

3. I am uploading a copy of the settlement agreement and preliminary approval motion to the LWDA portal at the same time as filing the motion for preliminary approval. Below, I address the damages, risks, and benefits related to the proposed settlement.

Section G(3)(a)(i) – Class and PAGA Size

4. The class size is 934. The PAGA group is coextensive with the class.

Section G(3)(a)(ii) – Damages Estimate

5. As stated in the motion, the operative complaint asserts claims for: a) sick pay, b) overtime regular rate, c) off the clock, d) meal and rest period premiums, and e) related wage statement and waiting time penalties. The operative complaint also asserts claims under the unfair competition law and PAGA, which are premised on the same Labor Code violations. The maximum total damages, excluding PAGA penalties, was approximately \$2.15 million. The gross settlement of \$375,000, excluding the PAGA allocation, represents 17% of the maximum liability, and this is within the range of reasonableness. If the Court awarded full PAGA penalties, the total potential exposure increases to approximately \$3.27 million. Analyzing this exposure results in a settlement value of approximately 11% of the total exposure, which still falls within the range of reasonableness addressed above. Plaintiffs address the calculations for the potential damages in detail below.

Sick Pay Claim

6. The sick pay claim related to the theory that sick pay should have been paid at the correct regular rate of pay, rather than at the straight time rate, pursuant to Labor Code section 246(l).

7. If the sick pay claim were entirely successful at trial, the maximum liability according to Plaintiffs' expert was \$5,523. The estimate was calculated by finding that within the sampling provided, there were 26 people with 160 underpaid sick hours, meaning they were not paid at the correct regular rate. The extrapolated number of people was 32 with 324 underpaid sick hours.

8. The calculation to find \$5,523 was, assuming a constant straight time hourly rate of \$15.89,

1 to use the formula $(AE / ST) \times SH$ where AE means additional earnings, ST means straight time,
2 and SH means sick hours.

3
4 Overtime Regular Rate Claim

5 9. The overtime regular rate claim related the theory that for pay periods where non-
6 discretionary bonuses were paid, the overtime rate calculation should have factored the bonuses.

7 10. If the overtime regular rate were entirely successful at trial, the maximum liability is like
8 the sick pay claim, or \$5,523.

9 11. The same calculation as the sick pay claim would also apply.
10

11 Off the Clock Claim & Related Meal & Rest Period Claims

12 12. The crux of the off the clock claim is that Plaintiffs contend that employees had to go
13 through unpaid security bad checks to enter and leave the stores. Plaintiffs also argued that the
14 mandatory inspections also infringed on their meal and rest periods because they were required to
15 undergo inspections during their allotted meal/rest periods if they left the store.

16 13. If the off the clock claim were successful, the maximum liability would total \$162,019.

17 14. The calculation used was to assume a constant of 10 minutes of off the clock work (at the
18 base rate of \$15.89 per hour). Then calculation $(OTC / 60) \times (ST + OT \times 1.5 + DT \times 2) \times RP$ was
19 used. OTC means off the clock work per shift, ST means number of straight time shifts, OT means
20 number of overtime shifts, DT means number of double time shifts, and RP means rate of pay.
21 Defendant argued that no time was spent off the clock and therefore the estimate of 10 minutes per
22 shift was extremely unlikely. The amount might be lower if an employee did not have to wait at all
23 if, for example, there were not many people at a store on a given day. Defendant also argued that it
24 did not require employees to participate in unpaid security check procedures and therefore this
25 claim was heavily disputed.

26 15. With respect to the meal and rest period theories of liability, Defendant argued that
27 Plaintiffs would have to demonstrate that Defendant did not meet its obligation under the Labor
28 Code and Brinker to provide employees a meal or rest period. See *Brinker Rest. Corp. v. Superior*

1 *Ct.*, 53 Cal. 4th 1004, 1040, 273 P.3d 513, 537 (2012) (“On the other hand, the employer is not
2 obligated to police meal breaks and ensure no work thereafter is performed.”). This, Defendant
3 argued, would result in a claim that could not be certified as a class action because Defendant
4 maintained and enforced legally compliant policies. Defendant claimed this would require
5 Plaintiffs to investigate and ask each putative class member the reason time records may have
6 triggered the payment of a premium or shown a deficient meal period and whether a premium was,
7 in fact, owed to the class member. Defendant argued a rest period theory of liability would be even
8 more difficult to certify and prove because time records did not demonstrate when employees
9 started or ended their rest periods. Thus, to be successful, Plaintiffs would have to evaluate each
10 employee’s individual circumstances, including: 1) whether the employee timely took a rest period;
11 2) and, even if they did, whether they decided to leave the premises such that they were subjected
12 to security inspection. The maximum exposure on Plaintiffs’ meal/rest period theories of liability
13 ranged from approximately \$866,250 on the high end (assuming one violation per shift and
14 estimating from the data produced by Defendant 55,000 shifts with a \$15.75 average rate of pay),
15 or more conservatively approximately \$216,563 (assuming a 25% violation rate). In either case,
16 Defendant argued that the likelihood of certification on these claims was extremely low.

17 18 Wage Statement Penalties

19 16. The wage statement penalties relate to the theory that the wage statements were inaccurate
20 for not listing the correct rates for sick pay and overtime, and not listing the off-the-clock work for
21 the security screenings.

22 17. If the wage statement claim were entirely successful at trial, the maximum liability would
23 total \$723,046.

24 18. The calculation used was $\min(50 \times T_1 + 100 \times T_n, 4000)$. T_1 is the first pay period (\$50
25 penalty) and T_n is each subsequent pay period (\$100 penalty). Using the data, 5,177 pay periods
26 were analyzed, and the extrapolated number of pay periods was 7,583.

27 ///

28 ///

1 Waiting Time Penalties

2 19. The waiting time penalties relate to the theory that the difference in the sick time and
3 overtime and the off-the-clock work were still owed for the class members who stopped working.

4 20. If the waiting time penalties claim were entirely successful at trial, the maximum liability
5 would total \$389,869.

6 21. The calculation used was ADW x 30 days. ADW means average daily wage. Using the
7 data, 92 former employees were considered, and the extrapolated number of former employees
8 used was 131.

9
10 Collective Total for All Claims (Excluding PAGA)

11 22. The maximum total damages, excluding PAGA penalties, was approximately \$2.15 million.
12

13 Section G(3)(a)(iii) – Risks for Each Claim

14 23. The following discusses the risks and a more reasonable estimate of the maximum liability.
15

16 Sick Pay Claim

17 24. Under the Healthy Workplaces, Healthy Families Act of 2014, Cal. Lab. Code § 245 et seq.
18 (“HWHFA”), “[p]aid sick time for nonexempt employees shall be calculated in the same manner as
19 the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not
20 the employee actually works overtime in that workweek.” Cal. Lab. Code § 226(l)(1) (emphasis
21 added). Here, Plaintiffs allege that during workweeks where an employee earned non-discretionary
22 wages and sick pay earnings, Defendant paid the sick pay at the employee’s base hourly rate.
23 Although Labor Code section 246(l) provides that accrued sick time must be paid at the correct
24 regular rate, the primary risk is that not all class members received bonuses during the same pay
25 periods that sick time was paid. Typically, the regular rate is found by adding up the total
26 remuneration the employee receives by the total hours worked in the workweek. (29 CFR §
27 778.108.) Nonetheless, sick pay is not paid every workweek, since sick pay accrues at one hour for
28 every 30 hours of work, for a maximum of 24 hours of sick pay per year (this amount was

1 increased to a maximum of 40 hours of sick pay beginning January 1, 2024). So, to trigger a sick
2 pay regular rate violation, the employee would have to use sick pay hours during the same pay
3 periods they were paid an incentive bonus.

4 25. Since bonuses could be paid monthly rather than bi-weekly, that could reduce the maximum
5 by 50%. Similarly, bonuses would not necessarily be earned every month, which could reduce the
6 maximum by an additional 25%. Defendant also would have contended that Plaintiffs could not
7 recover sick leave directly because there is no private right of action. See Cal. Lab. Code § 248.5
8 (providing only that “the Labor Commissioner or the Attorney General may bring a civil action in a
9 court of competent jurisdiction against the employer or other person violating this article”); see
10 also, e.g., Titus v. McLane Foodservices, Inc., 2016 WL 4797297, at *4 (E.D. Cal. Sept. 14, 2016)
11 (the sick pay “statute provides that only the LWDA may recover civil penalties for a violation”);
12 Schroeder v. Envoy Air, Inc., 2016 WL 11520388, at *11 (C.D. Cal. Sept. 27, 2016) (“because the
13 legislature did not clearly and unmistakably create a private right of action to enforce section
14 246(h), the Court concludes that there is none available”); but see Wood v. Kaiser Found. Hosps.,
15 88 Cal. App. 5th 742, 764, 305 Cal. Rptr. 3d 112, 126 (2023), as modified (Mar. 23, 2023) (“In
16 sum, we hold that section 248.5, subdivision (e) does not preclude an aggrieved employee from
17 bringing a PAGA action for violations of the Act.”).

