banana Republic, LLC, et al*, Case No. 37-2021-00007625-CU-OE-CTL. On March 2, 2021, Plaintiff filed a First Amended Complaint, which added Class Action claims against the Defendants (the “**Lawsuit**”).

The Lawsuit alleges that Defendants: (i) failed to pay all overtime wages owed; (ii) failed to pay all minimum wages owed; (iii) failed to provide meal periods; (iv) failed to authorize and permit rest periods; (v) issued inaccurate wage statements; (vi) failed to pay all final wages owed upon separation from employment; (vii) failed to reimburse for necessary business expenses incurred; (viii) engaged in unlawful business practices pursuant to California Business and Professions Code sections 17200, *et seq.*; and (ix) is liable for civil penalties under the Private Attorneys General Act (“**PAGA**”), Labor Code section 2698, *et seq.* After months of hard-fought litigation, including the formal and informal exchange of documents and information and motion practice, the Parties participated in a mediation with neutral third party, Tripper Ortman of Ortman Mediation (the “**Mediator**”), which ultimately led to the resolution of the Lawsuit.

Defendants deny any liability and wrongdoing of any kind associated with the claims alleged in the Lawsuit, and further deny that the Lawsuit is appropriate for class treatment or manageable as a representative action for any purpose other than this Settlement. Defendants contend, among other things, that it has complied at all times with the California Labor Code, the applicable Wage Orders, the California Business and Professions Code, and PAGA. In addition, it is Defendants’ position that, if this case were to be litigated, class certification would be inappropriate and representative treatment would be unmanageable. This Settlement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Settlement is intended or will be construed as an admission of liability or wrongdoing by Defendants.

Given the uncertainty of litigation, the Parties wish to settle the Class Representative’s claims, both individually and on behalf of the Settlement Class. Accordingly, the Parties agree as follows:

1. Settlement Class. For purposes of this Settlement Agreement only, the Parties stipulate to certification of the following “**Settlement Class**”:

All current and former non-exempt employees who worked at a Gap or Banana Republic store in California from June 14, 2019, through the date of preliminary approval (the “**Class Period**”).

The Parties agree that certification for the purpose of settlement is not an admission that class certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant final approval of the Settlement, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

2. Release. The Class Representative and every member of the Settlement Class (except those who opt-out of the Settlement, with the exception of the California Private Attorney General Act ("PAGA") claims as explained below), will release and discharge Defendants, their past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, any and all claims, demands, rights, liabilities, and causes of action that were or could have been pleaded under local, state or federal law arising out of or based on any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions, or failures to act pleaded in the operative complaint against Banana Republic LLC and The Gap, Inc. through the date of Preliminary Approval, including but not limited to claims related to unpaid wages and overtime, meal and rest break violations, untimely final paychecks, inaccurate itemized wage statements, unreimbursed business expenses, unfair business practices, and for penalties under PAGA ("**Class Released Claims**").

For purposes of this Settlement Agreement only, and not as an admission of liability otherwise, all Participating Class Members who worked for Defendant from December 17, 2019, through the date of preliminary approval (the "PAGA Period") will be entitled to a "PAGA Penalty" and be part of a "**PAGA Penalty Class**." The PAGA Penalty Class members may not opt-out of the portion of the Settlement relating to the settlement of claims under PAGA. Even if a Class Member opts-out, they will still receive an Individual PAGA Payment. PAGA Penalty Class members will be bound by the PAGA portion of the release whether or not they cash their settlement check before it becomes void. Class Members who opt-out will be bound only by the release of the PAGA claims.

