

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Marisa Silva v Retail Services WIS Corp.
(Merced County Superior Court, Case Number 21CV-01346)

Christina Perez and Stephanie Studebaker v. Retail Services WIS Corp.
(San Diego Superior Court, Case No. 37-2018-99945996-CU-OE-CTL)

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of this action shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere in this Private Attorneys General Act (Labor Code § 2698 *et seq.*) Settlement Agreement (“**Agreement**”).

This Agreement is made by and between Defendant Retail Services WIS Corp. (“**Defendant**” or “**WIS**”), Plaintiffs Marisa Silva, Christina Celia Perez, and Stephanie Studebaker (together, “**Plaintiffs**,” and individually “**SILVA**,” “**PEREZ**,” and “**STUDEBAKER**”), for themselves, individually, and on behalf of the State of California, and the law firms defined below as “**Plaintiffs’ Counsel**” and “**Defense Counsel**” (WIS, Plaintiffs and Aggrieved Employees, as defined herein, are sometimes collectively referred to as the “**Parties**”).

The Parties agree that the actions ***Christina Perez and Stephanie Studebaker v. Retail Services WIS Corp. (San Diego Superior Court, Case No. 37-2018-99945996-CU-OE-CTL)*** and ***Marisa Silva v Retail Services WIS Corp. (Merced County Superior Court, Case Number 21CV-01346)*** (together, the “**Litigation**”) shall be, and hereby are, ended, settled, resolved, and concluded by agreement of WIS to pay the total gross sum of Two Million Four Hundred Twenty Thousand U.S. Dollars and no cents (\$2,420,000.00) (hereinafter referred to as the “**Settlement Sum**”) for settlement of the Private Attorneys General Act (“**PAGA**”) penalties sought in the Litigation, which shall be inclusive of Plaintiffs’ Counsel’s attorneys’ fees and costs, the settlement administrator’s fees and costs, and a payment in resolution of Plaintiffs’ individual claims.

Article I.

Definitions.

Section 1.01 **Definitions.**

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) “**Aggrieved Employees**” means all non-exempt WIS employees in the state of California from September 12, 2017 through November 25, 2021.
- (b) “**Complaint**” means the operative Complaint filed by Plaintiffs Perez and Studebaker on September 12, 2018 in San Diego County and Silva on April 21, 2021 in Merced County

Superior Court, Case No. 21CV-01346. These two lawsuits are jointly referred to as the **“Litigation.”**

- (c) **“Court”** means the Superior Court for the State of California, County of Merced.
- (d) **“Defendant”** means Retail Services WIS Corporation.
- (e) **“Defense Counsel”** or **“Counsel for WIS”** is:

Jody A. Landry, Esq.
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, CA 92101.3577

- (f) **“Effective Date”** means when all of the following have occurred and the Judgment is Final: (i) approval of the Settlement is granted by the Superior Court of California for the County of Merced, (ii) the Court’s Judgment approving the Settlement becomes Final; and (iii) the Complaint in the Perez Action is dismissed with prejudice. Final shall mean the latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court, or (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment, which is at least 60 days after notice of entry of judgment by the Court.
- (g) **“Plaintiffs”** means Christina Perez, Stephanie Studebaker, and Marisa Silva.
- (h) **“Plaintiffs’ Counsel”** is:

Alex P. Katofsky, Esq.
Daniel F. Gaines, Esq.
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- (i) **“Pay Period Representation”**: Defendants represented in advance of the mediation as follows: (1) that Defendant’s LMS non-exempt employees in California worked 41,843 pay periods from 1/1/19 through 9/2/21; (2) that the non-exempt WIS employees on the Lowe’s project worked 2788 pay periods from 9/12/17 through the end of that project in 2018; and (3) that all other California non-exempt employees worked approximately 182,000 pay periods from 9/12/17 through 8/31/21. If these representations are not correct, Plaintiffs may terminate this Agreement.
- (j) **“Release Period”** means the time period between September 12, 2017 and November 25, 2021.
- (k) **“Released Claims”** means all claims for PAGA civil penalties that were alleged in the Litigation, including but not limited to unpaid minimum and overtime wages, failure to provide meal periods, failure to provide rest periods, failure to issue accurate and complete wage statements, failure to reimburse expenses, failure to keep accurate records, and failure to timely pay wages at separation (including but not limited to alleged violations of Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1198, 2802 and applicable provisions of the Wage Orders) or that could have been alleged in the Litigation based on the facts alleged in the Litigation, that arose during the Release Period, and all claims that Plaintiffs or the Aggrieved Employees may have against the Released Parties relating to the payment, taxation, and allocation of attorney’s fees and costs to Plaintiffs’ Counsel pursuant to this Settlement Agreement.
- (l) **“Released Parties”** means Retail Services WIS Corporation and its past, present, and future representatives, directors, officers, employees, agents, attorneys, affiliates, members and shareholders, as well as all parent companies, affiliated companies, subsidiary companies, affiliates, client(s), client(s) facilities, consultants, agents, attorneys, predecessors, assignors, and/or assigns and/or any other individual or entity which could be liable for the claims raised in the Litigation.
- (j) **“Settlement Administrator”** means the third-party administrator agreed upon by Parties to administer this Settlement, ILYM Group, Inc.