18 26. Thus, a more reasonable estimate for the sick pay claim is 25% of the maximum value, or
19 \$1,380.75.

21 Overtime Regular Rate Claim

22 27. The same type of risk for the sick pay claim applies to the regular rate claim. A class
23 member would need to have worked overtime the same workweek they received an incentive (or
24 other) bonus. For example, Mr. Gagliardi’s personnel file showed just a handful few instances
25 where he received bonuses during the same workweek he received overtime.

26 28. Since bonuses could be paid monthly rather than bi-weekly, that could reduce the maximum
27 by 50%. Similarly, bonuses would not necessarily be earned every month, which could reduce the
28 maximum by an additional 25%.

29. Thus, a more reasonable estimate for the sick pay claim is 25% of the maximum value, or \$1,380.75.

Off the Clock Claim & Related Meal & Rest Period Claims

30. Plaintiff's expert assumed 10 minutes of off the clock time per shift, but there is a possibility the amount is lower if the stores were not busy. Proving this claim could require deposition the security personnel to gauge their experiences with how long the security screenings take during multiple parts of the day.

31. Assuming that around 50% of the time, the stores were not busy enough to necessitate screenings of more than a minute, that would reduce the maximum liability to \$81,009.50. Further, to the extent that any employee was able to demonstrate they were off the clock while undergoing a security inspection, Defendant argued this would have been a unique scenario not capable of class resolution. Defendant argued that these claims are not suitable for class treatment because its policies required accurate recording of time and prohibited off-the-clock work. Defendant's written policies strictly prohibit non-exempt employees from working off the clock for any reason. Furthermore, all time spent working must be reported. Defendant further argued that individual questions predominate. Citing to *Brinker Restaurant Corp. v. Superior Court*, 53 Cal. 4th 1004 (2012) and its progeny, Defendant argued that its liability is contingent on proof that Defendant knew or should have known that off-the-clock work was occurring. In the absence of a uniform policy, Defendant contended that Plaintiffs will not be able to establish the requisite knowledge through common proof and thus certification would not have been granted.

With respect to the meal and rest period theories of liability, Defendant argued that Plaintiffs would have to demonstrate that Defendant did not meet its obligation under the Labor Code and *Brinker* to provide employees a meal or rest period. See *Brinker Rest. Corp. v. Superior Ct.*, 53 Cal. 4th 1004, 1040, 273 P.3d 513, 537 (2012) ("On the other hand, the employer is not obligated to police meal breaks and ensure no work thereafter is performed."). This, Defendant argued, would result in a claim that could not be certified as a class action because Defendant maintained and enforced legally compliant policies. Defendant claimed this would require Plaintiffs to investigate and ask

1 each putative class member the reason time records may have triggered the payment of a premium
2 or shown a deficient meal period and whether a premium was, in fact, owed to the class member.
3 Defendant argued a rest period theory of liability would be even more difficult to certify and prove
4 because time records did not demonstrate when employees started or ended their rest periods.
5 Thus, to be successful, Plaintiffs would have to evaluate each employee's individual circumstances,
6 including: 1) whether the employee timely took a rest period; 2) and, even if they did, whether they
7 decided to leave the premises such that they were subjected to security inspection.

8 9 Related Wage Statement and Waiting Time Penalties

10 32. Risks with prevailing on wage statement penalties is the necessity to show a knowing and
11 intentional violation. (Lab. Code, § 226(e)(1).) There is a possibility there was no intentional
12 miscalculation of sick pay and overtime at the regular rate. For waiting time violations, there must
13 be a willful nonpayment of wages. (Lab. Code, § 203.) There is a possibility there was no willful
14 withholding of wages. The points above were restated in *Naranjo v. Spectrum Security Services,*
15 *Inc.* (2023) 88 Cal.App.5th 937, which was another basis for a risk in proceeding further. See, also
16 *Apodaca v. Costco Wholesale Corp.*, 2014 WL 2533427, at *3 (C.D. Cal. June 5, 2014) (“Where
17 an employer has a good faith belief that it is not in violation of Section 226, any violation is not
18 knowing and intentional.”). On May 6, 2024, the California Supreme Court confirmed that a wage
19 statement claim requires a plaintiff to prove the violation was knowing and intentional, making this
20 claim even more difficult to prove. *Naranjo v. Spectrum Sec. Servs., Inc.*, No. S279397, 2024 WL
21 1979980, at *1 (Cal. May 6, 2024).

22 34. The above two derivative penalties would both have a 50% chance of prevailing since the
23 possibility of no willful or intentional conduct could proverbially go either way. Thus, the more
24 realistic maximum for wage statement penalties is \$361,523 and for waiting time is \$194,934.50.

25 26 Total Likely Award at Trial for All Claims

27 35. The collective reduced total is \$1,380.75 for the sick pay claim, \$1,380.75 for the overtime
28 regular rate claim, \$81,009.50 for the off-the-clock claim, \$361,523 for the wage statement claim,

1 \$194,934.50 for the waiting time claim, and approximately \$216,563 (assuming a 25% violation
2 rate) for the meal and rest period claims. Thus, the reduced collective total is \$856,791.50, which
3 is significantly less than the maximum exposure.

4
5 Section G(3)(a)(iv) – Average Recovery for Class Members

6 36. There is a net settlement fund of \$176,251 to share among the 934 class members. That is
7 an average recovery of \$188.99 per class member, which is arguably an excellent result. As
8 explained further in Section X.G. of the settlement agreement, the payout fund will be distributed
9 based on a per workweek basis; class members will receive a pro rata share based on how many
10 workweeks they worked during the class period as compared to all workweeks worked by all class
11 members during the class period. The number of workweeks for a class member is determined by
12 adding all the calendar days within their respective dates of employment and dividing that number
13 by seven – this will be the class member’s Workweek Figure.

14 37. Then, the payout fund (i.e., net settlement amount) will be divided by the total workweeks
15 from all class members to arrive at a per workweek amount. The per workweek amount will be
16 multiplied by each class member’s Workweek Figure. Therefore, it is not possible to provide a
17 definitive high/low range since it all depends on each class member’s Workweek Figure. However,
18 in conjunction with Plaintiffs’ Motion for Final Approval, Plaintiffs will provide a declaration from
19 the Settlement Administrator that provides a high and low estimate for the class members’
20 distribution based on the data provided by Defendant during the settlement process. For purposes
21 of this Motion, I estimate that the lowest possible recovery assuming all class members participate
22 in the settlement would be approximately \$7.83, which assumes an individual only worked for one
23 workweek during the class period ($\$176,251 \text{ Net Settlement Amount} / 22,514 \text{ workweeks} = \7.83
24 per workweek).

25
26 Section G(3)(a)(v) – Average Recovery for PAGA Employees

27 38. With the PAGA allocation of \$18,750, 25% (\$4,687.50) will be shared among the
28 aggrieved employees.

1 39. The aggrieved employee total is 934 since the PAGA period is coextensive with the class
2 period.

3 40. Assuming an equal pay period distribution, the average PAGA recovery for the aggrieved
4 employees is approximately \$5.02 (\$4,687.50 / 934 aggrieved employees). Like the class portion
5 of the settlement, the PAGA allocation will be distributed to aggrieved employees based on the
6 number of workweeks that they worked during the PAGA Period. Accordingly, it is not possible to
7 provide a definitive high/low range since it all depends on each aggrieved employees' PAGA
8 Workweek Figure. However, in conjunction with Plaintiffs' Motion for Final Approval, Plaintiffs
9 will provide a declaration from the Settlement Administrator that provides a high and low estimate
10 for the aggrieved employees' distribution based on the data provided by Defendant during the
11 settlement process. For purposes of this Motion, I estimate that the lowest possible recovery would
12 be approximately \$0.21, which assumes an individual only worked for one workweek during the
13 PAGA period (\$4,687.50 PAGA Payout Fund / 22,514 workweeks = \$0.21 per workweek).