3. Maximum Settlement Amount. As consideration, Defendants agree to pay a non-reversionary maximum amount ("**Maximum Settlement Amount**") of three million one hundred and fifty-five thousand dollars and no cents (\$3,155,000.00) in full and complete settlement of this matter, as follows:

- A. The Parties agree to engage CAC Services, LLC as the "**Settlement Administrator**" to administer the Settlement.
- B. The Maximum Settlement Amount shall be deposited with the Settlement Administrator within seven (7) calendar days after the Effective Date. The "**Effective Date**" means when all of the following events have occurred: 1) The Stipulation of Settlement has been executed by all Parties, Class Counsel, and Defendants' Counsel; (2) The Court has given preliminary approval to the Settlement; (3) The Court has held a Final Settlement Approval Hearing and has entered a Final Order and Judgment, approving the Settlement. It is the parties' intention that the Settlement shall be final for purposes of the Effective Date at the time of Final Approval, if no objections to the settlement are filed, or if objections

are filed, but are withdrawn prior to the Final Approval hearing. Only in the event that written objections are filed prior to the Final Settlement Approval Hearing which are not later withdrawn prior to final approval, the Effective Date shall be later of: (a) the date of final affirmance on an appeal of the Judgment; the expiration of the time for a petition to review the Judgment; and, if review is granted, the date of final affirmance of the Judgment following review; or (b) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment; or (c) if no appeal is filed, the expiration date for filing any appeal from the Judgment.

C. The Maximum Settlement Amount includes:

- (1) All payments to the Settlement Class;
- (2) All costs of the Settlement Administrator associated with the administration of the Settlement, which are anticipated to be no greater than \$50,000;
- (3) Up to \$5,000 to Plaintiff as a Class Representative Enhancement Payment, in recognition of the Class Representative's contributions to the action and service to the Settlement Class. Even in the event that the Court reduces the requested Class Representative Enhancement Payment, the Class Representative and the Settlement Class shall not have the right to revoke the Settlement for that reason, and it will remain binding. Defendant shall comply with its reference policy with respect to the Class Representative;
- (4) Up to one-third of the Maximum Settlement Amount in attorneys' fees, which is currently estimated at \$1,051,666.67, plus actual reasonable costs and expenses related to the action, which are not to exceed \$24,000.00, as supported by declaration. Should the Court award a lesser sum for attorneys' fees and costs, the residual shall be included in the Net Settlement Amount for the Settlement Class. In the event that the Court reduces the requested attorneys' fees and costs, the Class Representative and the Settlement Class shall not have the right to revoke this Settlement for that reason, and it will remain binding; and
- (5) \$320,000 of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code section 2699(i), 75% of such penalties, or \$240,000, will be payable to the Labor & Workforce Development Agency ("LWDA") for its share of PAGA penalties, and the remaining 25%, or \$80,000, will be payable to the PAGA Penalty Class members as the "**PAGA Amount.**" Even if the Court reduces or increases the requested PAGA civil penalties, the Class Representative and the Settlement Class shall not have the right to revoke this Settlement for that reason, and it will remain binding.

D. **Escalator Clause.** Defendants represent that, as of August 8, 2022, there were approximately 14,689 putative Class Members. If that number of putative class members as of the mediation date was estimated incorrectly by more than five

percent, Defendants shall increase the Total Settlement Amount proportionally (i.e. for an increase of six percent in employees, Defendants shall add an extra 1% to the Total Maximum Settlement Amount, for a ten percent increase in employees Defendants shall add an extra 5% to the Total Payments to the Settlement Class).

- E. **Corporate Payroll Taxes.** The Maximum Settlement Amount does not include Corporate Payroll Taxes, which shall be paid by Defendants separate and apart from the Maximum Settlement Amount. The Corporate Payroll Taxes will be computed by the Settlement Administrator based on the amounts to be paid as wages to the Settlement Class members. The Settlement Administrator shall be responsible for making all necessary payments and government filings in connection with such payments.

4. Payments to the Settlement Class. Settlement Class members are not required to submit a claim form to receive a payment (“**Individual Settlement Payments**”).

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

- a. The Settlement Administrator will calculate the number of Workweeks worked by each Participating Class Member (“Individual Workweeks”) during the Class Period, the amount to be paid per Work Week, and the individual settlement awards to eligible Participating Class Members.
- b. Defendant’s employee data will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible evidence. All Work Week disputes will be resolved and decided by the Settlement Administrator. If the dispute cannot be settled by the parties and the Administrator, the Court will have the power to render a decision on all Work Week disputes which will be final and non-appealable.
- c. The Individual Settlement Payments will be determined by dividing the Net Settlement Amount by the total number of Workweeks for all Participating Class Members, resulting in the Workweek Value, and then multiplying the Workweek Value by the number of Workweeks worked by each Participating Class Member.
- d. Within thirty (30) calendar days following the deposit of the Maximum Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate each Settlement Class Member’s Individual Settlement Payment and will prepare and mail Individual Settlement Payments to Settlement Class members.
- e. Each Individual Settlement Payment shall be allocated as (60%) penalties and interest and (40%) wages. The Settlement Administrator will issue each participating Settlement Class member an IRS Form 1099 (for amounts paid as penalties and interest) and an IRS Form W-2 (for amounts paid as wages).