Article II.

Background.

Section 2.01 Background.

- (a) On or about July 3, 2018, PEREZ and STUDEBAKER transmitted a letter to the Labor & Workforce Development Agency and WIS in compliance with the exhaustion requirements of PAGA, articulating claims related to unpaid wages, meal periods, rest periods, itemized wage statements, failure to reimburse expenses, and failure to timely pay wages at separation.

- (b) On September 12, 2018, PEREZ and STUDEBAKER filed a Complaint in the Superior Court of the State of California for the County of San Diego, entitled *Perez and Studebaker, et al. v. Retail Services WIS Corporation, et al.*, case number 37-2018-00045996-CU-OE-CTL. The Perez Action was brought by Christina Celia Perez and Stephanie Studebaker as a PAGA action on behalf of themselves and other Defendant's California employees, and the State of California asserting claims based on similar factual predicates as those alleged in the Litigation.
- (c) On or about February 11, 2021, SILVA transmitted a letter to the Labor & Workforce Development Agency and WIS in compliance with the exhaustion requirements of PAGA, articulating claims related to unpaid wages, meal periods, rest periods, itemized wage statements, failure to reimburse expenses, timekeeping violations, and failure to timely pay wages at separation.
- (d) On April 21, 2021, SILVA filed a Complaint in the Superior Court of the State of California for the County of Merced, entitled *Marisa Silva, et al. v. Retail Services WIS Corp., et al.*, case number 21CV-01346. The Litigation was brought by Marisa Silva, on behalf of the State of California and other aggrieved employees, as a PAGA action based on violations of Labor Code §§ 201-202, 226(a), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194 and 2802.
- (e) During the course of the Litigation, the Parties engaged in discovery and fully shared the information necessary for all sides to conduct a legitimate investigation into the allegations of the Litigation and potential defenses thereto. The Parties have reached this Settlement only after discovery and investigation was performed.
- (f) WIS disputes and denies any liability or wrongdoing of any kind associated with the claims alleged in this matter. WIS contends, among other things, that it complied at all times with the local, state, and federal laws, and that the claims alleged in this matter are without merit. Further, WIS denies Plaintiffs, individually and as a representatives of the Aggrieved Employees, are owed any wages or penalties, as alleged, but does recognize that litigation will be protracted and expensive. As a result, WIS has agreed to pay a reasonable amount in order to resolve this matter. Any statements made by WIS in this Agreement are made for settlement purposes only.
- (g) The Parties believe and agree that this Agreement provides a fair, adequate, and reasonable resolution of Plaintiffs' individual claims and the PAGA claims after doing their own independent investigations and evaluations of the claims alleged in this matter. The parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.
- (h) This Settlement Agreement contemplates the (a) entry of an order by the Court approving the payment allocated for settlement of the PAGA penalties; (b) entry of judgment in the Silva Action consistent with this Agreement; (c) this Agreement being binding on Plaintiffs, individually, and all Aggrieved Employees for the Release Period; (d) dismissal of the Perez Action with prejudice; and (e) all parties bearing their respective fees and costs except as expressly provided in this Agreement.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Cooperation.

