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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT

CIA E. SLATER, as an aggrieved employee,
and on behalf of all other aggrieved employees
under the Labor Code Private Attorneys'
General Act of 2004,

Plaintiff,

v.

JO-ANN STORES, LLC, an Ohio limited
liability company; LEONARD GREEN &
PARTNERS, L.P., a Delaware limited
partnership; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 21STCV18454

[Assigned for all purposes to the Hon. Maurice
A. Leiter, in Dept. 54]

**JOINT STIPULATION RE:
REPRESENTATIVE ACTION**

ACTION FILED: May 17, 2021

TRIAL DATE: None Set

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I. DEFINITIONS

A. “**Action**” means all claims and causes of action alleged in the lawsuit filed on May 17, 2021, *Slater v. Jo-Ann Stores, LLC*, Los Angeles County Superior Court, Case No. 21STCV18454, and all claims and causes of action alleged in the Plaintiff’s PAGA Notice as defined herein.

A. **“Action”** means all claims and causes of action alleged in the lawsuit filed on May 17, 2021, *Slater v. Jo-Ann Stores, LLC*, Los Angeles County Superior Court, Case No. 21STCV18454, and all claims and causes of action alleged in the Plaintiff’s PAGA Notice as defined herein.

B. **“Agreement”** or **“Settlement”** or **“Settlement Agreement”** means this Joint Stipulation and Settlement Agreement, and its exhibits, attached hereto and incorporated herein, including all subsequent amendments agreed to in writing by the Parties and any exhibits to such amendments.

D. “Aggrieved Employee List” means a complete list of all Aggrieved Employees that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within fourteen (14) calendar days after the Court grants preliminary approval of the Settlement. The Aggrieved Employee List will include information regarding the Aggrieved Employees compiled from Defendant’s records and provided to the Settlement Administrator in a Microsoft Excel spreadsheet, including each Aggrieved Employee’s full

1 name; last known address; social security number; dates of employment; and additional
2 information sufficient for the Settlement Administrator to determine the Pay Periods for each
3 individual Aggrieved Employee and the total number of Pay Periods in the PAGA Period.

4 **E. “Court”** means the Superior Court of the State of California for the County of
5 Los Angeles.

6 **F. “Defendant”** means Jo-Ann Stores, LLC.

7 **G. “Effective Date”** means the date by which the last of the following has occurred:
8 (a) the Court has entered a judgment approving the settlement, and (b) the judgment becomes
9 final, meaning that the State of California has not filed an objection or sought to intervene, and
10 the judgment has been entered.

11 **H. “Gross Settlement Amount”** means the settlement amount of One Million, Five
12 Hundred Thousand Dollars and Zero Cents (\$1,500,000.00), as the same may be escalated
13 pursuant to Paragraph III(L)(2) of this Agreement. The Global Settlement Amount represents a
14 global settlement of all allegations, claims, and causes of action asserted in the PAGA Letter and
15 in the Complaint (jointly the “Action”) and will include all of the following: Plaintiff’s counsel
16 fees and expenses (subject to Court approval); Plaintiff’s enhancement award (subject to Court
17 approval); the costs of settlement administration; and the payment to the Labor & Workforce
18 Development Agency (the “LWDA Payment”). Following these deductions, the remaining Net
19 Settlement Amount (“NSA”) will be distributed to the Settlement Group on a pro rata basis based
20 on each Settlement Group member’s share of payroll periods worked during the PAGA Period.

21 **I. “Individual Settlement Payment(s)”** means the *pro rata* amount payable to each
22 Aggrieved Employee from the 25% portion of the Net Settlement Amount allocated to payments
23 to the Aggrieved Employees.

24 **J. “LWDA”** means the California Labor and Workforce Department Agency.

25 **K. “Net Settlement Amount”** means the total amount of money that will be paid to
26 the LWDA and the Aggrieved Employees collectively after deductions, if approved by the Court,
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for: (a) Settlement Administration Costs; (b) Plaintiffs' Counsel's Attorneys' Fees; (c) Plaintiffs' Counsel's Attorneys' Costs; and (d) Plaintiff's Enhancement Payment.

L. "PAGA" means the Private Attorneys General Act of 2004 as codified in California Labor Code section 2698, *et seq.*

M. "PAGA Payment Letter" means a letter that the Settlement Administrator will send to each Aggrieved Employee with his or her Individual Settlement Payment, which explains the reason for the Individual Settlement Payment, substantially in the form attached hereto as Exhibit 1, excluding any revisions by the Court.

N. "PAGA Period" or "Settlement Period" means the period from March 12, 2020 through March 21, 2022.

O. "Pay Period" means any pay period when an Aggrieved Employee worked at any time as an employee for Defendant in a non-exempt, hourly-paid position during the PAGA Period, based on timekeeping data and applicable hire dates, re-hire dates (as applicable), and termination dates (as applicable).