14
15 Section G(3)(a)(vi) – Description of Data Produced

16 41. Pursuant to the Parties' agreement to an informal exchange of information Defendant
17 agreed to produce (and did produce) the following: 1) exemplar arbitration agreements, 2) a
18 sampling of the class members' time records, 3) a sampling of the class members' pay records, 4)
19 Mariano Gagliardi's and Angelica Romero's full personnel files, 5) a list of bonus payouts from
20 April 2021, and 6) a list of pay codes. Using this data, Plaintiffs engaged an economics expert to
21 help formulate a damages analysis and projection.

22 42. The informal discovery was complementary to formal written discovery that was
23 propounded before the second mediation.

24
25 Section G(3)(a)(vii) & Section G(3)(b) – Existence of Overlapping Cases

26 43. Class Counsel are not aware of overlapping cases involving similar wage and hour claims
27 other than *Gilmore v. Ralph Lauren Retail, Inc.*, Ventura County, case 56-2018-00514077-CU-OE-
28 VTA with a class period from September 25, 2014 to December 19, 2020 – that case is settled.

1 44. I also checked Lexis to determine if there are any other existing wage and hour class actions
2 against Ralph Lauren Retail, Inc. and could not find any. My co-counsel similarly reported not
3 being aware of any potentially related actions. Concurrently with this Motion, Plaintiffs also
4 submit a declaration of defense counsel addressing whether there are any related cases.

5
6 Section G(3)(c) – Distribution of Uncashed Checks

7 45. Consistent with the case management order, uncashed checks will be redistributed to the
8 class members. Therefore, subsections (i) through (v) are not applicable.

9
10 Section G(3)(d) – Settlement Administrator

11 46. Bids were requested from Simpluris and Phoenix Class Action Administration Solutions.
12 The lower bid was from Phoenix for \$14,000.00.

13 47. The declaration from Jodey Lawrence of Phoenix Class Action Administration Solutions is
14 filed concurrently with the motion and this declaration.

15
16 Section G(3)(e) – Scope of Release

17 48. The releases are appropriately limited to the facts of the case and to claims arising during
18 the class/paga period. In addition to those identified in the case management order, the definition
19 of the “Released Parties” includes Defendant’s subsidiaries, parents, and affiliates. The facts
20 justifying their inclusion are Plaintiffs’ doe allegations in the operative complaint, which arguably
21 could have led to the liability of those entities. The PAGA release is limited to the Named
22 Plaintiffs and State of California.

23
24 Section G(3)(f) – Notice by Mail

25 49. The notice will be given by first-class mail to addresses believed to be current. This will
26 follow the Settlement Administrator performing a search of the national change of address data
27 base to update any outdated addresses. This is the best notice practicable because it is reasonable
28 to assume that employees provide accurate information to their employer for purposes of receiving

1 their wages. To the extent that any of the notices are returned, the Settlement Administrator will
2 conduct a skip trace to identify an updated address, if possible, and remail the notice.

3
4 Section G(3)(g) – Claims

5 50. The settlement does not require class members to submit claims.

6
7 Section G(3)(h) – Reversion

8 51. The settlement does not provide for reversion of any portion of the settlement.

9
10 Section G(3)(i) – Employer’s Share of Payroll Taxes

11 52. The settlement provides that Defendant will pay the applicable payroll taxes.

12
13 Section G(3)(j) – Tax Allocation

14 53. One-third (33.33%) of all Individual Settlement Payments to Participating Class Members
15 will be called the “Gross Wage Portion.” The remaining two-thirds (66.67%) of payments to
16 Participating Class Members represents the "Non-Wage Portion" of the Individual Settlement
17 Payment and includes interest and penalties sought in the Actions. This is the typical tax allocation
18 in wage and hour settlements and is representative of the estimated exposure addressed above.

19
20 Section G(3)(k) – Notice to Class Members

21 54. The proposed notice, objection form, and exclusion form comply with the case management
22 order. Plaintiffs also submit the declaration from Defendant regarding the likely age, education, and
23 experience of the class members, and of their ability to read and comprehend English.

24
25 Section G(9)(a) – PAGA Allocation

26 55. The gross PAGA allocation is \$18,750. Per Labor Code section 2699(i), 75% will go to the
27 Labor and Workforce Development Agency and 25% will go to the aggrieved employees.

28 ///

1 Section G(9)(b) – Nature of PAGA Allegations

2 56. The PAGA allegations relate to the following: 1) not paying sick time at the correct regular
3 rate pursuant to Labor Code section 246, 2) not paying the correct overtime regular rate in violation
4 of Labor Code section 510, 3) derivative waiting time penalties under Labor Code section 203, 4)
5 off-the-clock and associated meal and rest period theories addressed above; and 5) derivative wage
6 statement penalties under Labor Code section 226. Plaintiffs' position is that these violations
7 occurred throughout the PAGA period, and as stated above the number of class members (934) is
8 coextensive with the number of aggrieved employees.

9 57. Succeeding with PAGA penalties would be dependent on proving the underlying violations
10 and subject to the Court's discretion to reduce penalties. Defendant represented that there are
11 22,514 workweeks during the Class Period, which translates into approximately 11,257 pay periods
12 in the PAGA Period (22,514 workweeks / 2 weeks). Thus, Plaintiffs estimated that Defendant
13 could face civil penalties of up to approximately \$1.13 million (~11,257 x \$100 penalty). This
14 assumes complete victory at trial and that the Court would award the maximum penalty of \$100 per
15 pay period, which is far from certain as discussed above. Further, while the PAGA provides for a
16 heightened penalty for a "subsequent violation," courts are hesitant to award the heightened penalty
17 absent a showing of a prior violation. *Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th 1157, 1209
18 (2008); accord *Amalgamated Transit Union Local 1309 v. Laidlaw Transit Service, Inc.* 2009 WL
19 2448430, at *9 (S.D. Cal. Aug. 10, 2009) ("[u]nder California law, courts have held that
20 employers are not subject to heightened penalties for subsequent violations unless and until a court
21 or commissioner notifies the employer that it is in violation of the Labor Code"); see also *Bernstein*
22 *v. Virgin Am., Inc.*, 3 F.4th 1127, 1144 (9th Cir. 2021) (holding no subsequent penalty unless prior
23 citation or court ruling). Even assuming Plaintiffs ultimately prevailed on their PAGA claims, the
24 Court still has discretion to reduce any PAGA penalties. Pursuant to Labor Code § 2699(e)(2), the
25 Court can decline to award PAGA penalties where "if, based on the facts and circumstances of the
26 particular case, to do otherwise, would result in an award that is unjust, arbitrary and oppressive, or
27 confiscatory." Indeed, as shown in the Court of Appeal's decision in *Carrington v. Starbucks*
28 *Corp.*, 30 Cal. App. 5th 504 (2018), while the plaintiff prevailed on his PAGA claim upon trial, the

trial court reduced the maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with the law. *Id.* at p. 517. Upon review, the Court of Appeal found such reduction to be proper. *Id.* at p. 539. Thus, even if Plaintiffs were to successfully prove their claims at trial, there is a possibility that the Court may only award a small percentage of PAGA penalties, as the Court has discretion to do so. Although Plaintiffs believe in the merits of the alleged claims and maintain that there is no reason for reducing PAGA penalties, Plaintiffs are aware that Defendant may raise defenses to the claims. Thus, even if Plaintiffs were to successfully prove their claims at trial, there is a possibility that the Court may only award a small percentage of PAGA penalties, as the Court has discretion to do so. The Gross Settlement Amount was premised with this risk in mind, associated with the possibility of the Court significantly reducing Plaintiffs' PAGA penalties, along with other attendant risks, even if Plaintiffs were to prevail at trial.

58. Thus, the unjust, arbitrary, oppressive, or confiscatory concepts of Labor Code section 2699, subdivision(e)(2) could apply since without knowing and intentional violations, the PAGA penalties (even with the lower maximum estimate) could be considered quite high.

59. It follows the PAGA allocation of \$18,750 represents 2% of the maximum PAGA exposure (\$18,750 / \$1,130,000), or significantly more if the Court were to reduce PAGA penalties by 90% as was done in *Carrington*. Accordingly, this allocation is within the range of reasonableness.

Section G(9)(c) – PAGA Distribution

60. All PAGA penalties going to the aggrieved employees will be distributed among all aggrieved employees, even those who opt out of the settlement.