The Parties will cooperate in obtaining through an unopposed motion an Order from the Court approving the payment of PAGA penalties as described in this Agreement at the earliest possible date. Plaintiffs' Counsel shall request and be paid up to \$968,000.00 for attorneys' fees and up to \$30,000.00 for reimbursement of litigation costs from the Settlement Sum, and WIS will not oppose these requests. Plaintiffs SILVA, PEREZ and STUDEBAKER shall each request and be paid up to \$15,000.00 as a general release payment from the Settlement Sum for the resolution of their individual claims, and WIS will not oppose these requests. The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of the payment of PAGA penalties as described in this Agreement.

Section 3.02 Court Approval.

The Parties will seek to obtain the Court's approval of the payment of PAGA penalties as described in this Agreement by way of a stipulation or motion to be filed by Plaintiffs' counsel as soon as practicable following the execution date of this Agreement but no later than twenty (20) calendar days thereafter. This Settlement shall be submitted to the Court for its approval. The Court's approval of the payment of PAGA penalties as described in this Agreement shall be embodied in a written order and judgment. Should the Court not grant approval of the payment of PAGA penalties as described in this Agreement, then the entirety of this Agreement shall be null and void.

The Court's approval of an attorneys' fees or costs award is not a material term of the Settlement. If the Court does not approve or approves only a lesser amount than that requested by Plaintiffs' Counsel for attorneys' fees or costs, the other terms of this Settlement shall still apply. The Court's refusal to approve the attorneys' fees or costs award requested by Plaintiffs' Counsel does not give Plaintiff or Plaintiff's Counsel any basis to abrogate the Settlement. Any amount of an attorneys' fees and costs award requested by Plaintiffs' Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount.

Section 3.03 Settlement Administration.

For the purposes of this Settlement, the Parties stipulate and agree that ILYM Group, Inc. shall be retained to serve as Settlement Administrator and shall administer the Settlement Sum under this Agreement pursuant to the terms outlined below.

Section 3.04 Settlement Payment Procedures.

WIS shall pay as the Settlement Sum the total gross amount of Two Million Four Hundred Twenty Thousand U.S. Dollars and zero cents (\$2,420,000.00) in full and final Settlement of this matter. WIS shall pay the Settlement Sum to the Settlement Administrator as follows: (i) by the latter of twenty (20) business days after the Effective Date or April 1, 2022, WIS shall wire \$807,667 to the Settlement Account set up by the Settlement Administrator; (ii) no later than six months after the Effective Date, WIS shall wire \$807,666 to the Settlement Account set up by the Settlement Administrator; and (iii) no later than January 31, 2023, WIS shall wire the balance of \$804,667 to the Settlement Account set up by the Settlement Administrator. The Settlement Sum shall be deposited into a Qualified Settlement Fund ("QSF") within the meaning of Section 468B-1 of the United States Treasury Regulations. The Settlement Administrator shall be responsible for arranging for the establishment of a QSF in order to effectuate the disbursement of the Settlement Sum to the State of California Labor and Workforce Development Agency, to Aggrieved Employees, to Plaintiffs, and to Plaintiffs' Counsel in the manner and within the times periods described herein.

The first deposit of the Settlement Sum shall be used to pay all Aggrieved Employees and the Plaintiffs all sums they are due hereunder, as approved by the Court. The balance of the first installment, together with each subsequent installment, shall be paid proportionately to the Settlement Administrator, the LWDA, and Plaintiffs' Counsel for attorneys fees and costs.

(a) Notice to Aggrieved Employees and Payments from the Settlement Sum; Payment of PAGA Penalties.

The total sum available for payment of PAGA penalties shall be calculated by deducting Plaintiffs' Counsel's fees and costs (\$998,000.00), general release payments to Plaintiffs Silva, Perez and Studebaker (\$15,000.00 each), and the costs of administration (no more than \$32,890) from the Settlement Sum (this will yield the "Net Settlement Amount," which is estimated to be approximately \$1,344,110).

Seventy-five percent (75%) of the Net Settlement Amount shall be paid to the LWDA; the remaining twenty-five percent (25%) of the Net Settlement Amount (the "Employee Net Settlement Amount") shall be paid to Aggrieved Employees pro rata based on the number of pay periods worked during the Release Period. 100% of the PAGA payments are considered penalties and will not be subject to local, state or federal tax withholdings. All Aggrieved Employees who cash their settlement check may receive an IRS Form 1099 for their portion of the settlement, if deemed required by the settlement administrator (in compliance with IRS guidelines). Plaintiffs will be issued IRS Forms 1099 for payments received by them under this Agreement.