- f. The Individual Settlement Payments paid to Settlement Class members and the Class Representative's Enhancement Payment shall be deemed not to be "pensionable" earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (i.e. vacation, retirement plans, etc.) of Settlement Class members or the Class Representatives. The Parties agree that any Individual Settlement Payments or Class Representative Enhancement Payment paid to Settlement Class members or Class Representative under the terms of this Settlement Agreement do not represent any modification of Settlement Class members' or Class Representative's previously credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or any other plan or program. Further, any Individual Settlement Payments or Class Representative Enhancement Payment paid hereunder shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan, employee welfare benefit plan, or any other plan or program sponsored by Defendants. No benefit, including but not limited to 401k benefits, shall increase or accrue as a result of any payment made as a result of this Settlement.
- g. It shall be the responsibility of the Settlement Administrator to timely and properly withhold from Individual Settlement Payments payable to Settlement Class members all applicable payroll and employment taxes, but not Corporate Payroll Taxes, and to prepare and deliver the necessary tax documentation and, thereafter, to cause the appropriate deposits of withholding taxes and informational and other tax return filing to occur. Each Settlement Class member's share of all applicable payroll and employment taxes (excluding Corporate Payroll Taxes) withheld and deposited with the applicable governmental authorities in accordance with this Settlement Agreement shall be a part of, and paid out of, the Individual Settlement Payment to each Settlement Class member. Each Settlement Class member will be responsible for paying all applicable state, local, and federal income taxes on all amounts the Settlement Class Member receives pursuant to this Settlement Agreement (excluding Corporate Payroll Taxes).
- h. The Individual Settlement Payments shall be paid to Settlement Class members specifically in exchange for the release of the Released Parties from the Class Released Claims and the covenant not to sue concerning the Class Released Claims.

5. Payments to the PAGA Penalty Class.

PAGA Penalty Class members are not required to submit a claim form to receive a payment from the PAGA Amount. ("**Individual PAGA Payments**").

Individual PAGA Payments will be calculated and apportioned from the PAGA Amount based on the number of Qualifying Pay Periods a PAGA Penalty Class member worked during the PAGA Period. Specific calculations of Individual PAGA Payments will be made as follows:

- a. The Settlement Administrator will calculate the number of Pay Periods worked by each PAGA Penalty Class member (“Individual Pay Periods”) during the PAGA Period, the amount to be paid per Pay Period, and the Individual PAGA Payments to eligible PAGA Penalty Class members.
- b. Defendant’s employee data will be presumed to be correct, unless a particular PAGA Penalty Class member proves otherwise to the Settlement Administrator by credible evidence. All Pay Period disputes will be resolved and decided by the Settlement Administrator. If the dispute cannot be settled by the parties and the Administrator, the Court will have the power to render a decision on all Pay Period disputes which will be final and non-appealable.
- c. The Individual PAGA Payments will be determined by dividing the PAGA Amount by the total number of Pay Periods for all PAGA Penalty Class members, resulting in the Pay Period Value, and then multiplying the Pay Period Value by the number of Pay Periods worked by each PAGA Penalty Class member.
- d. Within thirty (30) calendar days following the deposit of the Maximum Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate each PAGA Penalty Class member’s Individual PAGA Payment and will prepare and mail Individual PAGA Payments to PAGA Penalty Class members.
- e. Each Individual PAGA Payment shall be allocated as (100%) non-wage penalties. The Settlement Administrator will issue each participating PAGA Penalty Class member an IRS Form 1099 (for amounts paid as penalties and interest).
- f. The Individual PAGA Payments paid to PAGA Penalty Class members shall be deemed not to be “pensionable” earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (i.e. vacation, retirement plans, etc.) of PAGA Penalty Class members. The Parties agree that any Individual PAGA Payments paid to PAGA Penalty Class members under the terms of this Settlement Agreement do not represent any modification of PAGA Penalty Class members’ previously credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or any other plan or program. Further, any Individual PAGA Payments paid hereunder shall not be considered “compensation” in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan, employee welfare benefit plan, or any other plan or program sponsored by Defendants. No benefit, including but not limited to 401k benefits, shall increase or accrue as a result of any payment made as a result of this Settlement.
- g. The Individual PAGA Payments shall be paid to PAGA Penalty Class members specifically in exchange for the release of the Released Parties from the PAGA