Section G(9)(d) – PAGA Release

61. The release complies with the case management order.

Discussion of Class Counsel Qualifications

62. I am qualified to represent the class, as since I graduated from University of San Francisco Law School in 1998, I have settled upwards of 250 individual employment law cases, and I have

1 handled the following class actions from start to finish: *Ramirez v. Arevalo Landscaping*, Los
2 Angeles Superior Court case number BC397109; *Friedrich v. La Vaquita Corp.*, Los Angeles
3 Superior Court case number BC564432; *Carvalho v. Staff Pro*, Alameda County Superior Court
4 case number RG16812554; *Hart v. Marriott International, Inc.*, United States District Court case
5 number 8:17-cv-2021-JVS; *Cole v. Saucey, Inc.*, Los Angeles Superior Court case number
6 BC707895; *Rowe v. Laura Geller Beauty, LLC*, United States Bankruptcy Court case number 1:18-
7 bk-14102-MEW (New York); *Rowe v. Ulta Salon, Beauty, and Cosmetics, Inc.*, Sacramento
8 Superior Court case number 34-2019-00267231, *Luna et al. v. Triple Canopy, Inc.*, Santa Clara
9 Superior Court case number 19CV345169, *Smith v. Budget Rent A Car System, Inc.*, United States
10 District Court case number 2:19-cv-4720-SVW, *Shrum v. Sacramento Elite Patrol, Inc.*,
11 Sacramento Superior Court case number 34-2019-002767231, *Morris v. Blue Mountain*
12 *Enterprises, LLC*, Solano County Superior Court case number FCS035858, *Lopez v. Mac Arthur*
13 *Co.*, Riverside County Superior Court case number RIC1905043, *Diaz v. Marriott International,*
14 *Inc.*, San Diego Superior Court case number 37-2019-00044740, *Castellanos et al. v. Southwest*
15 *Patrol, Inc.*, San Diego Superior Court case number 37-2020-00024905, *Inacio v. Land O' Lakes,*
16 Merced Superior Court case number 19CV-04520, *GSG Wage and Hour Cases*, San Diego
17 Superior Court case number JCCP5055, *Marroquin v. Teleferic Barcelona*, Santa Clara Superior
18 Court case number 21CV388821, *Gonzalez, et al. v. Golden Gate Bell*, Contra Costa Superior
19 Court case number MSC21-00956, and *Navarro Garcia v. Widdicombe Enterprises, Inc.*, Orange
20 County Superior Court case number 30-2021-01235358.

21 63. I also actively participated in and helped finalize class action settlements in the following:
22 Arya Security Services Cases, Orange County Superior Court case number JCCP4991, *Allen v.*
23 *Caine & Weiner*, Los Angeles Superior Court case number BC465806, *Terry v. SHAC, LLC dba*
24 *Sapphire*, Eighth Judicial District of Nevada case number A-09-602800-C, *Carter v. Fantasy*
25 *Castle*, Los Angeles Superior Court case number BC433666, *Blunt v. Valley Ball Cabaret*, Los
26 Angeles Superior Court case number BC380265, *Lawrenz, et al. v. Blacktalon Enterprises, Inc.*, et
27 al., Sacramento Superior Court case number 34-2019-00267748, *Stricklin, et al. v. First Alarm*
28 *Security & Patrol, Inc.*, Santa Clara Superior Court case number 18CV323753, *Massey v. Hummel*

1 + *Mann*, Santa Barbara Court case number 21CV02985, and *Sunshine Retirement Wage and Hour*
2 *Cases*, Sacramento Superior Court case number JCCP5247.

3 64. I helped obtain class certification for *Van Bebber v. Dignity Health*, U.S. District Court case
4 number 1:19-cv-00264, and I obtained FLSA certification and finalized an FLSA settlement in
5 *Desio v. Russell Road Food & Beverage*, U.S. District Court case number 2:15-1440-GMN (Nev.),
6 and *Aguilar v. American-Paragon Protective Services, LLC*, U.S. District Court case number 5:20-
7 cv-01982-EJD (N.D. Cal.).

8 65. I have handled and finalized settlements on the following PAGA cases: *McAfee v. Chief*
9 *Protective Services*, Riverside County Superior Court case number RIC1721984, *Hall v. Pirch*,
10 Inc., San Diego Superior Court case number 37-2016-00036606, *Green v. American Guard*, Los
11 Angeles Superior Court case number BC688437, *Hernandez v. Contemporary Services Corp.*, Los
12 Angeles Superior Court case number BC684206, *McNeal v. Platinum Security Services*, Los
13 Angeles Superior Court case number 19STCV05709, *Cruz v. Holder Construction Group, LLC*,
14 Santa Clara Superior Court case number 19CV341862, *Nunes v. Westmont Living*, San Luis Obispo
15 Superior Court case number 19CV-0935, *Gibson v. Swift Transportation Co.*, United States District
16 Court case number 5:20-cv-00318-ODW, *Katabyan v. Awesome Doughnut*, Los Angeles Superior
17 Court case number 20STCV19903, *Ayoub v. Harry Winston, Inc.*, United States District Court case
18 number 4:21-cv-01599-JST, *Williams v. St. Joseph Personal Care Services, LLC*, Orange County
19 Superior Court case number 30-2020-01134268-CU-OE-CXC, *German Rodriguez v. Modern*
20 *Parking, Inc.*, Los Angeles Superior Court case number 23STCV00936, *Michael Valdivieso v.*
21 *Universal Auto Group*, Los Angeles Superior Court case number 23GDCV00191, *Alexis Hanna v.*
22 *Ulla Salon, Cosmetics & Fragrance, Inc.*, Sacramento Superior Court case number 34-2019-
23 00252198, *Bullock v. Atria Management*, Nevada County case number CU22-086285, *Ramirez-*
24 *Batres v. Lee Mechanical Contractors, Inc.*, Kern County Superior Court case BCV-23-102686,
25 and *Mathews v. Assignment Am.*, Los Angeles Superior Court case number 22STCV13033.

26 66. Based on the above and the arguments in the motion, I strongly believe the settlement is
27 fair, reasonable, and adequate, and I respectfully request the court to grant the motion for
28 preliminary approval.

1 I declare under penalty of perjury under the laws of the State of California that the foregoing is true
2 and correct.

3 Date: May 9, 2024

/s/ Adam Rose

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Exhibit A

1 wSHEPPARD MULLIN RICHTER & HAMPTON LLP
 A Limited Liability Partnership
 2 Including Professional Corporations
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 3 DANIEL F. DE LA CRUZ, Cal. Bar No. 292537
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8 Attorneys for Defendants RALPH LAUREN
 RETAIL, INC.

9 Attorney Information Continued on Next Page

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF RIVERSIDE

13 MARIANO GAGLIARDI, individually and on
 behalf of all similarly situated employees,

14 Plaintiffs,

15 v.

16 RALPH LAUREN RETAIL, INC., a Delaware
 17 corporation doing business in California, and
 DOES 1 to 100,

18 Defendants.

Case No. CVRI2103581, CVRI2200840

**STIPULATION FOR SETTLEMENT OF
 CLASS AND REPRESENTATIVE
 ACTION CLAIMS**

Lead Case No. CVRI2103581
 Complaint Filed: August 3, 2021
 FAC Filed: October 6, 2021

Trial Date: None Set

20 ANGELICA ROMERO, as an individual and on
 behalf of all others similarly situated,

21 Plaintiffs,

22 v.

23 RALPH LAUREN RETAIL, INC., a Delaware
 24 corporation; and DOES 1 through 50, inclusive,

25 Defendants.

Case No. CVRI2200840
 Complaint Filed: March 1, 2022
 FAC Filed: June 10, 2022

Trial Date: None Set

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similarly situated
22
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1
2 I. Definitions. The following terms and definitions will be used in this Stipulation
3 and Settlement of Class and Representative Action Claims. Additional terms are defined
4 throughout the document as well.

5
6 A. “Named Plaintiffs” mean Plaintiffs Mariano Gagliardi and Angelica
7 Romero.

8
9 B. “Defendant” means Defendant Ralph Lauren Retail, Inc.

10
11 C. “Class Members” means all hourly, non-exempt Polo Ralph Lauren Factory
12 Store employees employed by Defendant Ralph Lauren Retail, Inc. in California during the Class
13 Period who did not sign an electronic arbitration agreement.

14
15 D. “Parties” means Named Plaintiffs and Defendant, collectively, as defined
16 above.

17
18 E. “Plaintiffs’ Counsel” or “Class Counsel” means Robert Starr, Manny Starr,
19 and Adam Rose of Frontier Law Center; Larry W. Lee, Max Gavron, and Mai Tulyathan of
20 Diversity Law Group, P.C.; and William L. Marder of Polaris Law Group.