(b) Notice and Payment to Aggrieved Employees.

Notice shall be provided to the Aggrieved Employees in the following manner:

- (1) No later than ten (10) business days after the Effective Date, WIS shall confidentially provide the settlement administrator with a list of all Aggrieved Employees ("Aggrieved

Employees List”). The Aggrieved Employees List shall state the first name and last name for each Aggrieved Employee, the last known address for each Aggrieved Employee, each Aggrieved Employee’s social security number, and the number of pay periods worked by each Aggrieved Employee during the Release Period. The Settlement Administrator shall run all the addresses provided by WIS 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 verify and/or obtain current address information.

- (2) No later than ten (10) business days after Defendant deposits the first installment of the Settlement Sum, the settlement administrator shall mail the Notice of PAGA Settlement (attached hereto as Exhibit “A”) to all Aggrieved Employees, together with their full settlement checks, by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices to the settlement administrator. For each Notice of PAGA Settlement that is returned as undeliverable, the settlement administrator shall promptly attempt to locate the Aggrieved Employee by using an address refresher database. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Aggrieved Employee involved and will then perform a single re-mailing.
- (3) The settlement checks issued to Aggrieved Employees shall remain valid for one hundred eighty (180) days after issuance. Thereafter, all uncashed checks shall be transmitted to the State of California Controller’s Office – Unclaimed Property Fund, to be held in the names of the respective Aggrieved Employees.
- (4) Tax Treatment. The Settlement Administrator shall be responsible for preparation and issuing all necessary IRS form 1099s, including to Plaintiffs’ Counsel, who shall assume full responsibility and liability for the payment of taxes due on the payments to Plaintiffs’ Counsel. Aggrieved Employees are solely responsible for all appropriate taxes due and any penalties assessed on any and all amounts paid to them under this Agreement. Aggrieved Employees shall hold the parties free and harmless from any claims resulting from treatment of such payments, including the treatment of such payment as not subject to withholding or deduction for payroll and employment taxes. Aggrieved Employees assume full responsibility and liability for the payment of taxes due on their individual shares of the Settlement Sum. Nothing in this Settlement is intended to constitute legal or tax advice regarding local, state, or federal tax obligations and the parties make no representations or warranties with respect to the tax consequences of any payment under this Agreement.
- (5) No Tax Advice. Neither Plaintiffs’ Counsel nor Defendant’s Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

(c) Payment to Settlement Administrator.

All costs incurred by the settlement administrator in connection with the administration of this settlement, including mailing of the Notice of PAGA Settlement described herein, whether foreseen or not, shall be paid out of the Settlement Sum. These costs shall not exceed \$32,890; to the extent they fall below this amount, they shall be added to the amount distributable to the Aggrieved Employees and the LWDA. The payment to the Settlement Administrator will be paid in accordance with the installment payment plan procedure as set forth in Section 3.04 above.

(d) General Release Payments to Plaintiffs.

No later than ten (10) business days after Defendant deposits the first installment of the Settlement Sum, the Settlement Administrator shall pay to Plaintiffs' their individual general release payments

(e) Attorneys' Fees and Costs

The payments for attorneys fees and costs to Plaintiff's Counsel shall be in the amounts set forth herein and will be paid by the Settlement Administrator in accordance with the installment payment plan procedure as set forth in Section 3.04 above.

(f) Payment to LWDA.

The payment of PAGA penalties to the LWDA will be paid by the Settlement Administrator in accordance with the installment payment plan procedure as set forth in Section 3.04 above.

(g) Settlement Administrator Declaration of Compliance.

The Settlement Administrator will send a declaration to Plaintiffs' Counsel attesting to the disbursement of the Settlement Sum no later than ten business days after the check cashing deadline has passed and all funds have been disbursed. If the Court so requires, Plaintiffs shall file the declaration with the Court within ten (10) calendar days of its receipt from the Settlement Administrator.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

This Agreement and compliance with this Agreement shall not be construed as an admission by WIS of any liability whatsoever, or as admission by WIS of any violations of Plaintiffs' or the Aggrieved Employees' rights, violation of any order, law, statute, duty or contract whatsoever. WIS specifically disclaims any liability to Plaintiffs, the Aggrieved Employees, or any other allegedly aggrieved employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract.