P. "Parties" means, collectively, Plaintiff and Defendant.

Q. "Plaintiff" or "Named Plaintiff" shall refer to Cia E. Slater.

R. "Plaintiff's Counsel" means: David D. Bibiyan of Bibiyan Law Group, P.C.

S. "Plaintiffs' Counsel's Attorneys' Costs" means the amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), according to proof and subject to approval by the Court. Plaintiff's Counsel's Attorneys' costs will be paid from, and not in addition to, the Gross Settlement Amount. The amount of Plaintiff's Counsel's Attorneys' Costs shall include all past and future attorneys' costs to Plaintiff's Counsel—including, without limitation, all costs expended by Plaintiffs' Counsel in defending the Settlement and securing approval of the Settlement (including any appeals). However, Plaintiff reserves her right to request additional costs that may need to be incurred in the event of the non-payment of the Gross Settlement Amount by the Defendant, and relatedly, Plaintiff is required to move the Court for enforcement of this Agreement. Should the Court approve Plaintiff's Counsel's Attorneys' Fees

1 and Plaintiffs' Counsel's Attorneys' Costs in an amount less than the amounts provided herein,
2 then the unapproved portion(s) shall be a part of the Net Settlement Amount. Defendant will not
3 oppose the Court's award of attorneys' costs.

4 **T. "Plaintiffs' Counsel's Attorneys' Fees"** means the amount not to exceed thirty-
5 five percent (35%) of the Gross Settlement Amount, subject to escalation pursuant to section
6 III(L)(2) and approval by the Court. Plaintiffs' Counsel's Attorneys' Fees will be paid from, and
7 not in addition to, the Gross Settlement Amount. The amount of Plaintiff's Counsel's Attorneys'
8 Fees shall include all past and future attorneys' fees to Plaintiff's Counsel—including, without
9 limitation, all time expended by Plaintiff's Counsel in defending the Settlement and securing
10 approval of the Settlement (including any appeals). However, Plaintiff reserves her right to
11 request additional fees that may need to be incurred in the event of the non-payment by Defendant
12 of the Gross Settlement Amount, and relatedly, Plaintiff is required to move the Court for
13 enforcement of this Agreement. Should the Court approve Plaintiff's Counsel's Attorneys' Fees
14 in an amount less than the amounts provided herein, then the unapproved portion(s) shall be a
15 part of the Net Settlement Amount. Defendant will not oppose the Court's award of attorneys'
16 fees.

17 **U. "Released Parties"** shall refer to Defendant and its past, present and/or future,
18 direct and/or indirect, owners, officers, directors, members, managers, employees, agents,
19 representatives, attorneys, insurers, partners, investors, shareholders, administrators, parents,
20 subsidiaries, affiliates, divisions, predecessors, successors, and assigns.

21 **V. "Settlement Administration Costs"** means the costs payable from the Gross
22 Settlement Amount to the Settlement Administrator for administering this Settlement. All
23 Settlement Administration Costs shall be paid from, and not in addition to, the Gross Settlement
24 Amount. The Settlement Administration Costs include, but are not limited to, the required tax
25 reporting on the Individual Settlement Payments, the issuing of appropriate tax forms, as needed,
26 confirming/auditing claims for payments for compliance with the Settlement, calculating and
27 distributing all payments to be made pursuant to the Settlement, and providing reports and
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1 declarations. The Settlement Administration Costs are currently estimated to be no more than
2 \$24,000.00. If the actual amount of the Settlement Administration Costs is less than \$24,000.00,
3 the difference between \$24,000.00 and the actual Settlement Administration Costs shall be a part
4 of the Net Settlement Amount. If the Settlement Administration Costs exceed \$24,000.00, then
5 such excess will be paid solely from the Gross Settlement Amount and Defendant will not be
6 responsible for paying any additional funds in order to pay these additional costs. Defendant and
7 their Counsel shall have no responsibility for validating or ensuring the accuracy of the
8 Settlement Administrator's work. Plaintiffs, Class Counsel, Defendant and Defendant's Counsel
9 shall not bear any responsibility for errors or omissions in the calculation or distribution of the
10 distributions of monies contemplated by this Settlement Agreement.

11 **W. "Settlement Administrator"** means the Third-Party Administrator mutually
12 agreed upon by the Parties and approved by the Court that will be responsible for the
13 administration of the Settlement. The Parties will obtain a not-to-exceed quote from the mutually
14 acceptable qualified settlement administrator for claims administration costs. The Settlement
15 Administrator agreed upon by all parties is ILYM Group, Inc.

16 **II. BACKGROUND**

17 **A. The Action.** On March 12, 2021, Plaintiff filed with the LWDA and served on,
18 among others, Defendant a notice under Labor Code section 2699.3 stating Plaintiff intended to
19 serve as a proxy of the LWDA to recover civil penalties for various Labor Code violations
20 ("PAGA Notice"). On May 17, 2021, after 65 days had passed without any action by the LWDA,
21 Plaintiff filed a PAGA representative action in this Court, seeking civil penalties on behalf of
22 Plaintiff and Aggrieved Employees against, among others, for civil penalties under PAGA for
23 the Labor Code violations alleged in the PAGA Notice.