21
22 F. “Actions” or “Class Actions” means the lawsuits filed in Riverside County
23 Superior Court, entitled *Gagliardi v. Ralph Lauren Retail, Inc.*, Case No. CVRI2103581; and
24 *Romero v. Ralph Lauren Retail, Inc.*, Case No. CVRI2200840.

25
26 G. “Operative Complaints” means the Complaint filed by Plaintiff Mariano
27 Gagliardi on October 6, 2021, and the Complaint filed by Plaintiff Angelica Romero on June 10,
28 2022.

1 H. "Participating Class Members" means all Class Members who do not elect
2 to exclude themselves by following steps set forth in Section X.H.5.b below.

3
4 I. "Class Period" means the time period beginning on December 20, 2020, and
5 ending on July 8, 2023, which is sixty (60) days after the May 9, 2023 mediation.

6
7 J. "Unlocated Class Member" means any Class Member whose Notice has
8 been returned as undeliverable after all of the procedures in Section X.H.4.c have been followed.

9
10 K. "Effective Date" means the latest of the following dates: (a) if no objections
11 to the settlement are filed, the date the Judgment is entered by the Court; (b) if objections to the
12 settlement are filed, 61 days following the Court's entry of the Judgment if no appeal is filed; or
13 (c) if any appeals of the Judgment are filed, the date on which any such appeals are dismissed or
14 otherwise resolved in a manner that upholds the settlement in its entirety.

15
16 L. "Aggrieved Employees" means all hourly, non-exempt Polo Ralph Lauren
17 Factory Store employees employed by Defendant Ralph Lauren Retail, Inc. in California during
18 the PAGA Period who did not sign an electronic arbitration agreement.

19
20 M. "PAGA Period" means the period beginning December 20, 2020, and
21 ending on July 8, 2023, which is sixty (60) days after the May 9, 2023 mediation.

22
23 II. Settlement Agreement. This Stipulation and Settlement of Class and
24 Representative Action Claims ("Settlement," "Stipulation," or "Agreement") is made between
25 Named Plaintiffs on behalf of themselves and the Class Members on the one hand, and Defendant
26 on the other hand in the Actions and subject to approval of the Court. In the event the Settlement
27 does not become effective by the terms of this Stipulation or for any other reason, any Orders
28 entered pursuant to this Stipulation shall be rendered null and void, and shall be vacated, and the

1 Parties shall revert to their respective positions existing immediately on the date before the
2 mediation on May 9, 2023.

3
4 III. Procedural History. Plaintiff Mariano Gagliardi filed this lawsuit in the Superior
5 Court for the State of California, County of Riverside on August 3, 2021, against Defendant Ralph
6 Lauren Retail, Inc. On October 6, 2021, he amended the complaint, alleging five (5) causes of
7 action: (1) failure to pay overtime rate at regular rate of pay; (2) failure to provide accurate wage
8 statements; (3) waiting time penalties; (4) violation of unfair competition law; and (5) violation of
9 the Private Attorneys General Act (“PAGA”). On March 1, 2022, Plaintiff Angelica Romero also
10 filed a wage and hour class action against Ralph Lauren Retail, Inc. On June 10, 2022, she
11 amended her complaint, alleging four (4) causes of action: (1) failure to pay minimum and
12 overtime wages and waiting time penalties; (2) failure to provide accurate wage statements; (3)
13 violation of unfair competition law; and (4) violation of PAGA. The Parties in the Actions
14 attended two sessions of mediation before esteemed wage and hour mediator Steve Pearl on
15 November 14, 2022 and May 9, 2023. The Parties reached an agreement to settle the matter during
16 the second session of mediation, resulting in the execution of a Memorandum of Understanding,
17 fully executed on July 7, 2023. Pursuant to this settlement, Plaintiff will amend the Complaint
18 again to explicitly include all claims included in Section IX(C) below. Investigation in the Class
19 Action. The Parties have conducted an extensive investigation of the facts and the law. The
20 Parties held numerous meetings and informal conferences wherein they exchanged information,
21 class data, and theories of the case. Counsel for the Parties further investigated the applicable law
22 as applied to the facts discovered regarding the alleged claims of Plaintiffs and potential defenses
23 thereto, Defendant’s contentions that it at all times complied with all relevant Labor Code
24 provisions, and the damages claimed by Plaintiffs. In addition, prior to mediation, the Parties
25 exchanged relevant data and documents applicable to Named Plaintiffs’ claims, including
26 Defendant’s relevant policies and class member data.

1 V. Plaintiffs' Claims. Named Plaintiffs have claimed and continued to claim that the
2 Released Claims, as defined in Section X.C below, have merit and give rise to liability on the part
3 of Defendant. Neither this Agreement, the documents referred to or contemplated herein, nor any
4 action taken to carry out this Agreement is, or may be construed or used as an admission,
5 concession, or indication by or against Named Plaintiffs, Plaintiffs, or Class Counsel as to the
6 merits or lack thereof of the claims asserted.

7
8 VI. Defendant's Denial of Wrongdoing. Defendant has denied and continued to deny
9 each of the claims and contentions alleged by Named Plaintiffs in the Actions. Defendant has
10 repeatedly asserted and continue to assert defenses thereto, and has expressly denied and continue
11 to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the
12 Actions. Defendant also has denied and continue to deny, *inter alia*, the allegations that Plaintiffs
13 have suffered damages; that Defendant failed to pay for all straight time hours worked; that
14 Defendant failed to pay for all overtime hours worked; that Defendant failed to include non-
15 discretionary bonuses in the calculation of the regular rate of pay; that Defendant failed to provide
16 accurate itemized wage statements; that Defendant failed to timely pay all wages owed upon
17 termination of employment; that Defendant engaged in unfair competition; that Defendant
18 engaged in any other wrongful conduct as alleged in the Actions; or that Plaintiffs were harmed by
19 the conduct alleged in the Actions. Neither this Agreement, nor any document referred to or
20 contemplated herein, nor any action taken to carry out this Agreement, is, may be construed as, or
21 may be used as an admission, concession or indication by or against Defendant of any fault,
22 wrongdoing, or liability whatsoever.

23
24 VII. Named Plaintiffs' Reasons for Settlement. Named Plaintiffs recognize the expense
25 and length of continued proceedings necessary to continue the litigation against Defendant through
26 trial and through any possible appeals. Named Plaintiffs have also taken into account the
27 uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in
28 such litigation. Named Plaintiffs are also aware of the burdens of proof necessary to establish

1 liability for the claims asserted in the Actions (the "Claims" or "Class Action Claims"),
2 Defendant's defenses thereto, and the difficulties in establishing damages for Class Members.
3 Named Plaintiffs have also taken into account the extensive formal and informal discovery
4 undertaken and settlement negotiations conducted, which negotiations resulted in the material
5 settlement terms entered into on or about July 7, 2023. Based on the foregoing, Named Plaintiffs
6 have determined that the Settlement set forth in this Agreement is a fair, adequate and reasonable
7 settlement, and is in the best interests of the Class Members.

8
9 VIII. Defendant's Reasons for Settlement. Defendant has concluded that any further
10 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
11 time, energy, and resources of Defendant has been and, unless this Settlement is made, will
12 continue to be, devoted to the defense of the claims asserted by Plaintiffs. For these reasons,
13 Defendant has agreed to settle in the manner and upon the terms set forth in this Agreement to put
14 to rest the Claims as set forth in the Action.

15
16 IX. This Settlement is Fair, Adequate and Reasonable. The Parties believe this
17 Settlement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this
18 Settlement in arms'-length negotiations taking into account all relevant factors, present and
19 potential. This Settlement was reached after extensive negotiations with mediator Steve Pearl.

20
21 X. Stipulation. NOW, THEREFORE, IT IS HEREBY STIPULATED, by and among
22 Named Plaintiffs on the one hand and Defendant on the other hand, and conditioned upon
23 approval by the Court, that the Actions are hereby compromised and settled pursuant to the terms
24 and conditions set forth in this Agreement.

25
26 A. Consolidation of the Relevant Actions. For purposes of this Stipulation
27 only, the Parties agree to consolidate the relevant Actions that are pending in the Superior Court
28 for the State of California, County of Riverside. Such stipulation to consolidate the two Actions

1 shall be null and void if the settlement does not receive final approval from the Court. On August
2 23, 2023, the Parties submitted a Joint Stipulation to Consolidate Cases and Proposed Order.