Section 4.02 Non-Evidentiary Use.

Neither this Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or their respective counsel in the Litigation or in any other action or proceeding; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

Section 4.03 Nullification.

Payment of the Settlement Sum is conditioned on the Court's approval of this Agreement. To comply with the requirements of Labor Code section 2699(l), Plaintiffs shall prepare and submit, after WIS's approval, a Stipulation or Motion to Approve Settlement Pursuant to the Private Attorneys General Act, together with a supporting declaration, to the Court and the LWDA within the time frames required by this Agreement. However:

- (a) If the Court should for any reason fail to approve the payment of PAGA penalties as described in this Agreement, then the Parties shall request leave and work jointly to attempt to revise the Agreement consistent with the Court's expressed concerns, if any, in order to obtain the Court's approval. In the event that the Court does not finally approve the settlement contained herein and enter a judgment in the Silva Action consistent with this agreement and dismiss of the Perez Action with prejudice: (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) 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.
- (b) Invalidation of any material portion of this Agreement 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.

Section 4.04. No Right of Aggrieved Employees to Object or Opt Out.

The Parties agree there is no statutory right for any Aggrieved Employees to object, opt out or otherwise exclude himself or herself from the Settlement. Except as otherwise stated, Plaintiffs will vigorously defend against any attempt by any Aggrieved Employees or by any entity or agency to intervene in this matter or object to/opt-out of this settlement. The Parties further agree there is no right or opportunity for any Aggrieved Employees to appeal the approval of the Settlement by the Court. The Parties will jointly defend against any appeal filed with respect to the Final Order.

Section 4.05 LWDA Notice.

Pursuant to California Labor Code § 2699(l), Plaintiffs will provide a copy of this Settlement Agreement and the stipulation or motion for settlement approval to the LWDA concurrent with the filing of said stipulation or motion.

Article V.

Release and Waiver of Claims.

Section 5.01 Release by Aggrieved Employees.

Upon entry of the order and judgment approving payment of the PAGA penalties as described in this Agreement, and subject to WIS's full payment of the Settlement Sum, Plaintiffs, all Aggrieved Employees, and the State of California shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from the Released Claims.

Section 5.02 General Release by Marisa Silva, Christina Celia Perez, and Stephanie Studebaker.

Upon the Effective Date and subject to WIS's full payment of all sums required by this Settlement, Plaintiffs Marisa Silva, Christina Celia Perez, and Stephanie Studebaker shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code Section 1542, arising through the date they sign this Agreement, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief arising from or related to their employment with WIS. Without limiting the generality of the foregoing, the release of claims by Marisa Silva, Christina Celia Perez, and Stephanie Studebaker is a complete general release. The claims released herein by Marisa Silva, Christina Celia Perez, and Stephanie Studebaker include, but are not limited to, the Released Claims, as well as any other claims under any provision of the California Labor Code or any applicable California Industrial Welfare Commission Wage Orders, and claims under local, state, or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act, California Government Code §§ 12940 *et seq.*; the Unruh Civil Rights Act, California Civil Code §§ 51 *et seq.*; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 *et seq.*; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 *et seq.*; the Age Discrimination in Employment Act and all of their implementing regulations and interpretive guidelines; claims for harassment, discrimination, retaliation and allegedly unpaid wages. Marisa Silva, Christina Celia Perez, and Stephanie Studebaker have reviewed the manner in which they were paid and believe that after accounting for the payments they will receive hereunder, believe they have paid more than any amounts, if any, that Marisa Silva, Christina Celia Perez, and Stephanie Studebaker contend they are owed or could claim to be owed, even after accounting for all allegedly unpaid wages, penalties, interest, and attorneys' fees. With respect to these released claims as described in this Section, Plaintiffs shall each be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits they may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides as follows:

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 the debtor or released party.

Plaintiffs each understand and acknowledge that the significance and consequence of this waiver of California Civil Code Section 1542 Plaintiffs acknowledge that they consciously intend these consequences even as to claims for injuries that they do not know exist and which, if known, would materially affect their decision to execute this Agreement, regardless of whether their lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

Article VI.

Miscellaneous Provisions.

Section 6.01 Notice, Default, Cure, Acceleration, Time is of the Essence.