Released Claims and the covenant not to sue concerning the PAGA Released Claims.

6. Attorneys' Fees and Costs. Plaintiff shall be permitted to make a request for Class Counsel's attorneys' fees amounting to one-third of the Maximum Settlement Amount, which is currently estimated to be \$1,051,666.67, plus actual reasonable costs and expenses, which are not to exceed \$24,000.00. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation all work performed and all costs incurred to date, and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections.

7. Class Representative Enhancement Payment. Plaintiff may make a request for Class Representative Enhancement Payment of \$5,000 for her time and risks in prosecuting this litigation and the Class Representative's service to the Settlement Class. This award will be in addition to Class Representative's Individual Settlement Payment as a Settlement Class Member and shall be reported on IRS Forms 1099 by the Settlement Administrator.

8. Settlement Administrator. The parties agree to the appointment of CAC Services, LLC as Settlement Administrator, and to request approval to pay an amount not anticipated to exceed \$50,000 for its services from the Maximum Settlement Amount. The Settlement Administrator shall be responsible for sending notices to the Settlement Class members, for calculating Individual Settlement Payments and Individual PAGA Payments, for determining and pay appropriate tax payments resulting from the Settlement, and for preparing all checks and mailings. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount only after Individual Settlement Payments and Individual PAGA Payments have been mailed to all Settlement Class members.

8. Preliminary Approval. Upon execution of this Settlement Agreement, Class Representative shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement only;
- B. Appointing William B. Sullivan, Eric K. Yaeckel and Ryan T. Kuhn of Sullivan & Yaeckel Law Group, APC as Class Counsel;
- C. Appointing Plaintiff Ana Arman as the Class Representative for the Settlement Class;
- D. Approving CAC Services, LLC as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Class Notice and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

9. Notice to Settlement Class. Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within twenty-one (21) calendar days after entry of an order preliminarily approving this Settlement, Defendants will provide the Settlement Administrator with the names, last known addresses, last known telephone numbers, social security numbers, and weeks of employment for each member of the Settlement Class during the relevant Class Period, as reflected by Defendants' corporate and business records, exclusive of leaves of absence (in electronic format). Approximations and averages will be used to cover periods where data is missing or otherwise not available.
- B. Within fourteen (14) calendar days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses; (ii) update the addresses of any Settlement Class member for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing. At least ten (10) days prior to the final approval hearing, the Settlement Administrator will provide a declaration of due diligence and proof of mailing with regard to the mailing of the Notice Packet.
- C. Any Notice Packets returned to the Settlement Administrator as undelivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address and if an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member promptly, within five (5) business days of receiving the returned Notice Packet. Settlement Class Members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have until the Response Deadline to mail a Request for Exclusion, objection, or dispute.
- D. Notice of Settlement Award/Disputes. Each Notice Packet mailed to Settlement Class members shall contain a Notice of Settlement Award, which shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment, the number of workweeks during the relevant Class Period, and the number of pay periods worked during the Wage Statement Period and/or PAGA Period. If the Settlement Class member is also a PAGA Penalty Class member, the Notice will also include an estimated Individual PAGA Payment.
 - i. To the extent a Settlement Class member and/or PAGA Penalty Class member disputes the workweeks and/or pay periods shown in his or her Notice, he or she may produce evidence to the Settlement Administrator establishing the dates he or she contends to have worked during the

relevant Class Period prior to the Response Deadline. Defendants' records will be presumed determinative. The Settlement Administrator shall notify counsel for the Parties of any disputes. Defendants shall review its records and provide further information to the Settlement Administrator, if necessary. The Settlement Administrator shall resolve any disputes and notify counsel for the Parties of its decision.