3
4 B. Class Certification. For purposes of this Stipulation only, the Parties agree
5 to the provisional certification of the Settlement Class, to include the Class Members. Should for
6 whatever reason the Stipulation not become final, the fact that the Parties were willing to stipulate
7 to class certification as part of the Settlement shall have no bearing on, and shall not be admissible
8 in connection with, the issue of whether a class should be certified in a non-settlement context in
9 the Actions, and shall have no bearing on, and shall not be admissible in connection with, the issue
10 of whether a class should be certified in any other lawsuit.

11
12 C. Release as to All Participating Class Members. The release set forth in this
13 Section pertains to Class Members. As set forth in Section I.H, above, Participating Class
14 Members are “all Class Members who do not elect to exclude themselves by following the steps
15 set forth in Section X.H.5.b below.” As of the Effective Date and funding of the Settlement Fund,
16 the Participating Class Members, including Named Plaintiffs, release Defendant and each of its
17 past and present officers, directors, employees, agents, subsidiaries, parents, and affiliates
18 (the “Released Parties”), from the “Released Claims.” For the purposes of this Agreement,
19 “Released Claims” means any and all claims, demands, rights, liabilities, and causes of action
20 during the Class Period, of every nature and description whatsoever, known or unknown, asserted
21 or that might have been asserted, whether in contract, or for violation of any California or Federal
22 statute, rule or regulation, based on California or Federal wage-and-hour laws, whether for
23 economic damages, restitution, penalties or liquidated damages, arising out of, relating to, or in
24 connection with the Class Claims alleged or that could have been alleged based upon the facts
25 pleaded in the Actions under any theory of law, including but not limited to all claims for unpaid
26 wages, including but not limited to minimum wages, straight time wages, overtime wages
27 (including but not limited to those brought on an off-the-clock, bag check, rounding, regular rate,
28 overtime computation or other theory); sick leave claims; meal and rest period claims (including

1 failure to provide meal and rest periods and/or to pay properly calculated penalties); wage
2 statement claims; recordkeeping claims; all claims arising under the California Labor Code, IWC
3 Wage Orders, local ordinance, or otherwise, which are based on the facts alleged in the Actions;
4 and any and all associated penalties and damages on any and all claims (including but not limited
5 to PAGA penalties that are premised on the facts alleged in the Actions and/or Plaintiffs' notices
6 to the Labor and Workforce Development Agency, wage statement penalties, waiting time
7 penalties, late payment penalties, meal and rest period penalties, and liquidated damages).

8 The Parties agree that the Released Claims shall have full *res judicata* effect as to claims
9 arising from the facts and/or theories outlined above under federal law for all Participating Class
10 Members as described in *Rangel v. PLS Check Cashers of California, Inc.*, 899 F.3d 1106 (9th
11 Cir. 2018), regardless of whether that Class Member endorses and cashes his or her settlement
12 check, unless a later court determines otherwise. The Class Members may not sue or otherwise
13 make a claim against any of the Released Parties for the Released Claims.

14
15 D. Release as to the Named Plaintiffs and State of California. As of the
16 Effective Date and funding of the Settlement Fund, the Named Plaintiffs and State of California
17 release the Released Parties, from the "Released PAGA Claims." For the purposes of this
18 Agreement, "Released PAGA Claims" means all claims alleged or that could have been alleged
19 based upon the facts pleaded in the Actions under any theory of law, including but not limited to
20 all claims under the PAGA for unpaid wages, including but not limited to minimum wages,
21 straight time wages, or overtime wages (including but not limited to those brought on an off-the-
22 clock, bag check, rounding, regular rate, overtime computation or other theory); sick leave claims;
23 meal and rest period claims (including failure to provide meal and rest periods and/or to pay
24 properly calculated penalties); wage statement claims; recordkeeping claims arising during the
25 PAGA Period.

26
27 E. General Release by Named Plaintiffs Only. Named Plaintiffs, as of the
28 Effective Date and funding of the Settlement Fund, make the additional following general release

1 of all claims, known or unknown. Named Plaintiffs fully release and discharge the Released
2 Parties from all claims, demands, rights, liabilities, and causes of action of every nature and
3 description whatsoever, known or unknown, asserted or that might have been asserted, whether in
4 tort, contract, or for violation of any state or federal statute, rule or regulation arising out of,
5 relating to, or in connection with any act or omission by or on the part of any of the Released
6 Parties committed or omitted prior to the execution hereof, asserted or that could have been
7 asserted based upon the facts pleaded in the Actions, as well as any claims relating to their
8 employment with and/or separation from any of the Released Parties that may arise under federal,
9 state, or local wage and hour laws, ordinances, or regulations. This includes any unknown claims
10 Named Plaintiffs do not know or suspect to exist in their favor, which, if known by them, may
11 have affected their settlement with, and release of, the Released Parties or might have affected
12 their decision not to object to the settlement.

13 With respect to the General Release, Named Plaintiffs stipulate and agree that,
14 upon the Effective Date and funding of the Settlement Fund, Named Plaintiffs shall be deemed to
15 have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the
16 fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the
17 California Civil Code, or any other similar provision under federal or state law, which provides:

18 A general release does not extend to claims that the creditor or
19 releasing party does not know or suspect to exist in his or her favor
20 at the time of executing the release and that, if known by him or her,
21 would have materially affected his or her settlement with the debtor
22 or released party.

23 Named Plaintiffs may hereafter discover facts in addition to or different from those
24 they now know or believe to be true with respect to the subject matter of the General Release, but
25 upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall
26 have, fully, finally, and forever settled and released any and all of the claims released pursuant to
27 the General Release, whether known or unknown, suspected or unsuspected, contingent or non-
28 contingent, which now exist, or heretofore have existed upon any theory of law or equity now
existing or coming into existence in the future, including, but not limited to, conduct that is

1 negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard
2 to the subsequent discovery or existence of such different or additional facts.

3
4 F. Neutral Reference. Defendant will only provide dates of employment and
5 job title in response to any inquiries it may receive from prospective employers on behalf of
6 Named Plaintiffs. Defendant agrees not to retaliate against Named Plaintiffs in any way.

7
8 G. Settlement Fund. Defendant will create a Settlement Fund in the amount of
9 Three Hundred Seventy-Five Thousand Dollars and Zero Cents (\$375,000.00) ("Settlement
10 Fund"). Except as set forth below, Three Hundred Seventy-Five Thousand Dollars and Zero
11 Cents (\$375,000.00) is the maximum total amount that Defendant can be required to pay, for any
12 and all purposes, under this Agreement with the exception of the employer's share of taxes and
13 subject to the escalator provision. The employer's share of taxes will be paid outside of and in
14 addition to the Settlement Fund. Defendant represents that there are 934 Class Members who
15 worked 22,514 workweeks during the Class Period. The Parties agree to an escalator clause in the
16 event the actual number of workweeks worked by Class Members during the Class Period is more
17 than 10% greater than the estimated number of workweeks (e.g. 24,766 workweeks). If the
18 escalator clause is triggered, the total Settlement Fund will increase proportionately. For example,
19 if the actual number of workweeks is 9% greater than the estimated workweek count, then the
20 Settlement Fund will not increase, but if the actual number of workweeks is 1 % greater, then the
21 settlement funds will increase by 1 %.

22 The Settlement Fund will be allocated among these elements:

23 (a) payments to Participating Class Members of the Individual Settlement Awards less
24 deductions as explained in Section X.G;

25 (b) a total amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to be
26 paid to each of the Named Plaintiffs as a Service Award, subject to Court approval;

27 (c) reasonable claims administration expenses, in an amount not to exceed Fourteen

28 Thousand Dollars and Zero Cents (\$14,000.00), subject to Court approval, to be paid to the

1 Settlement Administrator to cover the reasonable costs of the Settlement Administration
2 process;

3 (d) Named Plaintiffs' attorneys' fees not to exceed Thirty-Three and One-Third Percent
4 (33.33%) of the Settlement Fund, or a maximum of One Hundred Twenty-Five Thousand
5 Dollars and Zero Cents (\$125,000.00), subject to Court approval;

6 (e) Named Plaintiffs' attorneys' litigation costs not to exceed the amount of Twenty-Four
7 Thousand Dollars and Zero Cents (\$24,000.00) subject to their billing statements and
8 Court approval;

9 (f) Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00) allocated
10 for penalties recoverable under PAGA and payable to the Labor and Workforce
11 Development Agency ("LWDA"), 75% of which, or \$14,062.50, will be paid to the
12 LWDA, and 25% of which, or \$4,687.50, will be paid to the Aggrieved Employees as an
13 additional component of their Settlement Awards, and will be part of the Settlement Fund.