If WIS fails to pay any portion of the Settlement Sum on the dates due, it shall be in default of its obligations under this Agreement. Plaintiffs shall e-mail notice of the default to Defense Counsel at the e-mail addresses listed in paragraph 1.01(d) above. WIS will then have ten (10) calendar days from the date notice is e-mailed to cure the default. If the default remains uncured for ten (10) calendar days from the date notice is sent, then all sums remaining unpaid under this Agreement shall be accelerated and become all due and payable and begin to accrue interest at the legal rate. Time is of the essence with respect to all provisions of this Agreement.

Section 6.02 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity. All Parties acknowledge that they had the opportunity to consult with legal counsel prior to entering into this Agreement.

Section 6.03 No Other Actions.

Plaintiffs represent that they have not filed any complaints, claims, or actions against WIS with any court or administrative agency other than the Litigation, the Perez Action, and the related notices filed with the LWDA. If any agency or court has or assumes jurisdiction of any complaint, claim, or action against WIS on behalf of either Plaintiff, the applicable Plaintiff will request that agency or court to withdraw from or dismiss the matter.

Section 6.04 Non-Disparagement and No Media Announcements.

Plaintiffs agree to not make, or encourage anyone else to make, any disparaging words, comments, or remarks, verbally or in writing, or engage in any conversation that disparages WIS

in any way. This includes, but is not limited to, any negative or disparaging comments, posts, review, opinions, or the like on any social media platform whatsoever at any time presently or in the future. While nothing will prevent Plaintiffs from complying with a lawfully issued subpoena, Plaintiffs will not voluntarily cooperate with any other current or former employee seeking to bring a claim against any party released by this Agreement. Defendant shall provide Plaintiffs with neutral employment references upon inquiry, stating only their dates of employment and job titles held.

Neither Plaintiffs nor Plaintiffs' Counsel shall publicize, or cause to be publicized, directly or indirectly, the discussions resulting in or the existence of this Settlement or its terms, in any type of mass media, including, but not limited to, speeches, press conferences, press releases, interviews, television or radio broadcasts, newspapers, messages on the Internet, Facebook, Twitter or any other social media, Plaintiffs' Counsels' or any other website.

Section 6.05 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiffs and WIS and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

Section 6.06 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiffs' Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that he has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

Section 6.07 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California.

Section 6.08 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Litigation.

Section 6.09 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such

counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

Section 6.10 Necessary Acts.

The Parties agree to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

Section 6.11 Electronic Imaging and Signature.

The Parties intend to allow for the electronic imaging and storage of this Agreement, and the admissibility into evidence of such an image in lieu of the original paper version of this Agreement. The Parties stipulate that any computer printout of any such image of this Agreement shall be considered to be an "original" under the applicable court or arbitral rules of evidence when maintained in the normal course of business and shall be admissible as between the parties to the same extent and under the same conditions as other business records maintained in paper or hard copy form. The parties further warrant that all DocuSign and/or SignRequest signatures were authorized by the parties to this Agreement and carry the same weight and legal effect as any wet ink signatures. Any party using DocuSign and/or SignRequest waives any claim that the signature affixed to their name is not authentic for purposes of approval and authorization in the understanding or execution of this Agreement. The Parties agree not to contest, in any proceeding involving the parties in any judicial or other forum, the admissibility, validity, or enforceability of any image of this Agreement because of the fact that such image was stored or handled in electronic form. The Parties agree to allow the use of DocuSign and/or SignRequest, an electronic signature technology, to expedite the execution of this Agreement pursuant to California Civil Code Section 1633.7. Electronic signatures shall be deemed originals.

Section 6.12 Attorneys' Fees and Costs.

Except as expressly provided herein, WIS and Plaintiffs shall all bear their own attorney's fees and costs in connection with the Litigation and the Perez Action and the negotiation and execution of this Agreement (other than those included in the Settlement Sum and those which may be recoverable for any breach by any Party of this Agreement).

Section 6.13. Ambiguity.

In the event of an ambiguity under this Agreement, such ambiguity shall not be construed against either Party, as this Agreement has been negotiated at arm's length between the Parties and the Parties have sought and been advised by counsel.

Section 6.14 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s)

to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

Section 6.15 Binding.

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

Section 6.16 Continuing Jurisdiction.