24 **B. Informal Discovery.** Shortly thereafter, the Parties agreed to exchange informal
25 discovery and attend an early mediation, in which Plaintiff was provided with, among other
26 things: (1) the number of pay periods and Aggrieved Employees in the PAGA Period; (2) a 20%
27 sampling of time and payroll records for Aggrieved Employees; (3) Plaintiff's time records, wage
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1 statements, and personnel file; and (4) Defendant's employment policies pertaining to wage and
2 hour issues, extracted from Defendant's employee handbook, and other internal human resources
3 documents.

4 **C. Mediation.** On March 21, 2022, the Parties participated in a full-day mediation
5 before mediator Jeffrey Ross, Esquire, a well-regarded mediator experienced in mediating
6 complex labor and employment matters. With the aid of the mediator's evaluation, the Parties
7 reached the Settlement to resolve the Action.

8 **D. Plaintiff's Position as to Settlement.** Plaintiff's Counsel have conducted
9 significant investigation of the law and facts relating to the claims asserted in the Action, and
10 have concluded that that the Settlement set forth herein is fair, reasonable, adequate, and in the
11 best interests of Aggrieved Employees, and to the extent permitted by law, the State of California,
12 taking into account the sharply contested issues involved, the expense and time necessary to
13 litigate the Action through trial and any appeals, the risks and costs of further litigation, the risk
14 of an adverse outcome, the uncertainties of complex litigation, the information learned through
15 informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received
16 by Aggrieved Employees.

17 **E. Defendant's Position as to Settlement.** Defendant and the Released Parties deny
18 that they have engaged in any unlawful activity, deny that they have failed to comply with the
19 law in any respect, and deny that they have any liability to anyone under the claims asserted in
20 the Action. This Agreement is entered into solely for the purpose of compromising highly
21 disputed claims. Nothing in this Agreement is intended or will be construed as an admission of
22 liability or wrongdoing by Defendant or the Released Parties. This Settlement and the fact that
23 Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be
24 admissible in connection with, any litigation (other than solely in connection with effectuating
25 the Settlement pursuant to this Agreement).

26 **F. Plaintiff's dismissal of Leonard Green & Partners, L.P.**

27 On April 7, 2022, Plaintiff dismissed, without prejudice, named defendant Leonard Green
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1 & Partners, L.P.

2 **III. TERMS OF SETTLEMENT**

3 **A. All Terms Subject to Court Approval.** The Court has jurisdiction over the
4 Parties and the subject matter of the Action. The Action includes claims that, if proven, would
5 authorize the Court to grant relief pursuant to the applicable statutes. This Agreement shall be
6 submitted to the Court for approval and final judgment. After the Court has granted approval of
7 the Settlement and entered judgment, the Court shall retain jurisdiction over the Parties to enforce
8 the terms of the judgment pursuant to California Rule of Court, rule 3.769, subdivision (h).

9 **B. Gross Settlement Amount.** Defendant shall pay the Gross Settlement Amount
10 of One Million, Five Hundred Thousand Dollars and Zero Cents (\$1,500,000.00) to settle this
11 Action, unless escalated pursuant to section III(L)(2). The Gross Settlement Amount will be to
12 satisfy all of Defendant's liabilities arising from the Settlement. No portion of the Gross
13 Settlement Amount shall revert to Defendant.

14 **C. Plaintiffs' Counsel's Attorneys' Fees and Costs.** Plaintiff's Counsel shall apply
15 for an award of Plaintiff's Counsel's Attorneys' Fees and Plaintiffs' Counsel's Attorneys' Costs,
16 as described and defined in this Agreement. Defendant will not oppose Plaintiff's request
17 consistent with this Settlement. Awards of Plaintiff's Counsels Attorneys' Fees and Plaintiff's
18 Counsel's Attorneys' Costs shall be paid out of the Gross Settlement Amount, for all past and
19 future attorneys' fees and costs necessary to prosecute, settle, and obtain approval of this
20 Settlement. Should the Court approve Plaintiffs' Counsel Attorneys' Fees and Plaintiffs' Counsel
21 Attorneys' Costs in an amount less than the amounts provided herein, then the unapproved
22 portion(s) shall be a part of the Net Settlement Amount. Plaintiff reserves her right to request
23 additional fees and costs from the Court should the Defendant materially breach this Agreement
24 by failing to pay the Gross Settlement Amount.

25 **D. Plaintiffs' Enhancement Payment.** Plaintiff will request and apply for the
26 Enhancement Payment referred in Paragraph I(H). Specifically, Plaintiff will apply for a
27 payment of Seven Thousand Five-Hundred Dollars (\$7,500.00). The Enhancement Payment
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shall be paid from, and not in addition to, the Gross Settlement Amount. Any amounts not awarded by the Court under this provision shall be included in the Net Settlement Amount. Defendant agrees not to oppose any such application which is consistent with this paragraph.