14 The amount paid to the Aggrieved Employees is referred to as the "PAGA Payout."

15 Defendant shall not be responsible for any additional amounts with the exception of
16 the employer's share of taxes on the portion of Participating Class Members' Individual
17 Settlement Awards allocated as wages, as further explained below, and subject to the escalator
18 provision above. These employer's taxes shall be paid outside of and in addition to the Settlement
19 Fund.

20 Any amounts allocated to Named Plaintiffs Service Award, Claims Administration
21 costs, Attorneys' Fees and Litigation Costs, and PAGA penalties not awarded by the Court shall
22 be added to the Payout Fund.

23 The amount that remains after the Service Award, Claims Administration expenses,
24 Attorneys' Fees and Costs, and PAGA Payout, and LWDA portion of PAGA penalties have been
25 deducted from the Settlement Fund shall be called the "Payout Fund." The Payout Fund shall be
26 designated as one-third wages, one-third penalties, and one-third interest. The PAGA Payout
27 Fund shall be designated as 100% penalties.

1 1. Fees and Costs Award and Service Award. The Parties agree to the
2 designation of Class Counsel. Class Counsel will request that the Court approve an award of
3 attorneys' fees of up One Hundred Twenty-Five Thousand Dollars and Zero Cents (\$125,000.00)
4 ("Fees Award"). This constitutes Thirty-Three and One-Third Percent (33.33%) of the value of
5 the Settlement Fund. Class Counsel will also request a Costs Award not to exceed Twenty-Four
6 Thousand Dollars and Zero Cents (\$24,000.00). Defendant will not oppose these requests. Class
7 Counsel shall not be permitted to petition the Court for, or accept, any additional payments for
8 fees, costs, or interest in conjunction with this Settlement, and the Fees Award and Costs Award
9 shall be for all claims for attorneys' fees and costs incurred in the Actions as a result of the
10 Settlement.

11 Defendant's payment of the Settlement Fund shall constitute full satisfaction of the
12 obligation to pay any amounts to any person, attorney, or law firm for attorneys' fees, expenses or
13 costs in the Action as a result of the Settlement incurred by any attorney on behalf of Named
14 Plaintiffs and/or the Class. Further, said payment shall relieve Defendant, the Settlement
15 Administrator, the Settlement Fund, and Defendant's Counsel of any other claims or liability to
16 any other attorney or law firm for any attorneys' fees, expenses, and/or costs to which any of them
17 may claim to be entitled on behalf of Named Plaintiffs and/or Class Members as a result of the
18 Settlement.

19 Class Counsel will request that the Court approve a Service Award in a total
20 amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to be paid to each of the
21 Named Plaintiffs deducted from the Settlement Fund. Defendant will not oppose such request.
22 Named Plaintiffs' Service Awards will not be taxed as wages. Named Plaintiffs will receive
23 1099 forms relating to the Service Award. This award shall be in addition to the amount the
24 Named Plaintiffs may receive as a Class Member. The Fees Award, Costs Award, and Service
25 Awards shall be paid by Defendant by and through the Settlement Administrator from the
26 Settlement Fund to Class Counsel within thirty (30) calendar days after the Effective Date. Any
27 reduction by the Court of the Fees Award and Costs Award to Class Counsel and Service Award
28 to Named Plaintiffs shall be added to the Payout Fund.

a. Excluded from becoming a Participating Class Member are those Class Members who submit valid and timely requests for exclusion pursuant to the terms and procedures of the Notice of Class and Representative Action Settlement (the “Notice”) (attached as **Exhibit 1** hereto).

(1) The Payout Fund will be allocated to the Participating Class Members and the PAGA Payout Fund will be allocated to the Aggrieved Employees;

28

1 For example, a Participating Class Member who worked 365 days would have a
2 Workweek Figure of 52 weeks. If the Payout Fund was \$171,937.50, and the total workweeks for
3 all Participating Class Members was 22,514, this would result in a \$7.64 Per-Workweek Amount.
4 Then, the above Participating Class Member would be eligible for \$7.64 for 52 workweeks, or
5 \$397.28. This would be the Participating Class Member's Gross Settlement Amount.

6 c. One-third (33.33%) of all Individual Settlement Payments to
7 Participating Class Members will be called the "Gross Wage Portion." The remaining two-thirds
8 (66.67%) of payments to Participating Class Members represents the "Non-Wage Portion" of the
9 Individual Settlement Payment and includes interest and penalties sought in the Actions.
10 Participating Class Members will be issued W2s for the Wage Portions of their Individual
11 Settlement Payment and IRS Form 1099s for the Non-Wage Portions. From each Participating
12 Class Member's Gross Wage Portion, payroll deductions will be made for state and federal
13 withholding taxes and any payroll taxes owed by the Participating Class Member as a result of the
14 payment, resulting in a "Net Wage Component." The total of the Net Wage Component and the
15 Non-Wage Portion shall be the Participating Class Member's "Net Settlement Amount." The Net
16 Settlement Amount will be the net amount paid to each Participating Class Member and is the
17 Participating Class Member's "Individual Settlement Award."

18
19 3. The PAGA Payout Fund will be distributed on a pro-rata basis to
20 Aggrieved Employees based on a per-workweek basis. Aggrieved Employees will receive their
21 pro-rata share based on how many workweeks they worked during the PAGA Period as compared
22 to all workweeks worked by all Aggrieved Employees during the PAGA Period ("PAGA
23 Workweek Totals"). The number of workweeks for Aggrieved Employees will be determined by
24 adding all the calendar days within the inclusive dates of employment and dividing that number by
25 seven. Any partial workweek will be rounded up to the nearest full workweek. This shall be
26 considered each Aggrieved Employee's "PAGA Workweek Figure." Aggrieved Employees'
27 Individual PAGA Payouts will be calculated by dividing the PAGA Payout Fund by the total of all
28

1 Aggrieved Employees' PAGA Workweek Figures to arrive at a Per-Workweek Amount, and then
2 multiplying this amount by each Aggrieved Employees' PAGA Workweek Figure.

3 a. The Individual PAGA Payouts shall be categorized as
4 penalties and subject to an IRS Form 1099, which shall be distributed by the Settlement
5 Administrator.

6
7 4. The Settlement Administrator shall be responsible for issuing the
8 payments and calculating and withholding all required state and federal taxes owed by the
9 Participating Class Members and Defendant. The Settlement Administrator shall calculate the
10 Settlement Awards no later than fourteen (14) calendar days after receiving the Workweek Totals
11 for each Participating Class Member and Aggrieved Employee from Defendant.

12
13 5. Some of the Individual Settlement Awards may remain unclaimed
14 because a Class Member (1) was an Unlocated Class Member, (2) submitted a valid and timely
15 request for exclusion, and/or (3) failed to cash his or her Individual Settlement Award Check
16 within one hundred and eighty (180) days of its issuance. Funds associated with the Individual
17 Settlement Awards of Unlocated Class Members and Class Members who submitted valid and
18 timely requests for exclusion shall be included in the Payout Fund and will be distributed amongst
19 Participating Class Members in accordance with the formulas above.

20
21 6. Some of the Individual PAGA Payouts may remain unclaimed
22 because the Aggrieved Employee failed to cash his or her Individual PAGA Payout within one
23 hundred and eighty (180) days of issuance. Funds associated with uncashed Individual PAGA
24 Payout checks will be redistributed to the Class Members.

25
26 7. Operation of the Settlement Fund and Payout Fund.
27
28

1 a. At no time shall Defendant have the obligation to segregate
2 the funds comprising the Settlement Fund from its other assets and will retain exclusive authority
3 over, and responsibility for, those funds until they are paid over to the Settlement Administrator.

4 b. The Settlement Administrator will calculate the net amounts
5 to be paid to the Participating Class Members from the Payout Fund and Aggrieved Employees
6 from the PAGA Payout Fund in accordance with the terms and provisions of this Agreement.

7 c. The Settlement Administrator shall have the authority and
8 obligation to make payments, credits, and disbursements, including payments and credits in the
9 manner set forth herein, to Participating Class Members from the Payout Fund and Aggrieved
10 Employees from the PAGA Payout Fund in accordance with the methodology set out in this
11 Agreement and orders of the Court.