- ii. The Settlement Administrator's determination of eligibility for any Individual Settlement Payment under the terms of this Settlement Agreement shall be conclusive, final and binding on all Parties and all Settlement Class members, so long as the Settlement Administrator has first consulted with the Parties regarding any disputes or questions as to eligibility.

E. Requests for Exclusion. Any Settlement Class Member who wishes to opt out of the Settlement (with the exception of the PAGA claims as set forth above) must complete and mail a Request for Exclusion to the Settlement Administrator by the "**Response Deadline**" which is forty five (45) calendar days from the date of the initial mailing of the Notice Packets.

- i. The Request for Exclusion must: (1) contain the name, address, telephone number and last four digits of the social security number of the Settlement Class Member; (2) be signed by the Settlement Class Member; and (3) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not comply with (2) and/or (3), it will not be deemed valid for exclusion from this Settlement. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any person who validly requests to be excluded from the Settlement will no longer be a member of the Settlement Class, will not be entitled to any recovery under this Settlement Agreement, with the exception of the PAGA payment, and will not be bound by the terms of the Settlement or have any right to object, appeal, or comment thereon. Settlement Class members who fail to submit a valid and timely Request for Exclusion shall be bound by all terms of the Settlement Agreement and any judgment entered in the Lawsuit if the Settlement is approved by the Court.
- ii. If (a) 50 or more putative class members submit a valid Request for Exclusion, or (b) there is a change to the scope of the Release or composition of the class/representative group, Defendants may, at its discretion, elect to rescind the Settlement by communicating that decision to both the Settlement Administrator and Class Counsel in writing within ten (10) calendar days after (a) the Settlement Administrator notifies the Parties of the number of valid requests for exclusion received, which the Settlement Administrator must do within seven (7) calendar days after the Response Deadline or (b) Notice of the Court's order changing the scope of

the Release or the class/representative group. Should Defendants exercise this option, Defendants shall be responsible for any costs and fees incurred by the Settlement Administrator as of the date of its rescission.

- iii. The Parties agree to leave the choice of whether to participate in the Settlement up to the Settlement Class. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the Settlement or opt out of the Settlement Class, or encourage any Settlement Class member to appeal from the final judgment. At no time will Class Representative or Class Counsel engage in any publicity or disparagement of any type related to this Settlement.

- F. Objections. Settlement Class members who do not opt out may object to this Settlement Agreement as explained in the Class Notice by submitting a written objection to the Settlement Administrator (who shall provide all objections as received to Class Counsel and Defendants' Counsel, as well as file all such objections with the Court). To be valid, any objection must be postmarked no later than the Response Deadline. Defendant's counsel and Class Counsel shall submit any responses to objections no later than five days before the Final Approval Hearing. Any Settlement Class Member who does not opt out of the Settlement may also appear in person or through their own counsel and raise an objection at the Final Approval Hearing.

10. Final Approval. Following preliminary approval and the close of the period for filing Requests for Exclusion, objections, or disputes under this Settlement Agreement, the Class Representative shall apply to the Court for entry of a Final Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Class Representative's and Class Counsel's application for attorneys' fees and costs, the Class Representative Enhancement Payment, Settlement Administrator costs, and payment to the LWDA for its share of PAGA penalties; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

Class Representative shall timely file the motion for final approval and request entry of the Final Approval Order and Judgment.

11. The Settlement Administrator will mail all required payments no later than fourteen (14) calendar days after the Effective Date. If a Settlement Class Member's check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Settlement Class Member at his or her correct address. It is expressly understood and agreed that the checks for the Individual Settlement Payments will become void and no longer available if not cashed within 180 days from the date the Settlement Administrator mails it. The amounts represented by checks remaining uncashed after the 180-day deadline will be tendered by the Settlement Administrator as *cy pres* to Legal Aid at Work – Workers' Rights Clinics. The

Parties all represent that they do not have a significant prior affiliation with the recipient that could create a conflict of interest. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to the Court, Class Counsel and Defendants' Counsel.