E. LWDA Payment. Subject to Court approval, the Parties agree that an amount equal to seventy-five percent (75%) of the Net Settlement Amount will be paid to the LWDA in settlement of all representative claims alleged by or on behalf of Plaintiff and the Aggrieved Employees. Should the Court grant Plaintiffs' Counsel's Attorneys' Fees and Plaintiffs' Counsel's Attorneys' Costs, and Settlement Administration Costs, and should the Settlement not be escalated pursuant to section III(L)(2) of this Agreement, the amount paid to the LWDA will be \$688,875.00 and \$229,625.00 (25%) of the Net Settlement Amount will be available for Individual Settlement Payments to Aggrieved Employees.

F. Individual Settlement Payments. Subject to Court approval, the Parties agree that an amount equal to twenty-five percent (25%) of the Net Settlement Amount (the "Aggrieved Employee Portion") will be paid to the Aggrieved Employees in settlement of the PAGA Released Claims. Individual Settlement Payments will be calculated and apportioned from the Aggrieved Employee Portion based on the number of Pay Periods an Aggrieved Employee worked during the Settlement Period. The Settlement Administrator will determine the total number of Pay Periods worked by each Aggrieved Employee during the Settlement Period based on the data provided by Defendant in the Aggrieved Employee List and the aggregate number of Pay Periods worked by all Aggrieved Employees during the Settlement Period. To determine each Aggrieved Employee's Individual Settlement Payment, the Parties agree that the Settlement Administrator will use the following formula: Individual Settlement Payment = (Aggrieved Employee's Pay Periods worked during the Settlement Period / Aggregate Number of Aggrieved Employees' Pay Periods worked during the Settlement Period) x (0.25 x Net Settlement Amount).

G. Tax Treatment of Settlement Payments. All Individual Settlement Payments will be characterized as civil penalties, and IRS Forms 1099-MISC will be issued as necessary.

1 The payment of Plaintiffs' Counsel's Attorneys' Fees and Plaintiffs' Counsel's Attorneys' Costs
2 will also be reported on IRS Forms 1099-MISC. The Settlement Administrator will issue all
3 such forms.

4 **H. Aggrieved Employees' Tax Liability.** Other than the reporting requirements set
5 forth in this Agreement, the Aggrieved Employees shall be responsible for the reporting and
6 payment of any federal, state, and/or local income or other tax or any other withholdings, if any,
7 on any of the payments made pursuant to this Agreement. Counsel for Plaintiff and Defendant
8 make no representations, and it is understood and agreed that Counsel for Plaintiffs and
9 Defendant have made no representations, as to the taxability of any portions of the Individual
10 Settlement Payments to any Aggrieved Employee, the payment of any costs or an award of
11 attorney fees, or any payments to Plaintiffs. The PAGA Payment Letter (Exhibit 1) will inform
12 Aggrieved Employees of the opportunity to seek their own tax advice in connection with their
13 receipt of Individual Settlement Payments.

14 **I. Defendant's Tax Liability.** The Parties do not expect there to be any employer
15 side taxes arising from this Settlement because this a settlement of a representative action for
16 civil penalties. If it is determined that employer side taxes exist on the Gross Settlement Amount,
17 such taxes will be funded by the Gross Settlement Amount.

18 **J. Waivers and Releases**

19 1) **PAGA Released Claims.** Effective only upon the entry of an Order
20 granting approval of this Settlement, entry of Judgment, and payment by Defendant to the
21 Settlement Administrator of the full Gross Settlement Amount to effectuate the Settlement,
22 Plaintiff, Aggrieved Employees, and, to the extent permitted by law, the State of California, for
23 the duration of the PAGA Period, any and all known and unknown claims as alleged in, and that
24 could have been alleged based on the facts of, the Complaint and the PAGA Notice for civil
25 penalties under PAGA against the Released Parties, including: (a) all claims for failure to pay
26 wages, including minimum wages and overtime premium wages, including alleged unpaid wages
27 related to rounding; (b) all claims for failure to provide compliant meal periods, including for
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1 premium payments at the regular rate of pay, and the alleged nonpayment of wages for meal
2 periods worked and not taken; (c) all claims for failure to provide compliant rest breaks, including
3 for premium payments at the regular rate of pay; (d) all claims for the alleged omission of any
4 kind of remuneration when calculating an employee's regular rate of pay; (e) all claims for failure
5 to provide accurate wage statements; (f) all claims for failure to provide a proper wage theft
6 notice under section 2810.5 of the Labor Code; (g) all claims for failure to pay final wages on a
7 timely basis; (h) all claims for failure to pay accrued vacation and paid time off; (i) all claims for
8 failure to reimburse employees for business related expenses;(j) all claims for failure to provide
9 paid sick leave, related notices of accrual of paid sick leave; (k) all claims for failure to pay wages
10 on a timely basis to current employees; (l) all claims for the alleged failure to permit employees
11 to disclose their wages in negotiating for a new job and other alleged anticompetitive policies;
12 (m) all claims for the alleged failure to permit employees to disclose violations of state and
13 federal law, including alleged unsafe and discriminatory working conditions; (n) all claims for
14 the alleged failure to permit employees from engaging in unlawful conduct during non-working
15 hours; (o) all claims for the alleged failure to permit employees to engage in lawful conduct that
16 includes the exercise of constitutional rights of freedom of speech and economic liberty; (p) all
17 claims for the alleged failure to provide employees with the opportunity to inspect their
18 employment records; (q) all claims for the failure to provide suitable seating; (r) all claims for
19 failure to provide split shift premium pay and reporting time pay; (s) all claims for the alleged
20 failure to provide cool down periods; and (t) all claims of the alleged failure to maintain accurate
21 and complete timekeeping, payroll, and other records of employees ("PAGA Released Claims").