The Parties agree that upon the occurrence of the entry of judgment in this case pursuant to the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure Section 664.6 and all other applicable law, and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions and obligation of the Agreement.

Section 6.17 Successors and Assigns.

The provisions of this Agreement shall be binding upon and inure to the benefit of the respective Parties and their heirs, executors, administrators, agents, representatives, successors, and assigns.

Section 6.18 Waiver of Right to Appeal.

Provided that the Court's approval of this Settlement is consistent with the material terms of this Agreement, Plaintiffs, Defendant, and Plaintiffs' Counsel hereby waive any and all rights to appeal the approval of the settlement, and the Order therefore will become non-appealable at the time it is entered.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

Dated: 02/01/2022, 2022

RETAIL SERVICES WIS CORPORATION

By Richard Baxter
78B424DCBF840BB5F1B22C7FA01283D0 contractworks

Dated: _____, 2022

By _____
Marisa Silva, individually

Dated: _____, 2022

By _____
Christina Celia Perez, individually

Dated: _____, 2022

By _____
Stephanie Studebaker, individually

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

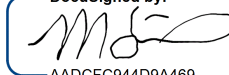
APPROVED AND ACCEPTED.

Dated: _____, 2022

RETAIL SERVICES WIS CORPORATION

By _____

Dated: January 27, 2022
_____, 2022

DocuSigned by:

By _____
AADCEFC944D9A469...
Marisa Silva, individually

Dated: _____, 2022

By _____
Christina Celia Perez, individually

Dated: _____, 2022

By _____
Stephanie Studebaker, individually

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

Dated: _____, 2022

RETAIL SERVICES WIS CORPORATION

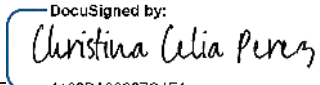
By _____

Dated: _____, 2022

By _____

Marisa Silva, individually

Dated: 1/27/2022

DocuSigned by:

By _____
4160BA89307C4F1...
Christina Celia Perez, individually

Dated: 1/27/2022

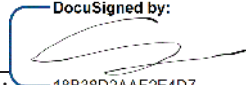
DocuSigned by:

By _____
18B38D2AAE2E4D7...
Stephanie Staudacher, individually

EXHIBIT A

Letter to Aggrieved Employees Enclosing Individual Settlement Payments

[Date_____, 2022]

Re: ***Marisa Silva v Retail Services WIS Corp.***
Merced County Superior Court, Case No. 21CV-01346

Perez and Studebaker et al v. Retail Services WIS Corp.
San Diego County Superior Court, Case No. 37-2018-00045996-CU-OE-CTL

NAME
ADDRESS

You are receiving this settlement payment because of a lawsuit brought by former employees Christina Perez and Stephanie Studebaker, as well as Marisa Silva (in a duplicative later filed action) (jointly “Plaintiffs”) against Retail Services WIS Corp. (the “Company”), for civil penalties pursuant to the Private Attorneys General Act, Labor Code § 2698 et seq. (“PAGA”). Plaintiffs claimed they and other non-exempt California employees employed at some point during the period from September 12, 2017 through November 25, 2021 are owed penalties due to alleged unpaid minimum and overtime wages, failure to provide meal periods, failure to provide rest periods, failure to issue accurate and complete wage statements, failure to reimburse expenses, failure to keep accurate records, and failure to timely pay wages at separation.

The Company denies these claims and denies it owes any penalties, but to avoid further time and expense of protracted and uncertain litigation, the Company and Plaintiffs agreed to settle the lawsuit. The settlement resolves the claims referenced above on behalf of Company non-exempt employees who worked in California any time during the period from September 12, 2017 through November 25, 2021 (“Affected Employees”).

According to Company records, you are an Affected Employee and entitled to a share of the settlement. The enclosed check is issued pursuant to the terms of the PAGA settlement in the lawsuit set forth at the top of this letter. The settlement check shall remain valid until [insert date 180 days of issuance].

This payment may be subject to federal, state, and local tax purposes and may be reported to the appropriate taxing authorities. An IRS Form 1099 has been enclosed with this letter and check to the extent required by law. You may be required to make tax payments. Please consult a tax advisor to determine your individual tax payment, if any, and reporting situation.

If you have any questions about your award, please contact the [insert administrator information].