No person shall have any claim against Defendant, Defendants' Counsel, the Class Representative, the Settlement Class, Class Counsel or the Settlement Administrator based on mailings, distributions and payments made in accordance with this Settlement Agreement.

12. Non-Admission of Liability. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code section 1152.

13. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties to the terms and conditions hereof.

14. Mutual Full Cooperation. The Parties and their counsel agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, 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 Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties shall seek first the assistance of the Mediator and then the Court to resolve such disagreement.

15. Privacy of Documents and Information. Class Representative and Class Counsel agree that they will destroy all confidential documents and information provided to them by Defendants within thirty (30) days of the Effective Date, except for documents that must be saved for malpractice purposes or ethical rules governing attorney conduct in California and the United States. Class Representative and Class Counsel further agree that none of the documents and information provided to them by Defendants shall be used for any purpose other than prosecution of this Lawsuit or the defense or prosecution of a malpractice action or defense of any state bar complaint.

16. No Prior Assignments. 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 released and discharged by this Settlement Agreement.

17. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and

that this Settlement Agreement shall not be construed in favor of or against any of the Parties by reason of the extent to which any Party or their or its counsel participated in the drafting of this Settlement Agreement.

18. Jurisdiction of the Court. Except for those matters to be resolved by the Mediator or the Settlement Administrator as expressly stated, any dispute regarding the interpretation or validity of or otherwise arising out of this Settlement Agreement, or relating to the Lawsuit or the Class Released Claims or PAGA Released Claims, shall be subject to the exclusive jurisdiction of the Court, and the Class Representative, Settlement Class members, and Defendants agree to submit to the personal and exclusive jurisdiction of the Court. The Court shall retain jurisdiction solely with respect to the interpretation, implementation and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

19. California Law Governs. All terms of this Settlement Agreement and the exhibit hereto shall be governed and interpreted according to the laws of the State of California, regardless of its conflict of laws.

20. Invalidity of Any Provision. The Parties request that before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe all provisions valid to the fullest extent possible consistent with applicable precedents

21. Headings. The headings 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 Agreement or any provision hereof.

22. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

23. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Jessica Perry
 Orrick, Herrington & Sutcliffe LLP
 1000 Marsh Road
 Menlo Park, California 94025-1015
 jerry@orrick.com

if to Plaintiffs: Eric K. Yaeckel
Sullivan & Yaeckel Law Group, APC
2330 3rd Ave.
San Diego, CA 92101
Yaeckel@sullivanlawgroupapc.com

24. Entire Agreement. This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

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

26. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Lawsuit, except such proceedings necessary to implement and complete the Settlement, pending the final approval hearing to be conducted by the Court.

27. Counterparts. This Settlement Agreement may be executed by one or more Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED: 9/21/2022

ANA ARMAN

By: Ana Arman
Plaintiff & Settlement Class Representative

DATED: _____

THE GAP, INC. & BANNANA REPUBLIC, LLC

By: _____
Paul Adams
Deputy General Counsel of The Gap, Inc.

APPROVED AS TO FORM:

DATED: _____

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: _____
Jessica R. Perry
Attorneys for The Gap, Inc. & Banana Republic,
LLC

DATED: 9/21/2022

SULLIVAN & YAECKEL LAW GROUP, APC

By: EY
William B. Sullivan
Eric K. Yaeckel
Attorneys for Plaintiff

DATED: _____

ANA ARMAN

By: _____
Plaintiff & Settlement Class Representative

DATED: 9/21/2022

THE GAP, INC. & BANNANA REPUBLIC, LLC

By: Paul Adams
Paul Adams
Deputy General Counsel of The Gap, Inc.

APPROVED AS TO FORM:

DATED: 9/22/2022

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: 
Jessica R. Perry
Attorneys for The Gap, Inc. & Banana Republic,
LLC

DATED: _____

SULLIVAN & YAECKEL LAW GROUP, APC

By: _____
William B. Sullivan
Eric K. Yaeckel
Attorneys for Plaintiff