22 1) Exclusions to the PAGA Released Claims. The releases above expressly
23 exclude all other claims, including all non-PAGA claims, including, without limitation, claims
24 for vested benefits, wrongful termination, unemployment insurance, disability, social security,
25 workers' compensation, and any other claims arising outside of the PAGA Period.

26 2) Aggrieved Employees are bound by the Settlement. Because there is no
27 right to opt out of a PAGA settlement, all Aggrieved Employees will receive a proportional
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1 distribution from the Settlement monies and will be bound by this Settlement Agreement, upon
2 its approval by the Court.

3 3) General Release by Plaintiff Cia Slater. Effective only upon the entry of
4 an Order granting approval of the Settlement, entry of Judgment, and payment by Defendant to
5 the Settlement Administrator selected of the full Gross Settlement Amount, in addition to the
6 PAGA Released Claims, Plaintiff makes the additional following General Release: Plaintiffs
7 fully and finally releases Defendant and the Released Parties from any and all claims, losses,
8 debts, charges, damages, demands, obligations, causes of action, lawsuits, liabilities, breaches of
9 duty, misfeasance, malfeasance, promises, controversies, contracts, judgments, awards,
10 penalties, costs, and expenses of every nature and description whatsoever, known or unknown,
11 asserted or that might have been asserted, whether in tort, contract, or for violation of any local,
12 state, or federal statute, rule, regulation, ordinance or common law, including but not limited to
13 those claims raised in the Action and/or that could have been raised in the Action, and those
14 arising from or relating to Plaintiff's employment with Defendant and the termination of that
15 employment ("Plaintiff's Released Claims"). Plaintiff's Released Claims includes all of the
16 Released Claims as defined herein as well as all other wage and hour claims, claims under the
17 California Business and Professions Code section 17200, claims under the Labor Code,
18 including, but not limited to, claims under the PAGA, claims under the Fair Labor Standards Act,
19 and all claims for indemnity or reimbursement of business expenses, overtime compensation,
20 minimum wages, penalties, liquidated damages, and interest, as well as all other claims under
21 state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of
22 1964, the Family Medical Leave Act, the Americans with Disabilities Act, the Fair Credit
23 Reporting Act, the Employee Retirement Income Security Act of 1974, and all of their
24 implementing regulations and interpretive guidelines, as well as the common law, including laws
25 related to discrimination, harassment, or retaliation, arising from or relating to Plaintiff's
26 relationship, or termination of relationship, with any Released Party through the Effective Date
27 for any type of relief. Plaintiff further covenants that she will not become a member of any other
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1 legal actions against the Released Parties asserting any of Plaintiff's Released Claims (including
2 the Released PAGA claims) and will opt out of any such actions if necessary. For the avoidance
3 of doubt, this is a complete and general release to the maximum extent by law, and this release
4 excludes only a release of claims that is not permitted by law.

5 4) **Plaintiffs' Waiver of Rights Under California Civil Code Section**
6 **1542.** As partial consideration for the Plaintiff's enhancement payment, Plaintiff's Released
7 Claims shall include all such claims, whether known or unknown. Thus, even if Plaintiff
8 discovers facts and/or claims in addition to or different from those that she now knows or believes
9 to be true with respect to the subject matter of the Plaintiff's Released Claims, those claims will
10 remain released and forever barred. Therefore, with respect to Plaintiff's Released Claims,
11 Plaintiff expressly waives and relinquishes the provisions, rights and benefits of California Civil
12 Code section 1542, which reads: "**A general release does not extend to claims that the**
13 **creditor or releasing party does not know or suspect to exist in him or him favor at the time**
14 **of executing the release and that, if known by him or her, would have materially affected**
15 **him or him settlement with the debtor or released party.**"

16 5) **Plaintiff's Counsel.** As of the Effective Date, and except as otherwise
17 provided by this Settlement and the Judgment, Plaintiff's Counsel waives any claim to costs and
18 attorneys' fees and expenses against Defendant or the Released Parties arising from or related to
19 the Action.

20 **K. Settlement Administration**

21 1) Settlement Administrator's Duties in General. The Settlement
22 Administrator shall be responsible for: (a) processing the data provided by Defendant to be used
23 in calculating the Individual Settlement Payments; (b) preparing, printing, and mailing to the
24 Aggrieved Employees the PAGA Payment Letter (attached hereto as Exhibit 1), as well as
25 following up with reasonable skip tracing; (c) calculating and mailing Individual Settlement
26 Payments to Aggrieved Employees; (d) filing any required federal and state tax forms and related
27 agency reporting; (e) filing any required reports with the Court; and (g) all other tasks described
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1 in this Agreement, as to which the Parties mutually agree, and/or which the Court orders the
2 Settlement Administrator to perform.

3 2) Delivery of the Aggrieved Employee List. Within fourteen (14) calendar
4 days after the Effective Date, Defendant will provide the Aggrieved Employee List to the
5 Settlement Administrator. The Administrator shall maintain the Employee List as private and
6 confidential and shall not disclose such data to any persons or entities other than Defendant's
7 Counsel. The Employee List is being supplied solely to be used for settlement notification and
8 settlement administration purposes, and shall not be used for any other purpose by the
9 Administrator. The Parties agree that the Employee List will not be used to solicit Aggrieved
10 Employees to file any claim, charge or complaint of any kind whatsoever against Defendant or
11 any other Released Parties, and will only be used to administer the Settlement under the terms
12 provided herein. The Employee List shall not be disclosed to Plaintiff's Counsel, except that
13 relevant information of individual Aggrieved Employees can be provided to Plaintiff's Counsel
14 if necessary for Plaintiff's Counsel to respond to inquiries or requests from individual Aggrieved
15 Employees. No later than three (3) days after receipt of the Employee List, the Administrator
16 shall notify counsel for the Parties that the information in the Employee List has been received.

17 3) Funding of the Gross Settlement Amount. Within fourteen (14) calendar
18 days after the Effective Date, Defendant will deposit the Gross Settlement Amount into a
19 settlement fund to be established by the Settlement Administrator.

20 4) Distribution of Settlement Payments. Within ten (10) calendar days after
21 Defendant deposits the Gross Settlement Amount into a settlement fund, the Settlement
22 Administrator will issue payments to: (a) the Aggrieved Employees; (b) the LWDA; (c)
23 Plaintiffs' Counsel for the Attorneys' Fees payment and Plaintiffs' Counsel's Attorneys' Costs
24 payment; and (d) ILYM Group, Inc. The Settlement Administrator will mail Individual
25 Settlement Payments to the Aggrieved Employees, along with the PAGA Payment Letter
26 (attached as Exhibit 1), via regular First-Class U.S. Mail, using the most current, known mailing
27 addresses identified in the Aggrieved Employees List. The Settlement Administrator will also
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1 issue a payment to itself for Court-approved services performed in connection with the
2 Settlement twenty (20) calendar days after the Effective Date.

3 5) Reports Regarding Settlement Administration. The Settlement
4 Administrator will provide Defendant's Counsel and Plaintiff's Counsel reports regarding the
5 administration of the Settlement Agreement as needed or requested.

6 6) Procedures for Uncashed Checks. Checks for Individual Settlement
7 Payments shall be negotiable for one hundred eighty (180) calendar days from the date of their
8 issuance. If a check is returned to the Settlement Administrator as undeliverable during the 180-
9 day period, the Settlement Administrator shall take all reasonable efforts to identify the
10 Aggrieved Employee's correct address, including the performance of a "skip-trace." If an
11 updated address can be identified, the Settlement Administrator shall issue another check to the
12 Aggrieved Employee and mail it to the Aggrieved Employee at his or her updated address. An
13 Aggrieved Employee who failed to receive their Individual Settlement Payment check despite
14 the procedures described herein shall nevertheless remain bound by the Settlement and the
15 release of the PAGA Released Claims contained herein. The funds represented by Individual
16 Settlement Payment checks remaining uncashed for more than 180 days after issuance
17 (collectively, the "Uncashed Settlement Checks") shall be canceled and funds associated with
18 such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code
19 of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest,
20 shall be remitted to the California State Controller's Office, Unclaimed Property Division in the
21 name of each Aggrieved Employee.

22 7) Administration of Taxes by the Settlement Administrator. Before or
23 concurrent with Plaintiff's filing of this Agreement for approval, Plaintiff's Counsel will send
24 this agreement to the LWDA pursuant to Section 2699(1)(2) of the California Labor Code.

25 8) Declaration of Payment. Within sixty (60) calendar days after the
26 Effective Date, the Settlement Administrator shall prepare a declaration of payment stating that
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all payments required under the Settlement have been made. Plaintiff's Counsel shall file the Settlement Administrator's declaration with the Court if requested by the Court.

9) Declaration Regarding Uncashed Settlement Check Funds. Within ten (10) calendar days after the date the Settlement Administrator transfers the total amount of funds represented by the Uncashed Settlement Checks to the Unclaimed Property Division, the Settlement Administrator will prepare a declaration stating the total amount of funds represented by the Uncashed Settlement Checks and confirming that the procedures for the treatment of Uncashed Settlement Checks established by this Agreement have been followed. Plaintiff's Counsel shall file the Settlement Administrator's declaration with the Court if requested by the Court.

L. Miscellaneous Provisions.

1) Acknowledgement That The Settlement Is Fair, Adequate, And Reasonable. The Parties and their respective counsel believe that this Settlement is a fair, adequate, and reasonable settlement of the Action, and they have arrived at this Settlement through arm's length negotiations, taking into account all relevant factors, present and potential.

2) Increase in the Gross Settlement Amount. Defendant represents that there are 127,108 Pay Periods worked during the PAGA Period. In the event the number of Pay Periods worked by Aggrieved Employees during the PAGA Period to be more than ten percent (10%) higher than 127,108 (or more than 139,818), then the Gross Settlement Amount shall increase on a pro rata basis for every pay period that is more than 139,818 multiplied by the Pay Period Value. The Pay Period Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount (\$1,500,000.00) by 127,108, which amounts to a Pay Period Value of \$11.80. Thus, for example, should there be 139,828 Pay Periods in the PAGA Period, then the Gross Settlement Amount shall be increased by \$118.00. ((139,828 Pay Periods – 139,818 Pay Periods) x \$11.80 per Pay Period.).

3) Plaintiff's Counsel represent that they do not currently represent any current or former employees who worked for Defendant in connection with any other filed or

1 anticipated claims, charges, grievances, or complaints against Defendant. Plaintiff's Counsel
2 also represent that Plaintiff's Counsel have not used any information obtained in this Action to
3 solicit or assist any other persons or attorneys to commence a claim or proceeding against
4 Defendant.

5 4) Mutual Cooperation. The Parties and their counsel will cooperate with
6 each other and use their best efforts to affect the implementation of the Settlement. Such
7 cooperation shall include, but is not limited to, the execution of such other documents and the
8 taking of such other actions as may reasonably be necessary to fulfill the terms of this Settlement.
9 The Parties shall use their best efforts, including all efforts contemplated by this Agreement and
10 any other efforts that may become necessary by Court Order, or otherwise, to effectuate this
11 Agreement and the terms set forth herein.

12 5) No Admissions By The Parties. Plaintiff has claimed and continues to
13 claim that the PAGA Released Claims have merit and give rise to liability on the part of
14 Defendant. Defendant claims that the PAGA Released Claims have no merit and do not give rise
15 to liability. This Agreement is a compromise of disputed claims. Nothing contained in this
16 Agreement and no documents referred to herein and no action taken to carry out this Agreement
17 shall constitute an admission on behalf of Defendant of any form of liability or the accuracy of
18 any allegation made by Plaintiff or Plaintiff's Counsel. Whether or not the Judgment becomes
19 Final, neither the Settlement, this Agreement, any document, statement, proceeding or conduct
20 related to the Settlement or the Agreement, nor any reports or accounting of those matters, may
21 be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for
22 any purpose adverse to the Plaintiffs or Defendant or any of the Released Parties, including, but
23 not limited to, evidence of a presumption, concession, indication or admission by any of the
24 Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii)
25 disclosed, referred to or offered in evidence against any of the Released Parties, in any further
26 proceeding in the Action, or any other civil, criminal or administrative action or proceeding
27 except for purposes of effectuating the Settlement pursuant to this Agreement.
28

1 6) Limitation on Public Statements. Plaintiff and her Counsel represent that
2 they have not and will not issue any press, publications, or other media releases about the
3 Settlement (including, but not necessarily limited to advertising or marketing materials or on
4 social media) or have any communication with the press or media regarding the Settlement in
5 any manner that may reasonably identify Defendant. This provision does not limit Plaintiff's
6 Counsel from complying with ethical obligations or otherwise effectuating the terms of this
7 Settlement.

8 7) Amendment Or Modification. This Agreement, and any and all parts of
9 it, may be amended, modified, changed, or waived only by an express written instrument signed
10 by all Parties or their successors-in-interest.

11 8) Mutual Drafting Of Agreement. The Parties agree that the terms of this
12 Agreement and the accompanying exhibits are the result of substantial, arm's-length
13 negotiations, and that this Agreement shall not be construed in favor of or against any of the
14 Parties by reason of the extent to which any of the Parties or their respective counsel participated
15 in the drafting of this Agreement.

16 9) Attorney Authorization. Counsel for the Parties warrant and represent that
17 they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action
18 required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its
19 terms, and to execute any other documents required to effectuate the terms of this Settlement.

20 10) Binding On Successors And Assigns. This Agreement is binding upon,
21 and inures to the benefit of, the Parties' successors and assigns.

22 11) Governing Law. This Agreement shall be governed by and interpreted
23 according to the laws of the State of California.

24 12) Exhibit(s) Incorporated By Reference. The terms of this Agreement
25 include the terms set forth in any attached exhibit(s), which are incorporated by this reference as
26 though fully set forth herein. Any exhibit to this Agreement is an integral part of the Settlement.

27 13) Invalidity Of Any Provision. The Parties request the Court that, before
28

1 declaring any provision of this Agreement invalid, the Court first attempts to construe the validity
2 of the provision(s) to the fullest extent possible consistent with applicable precedents so as to
3 define all provisions of this Settlement valid and enforceable.

4 14) Notices. Whenever this Agreement requires or contemplates that one of
5 the Parties shall or may give notice to the other, notice shall be provided by e-mail and/or next-
6 day (excluding Saturdays, Sundays, and holidays) express delivery service addressed to the
7 address of the Party's counsel appearing in this Agreement.

8 15) Jurisdiction Of The Court. The Parties agree that the Court shall retain
9 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of
10 this Agreement and all orders and judgments entered in connection therewith, and the Parties and
11 their respective counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,
12 implementing, and enforcing the settlement embodied in this Agreement and all orders and
13 judgments entered in connection therewith.

14 16) Binding Agreement. The Parties intend that this Agreement shall be fully
15 enforceable and binding on all Parties, and that it shall be admissible and subject to disclosure in
16 any proceeding solely to enforce its terms, notwithstanding any mediation confidentiality
17 provisions that otherwise might apply under federal or state law.

18 17) Entire Agreement. This Agreement and any attached exhibits constitute
19 the entirety of the Parties' settlement terms as it pertains to this subject matter (*i.e.*, settlement
20 and release of the PAGA Released Claims by Aggrieved Employees). No other prior or
21 contemporaneous written or oral agreements may be deemed binding on the Parties as it pertains
22 to this limited subject matter.

23 18) Counterparts. This Agreement may be executed in one or more
24 counterparts. All executed counterparts and each of them, including facsimile and scanned
25 copies of the signature page, will be deemed to be one and the same instrument provided that
26 counsel for the Parties to this Agreement exchange among themselves copies or originals of the
27 signed counterparts.

1 19) Advice of Counsel: The Parties to this Agreement are represented by
2 competent counsel, and they have had an opportunity to consult with counsel. The Parties to this
3 Agreement agree that it reflects their good faith compromise of the claims raised in the Action,
4 based upon their assessment of the mutual risks and costs of further litigation and the assessments
5 of their respective counsel.

6 20) Parties' Authority. The signatories to this Agreement, including any
7 person executing on behalf of a corporate signatory, warrant and represent that they are fully
8 authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions
9 of the Agreement.

10 21) Use and Return of Documents and Data. All originals, copies, and
11 summaries of documents and data provided to Plaintiff's Counsel by Defendant in connection
12 with the mediation or other settlement negotiations in this matter may be used only with respect
13 to this Settlement, and no other purpose, and may not be used in any way that violates any existing
14 contractual agreement, statute, or rule.

15
16 22) Stay of Litigation. The Parties agree that upon the signing of this
17 Agreement, the Parties agree to jointly request the Court to stay all proceedings with this Action,
18 except for such proceedings needed to secure approval of this Settlement, and the time to bring
19 the Action to trial shall be extended pending the outcome of the settlement process.

20 **IT IS SO AGREED:**

21 Dated: Sep 19, 2022, 2022


CIA E. Slater (Sep 19, 2022 14:10 PDT)

CIA E. SLATER
Plaintiff

22
23
24
25 Dated: _____, 2022

JO-ANN STORES, LLC
Defendant
By:
Its:

1 19) Advice of Counsel: The Parties to this Agreement are represented by
2 competent counsel, and they have had an opportunity to consult with counsel. The Parties to this
3 Agreement agree that it reflects their good faith compromise of the claims raised in the Action,
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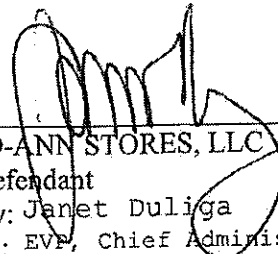
21 Dated: _____, 2022

CIA E. SLATER
Plaintiff

22
23
24 Dated: _____, 2022

JO-ANN STORES, LLC
Defendant
By: Ann Aber
Its: SVP, Chief Legal Officer

1
2 Dated: 09/14, 2022


JO-ANN STORES, LLC
Defendant
By: Janet Duliga
Its: EVP, Chief Administrative Officer

3
4
5
6
7 **AGREED AS TO FORM:**

8
9 Dated: September 20, 2022

Vedang J. Patel
DAVID D. BIBIYAN
VEDANG J. PATEL
Counsel for Plaintiff Cia E. Slater

10
11
12
13
14 Dated: September 15, 2022


MICHAEL J. NADER
PAUL M. SMITH
Counsel for Defendant Jo-Ann Stores, LLC