12 d. To the extent any tax returns must be filed for the Settlement
13 Fund pursuant to this Agreement, the Settlement Administrator shall cause to be timely and
14 properly filed all informational and other tax returns, if any, necessary with respect to the
15 Settlement Fund. Such returns shall be consistent with this Section. The Parties do not believe
16 that the Settlement Fund will generate any taxable income. However, if any taxable income is
17 generated by the Settlement Fund, the tax returns filed shall reflect that all taxes payable on the
18 taxable income of the Settlement Fund, if any, shall be paid from the Settlement Fund. Any
19 expenses consisting of the expenses and costs incurred in connection with the operation and
20 implementation of this Section (including, without limitation, reasonable expenses of tax
21 attorneys, accountants or other designees retained by the Settlement Administrator as required for
22 the preparation and filing of tax returns described in this Section) shall be treated as, and
23 considered to be, a cost of administration of the Settlement.

24 e. No person shall have any claim against Defendant,
25 Defendant's Counsel, Named Plaintiffs, Class Members, or Class Counsel based on distributions
26 or payments made in accordance with this Agreement.

27
28 H. Administration of the Settlement.

1 1. A hearing shall be held before the Court on a mutually-convenient
2 date, or on another date and time if that hearing is rescheduled, at which time the Named Plaintiffs
3 shall request preliminary approval of the Settlement. In conjunction with this hearing, Named
4 Plaintiffs will submit this Agreement, which sets forth the terms of this Settlement, and will
5 include proposed forms of all notices and other documents as attached hereto necessary to
6 implement the Settlement. Defendant shall not oppose Named Plaintiffs' request for preliminary
7 approval consistent with this Agreement.

8
9 2. Simultaneous with the filing of this Agreement, and solely for
10 purposes of this Settlement, Named Plaintiffs will request the Court to enter the Preliminary
11 Approval Order ("Preliminary Approval Order") (substantially in the form attached as **Exhibit 2**
12 hereto) preliminarily approving the proposed Settlement, approving the appointment of Class
13 Counsel, and setting a date for final approval of the Settlement. The Proposed Order shall provide
14 for notice of the Settlement and related matters to be sent to Plaintiffs as specified herein.

15
16 3. Interim Stay of Proceedings. The Parties agree to hold all Court
17 proceedings in the Actions in abeyance pending the Preliminary Settlement Hearing and Final
18 Approval Hearing to be conducted by the Court. No additional discovery shall be conducted in
19 this case unless this Settlement Agreement is nullified in accordance with Section X.J below.

20
21 4. Notice of the Settlement shall be provided to Class Members using
22 the following procedures:

23 a. Class List. Within thirty (30) calendar days after
24 Preliminary Approval, Defendant shall provide the Settlement Administrator with a "Class List
25 and Data Report" showing the full names, full social security numbers, and last known telephone
26 numbers and mailing addresses for all Class Members and their weeks worked within the Class
27 Period. The Settlement Administrator shall keep this information confidential and shall not share
28 this information with Class Counsel.

c. Notice Mailing. By no later than forty-five (45) calendar days after Preliminary Approval, the Settlement Administrator shall send the Notice to all Class Members via First Class regular U.S. mail. Prior to mailing, one National Change of Address ("NCOA") search will be performed on Defendant's records to ascertain updated contact information for all Class Members. If any Notices to Class Members are deemed undeliverable by the Settlement Administrator, the Settlement Administrator shall perform a skip trace on any undeliverable notices. If any Notices to Class Members remain undeliverable after a skip trace is performed, the Settlement Administrator shall call the Class Member at the Class Member's last known phone number provided by Defendant to obtain a current address.

d. In the event the procedures in this Section are followed and the intended recipient of a Notice still does not receive the Notice, the intended recipient shall remain a Participating Class Member and shall be bound by all terms of the Settlement and by any Final Judgment entered by the Court, provided the Settlement is approved by the Court. As defined above, these persons shall be included as "Unlocated Class Members." The Parties agree that this procedure is the best notice practicable under the circumstances. The settlement amount attributed to Unlocated Class Members and Class Members who timely opt out of the settlement shall be distributed as reflected herein.

5. Procedure for Objecting to or Requesting Exclusion From Class Action Settlement.

a. Procedure for Objecting. The Notice shall provide that Class Members who wish to object to the Settlement may serve on the Settlement Administrator and counsel for the Parties a written statement objecting to the Settlement either by filling out the Objection Form attached as Exhibit 1.A to the Notice or submitting their own written statement. The Parties shall provide any objections to the Court in conjunction with the motion for final approval. To be valid, such written objection must contain the name, address, telephone number, and last four digits of the social security number of the Class Member; the location and dates of his or her employment by Defendant; whether the objector has retained an attorney; and if the objector has retained an attorney, the name of the firm, name of the attorney, address, and telephone number. Such written statement must be served on the Settlement Administrator and counsel for the Parties no later than forty-five (45) calendar days after the date the Notice is first mailed (the "Objection/Exclusion Deadline Date"). No Class Member shall be entitled to be heard at the final Settlement Hearing (whether individually or through separate counsel at his/her own expense) or to object to the Settlement, and no written objections or briefs submitted by any Class Member shall be received or considered by the Court at the Settlement Hearing, unless written notice of the Class Member's intention to appear at the Settlement Hearing, and copies of any written objections or briefs, have been served on the Settlement Administrator on or before the

1 Objection/Exclusion Deadline Date The date of the postmark on the return mailing envelope
2 shall be the exclusive means used to determine whether an objection has been timely submitted.
3 Alternatively, Participating Class Members may appear at the Final Approval hearing to articulate
4 their objection. Any Participating Class Member who submits a timely and valid objection will
5 still be entitled to his or her Individual Settlement Award and Individual PAGA Payout, shall
6 become a Participating Class Member, and will be bound by the Settlement if the Court approves
7 the Settlement. If a Class Member submits both a timely objection and request for exclusion from
8 the settlement, the objection will not be considered but the request for exclusion will be accepted.

9 b. Procedure for Requesting Exclusion. The Notice shall
10 provide that Class Members who wish to exclude themselves from the Class must either fill out
11 and submit the Exclusion Form attached as Exhibit 1.B to the Notice or submit their own written
12 statement requesting exclusion from the Class on or before the Objection/Exclusion Deadline
13 Date. Such written request for exclusion must contain the name, address, telephone number, and
14 last four digits of the social security number of the person requesting exclusion, and the location
15 and dates of his or her employment by Defendant. Such request must be returned by mail to the
16 Settlement Administrator and must be postmarked on or before the Objection/Exclusion Deadline
17 Date. The date of the postmark on the return mailing envelope shall be the exclusive means used
18 to determine whether a request for exclusion has been timely submitted. Any Class Member who
19 submits a timely and valid request for exclusion will not be entitled to receive their Individual
20 Settlement Award and will not release the Released Claims or have any right to object, appeal, or
21 comment thereon, but if they are also an Aggrieved Employee they will receive their Individual
22 PAGA Payout and release the PAGA Released Claims Class Members who fail to submit a valid
23 and timely request for exclusion on or before the Objection/Exclusion Deadline Date shall become
24 Participating Class Members and shall be bound by all terms of the Settlement and any Final
25 Judgment entered in the Action if the Settlement is approved by the Court.

26
27 6. No Solicitation of Settlement Objections or Exclusions. The Parties
28 agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the

1 Parties or their counsel seek to solicit or otherwise encourage Plaintiffs to submit written
2 objections to the Settlement or requests for exclusion from the Settlement Class or to appeal from
3 the Court's Final Judgment.

4
5 7. Disputes as to Workweeks Attributed to Class Members. If a Class
6 Member who receives a Class Notice wishes to dispute the number of work weeks listed on the
7 Notice, the Class Member may notify the Settlement Administrator by mail or telephone no later
8 than the Response Deadline and should produce any available supporting evidence, such as wage
9 statements, offers of employment, termination letters, and/or other employment records, to the
10 Settlement Administrator. The documentation should provide evidence of the dates the Class
11 Member contends he or she worked for Defendant during the Class Period. The Settlement
12 Administrator shall then provide the documentation provided by the Class Member to Defendant.
13 Defendant shall review its records, the documentation provided by the Class Member, and shall
14 provide information to the Settlement Administrator in response to any such disputed claim.
15 Defendant's records shall be presumed to be determinative, but the Settlement Administrator shall
16 evaluate the evidence submitted by the Class Members and make the decision as to which dates
17 should be applied. The determination by the Settlement Administrator shall be final and binding.

18
19 8. The Settlement Administrator will, on a weekly basis before and for
20 a reasonable period following the Objection/Exclusion Deadline Date, provide updates to Class
21 Counsel and Defendant's counsel as to the number of Class Members who submitted (i) valid opt-
22 out requests for exclusions; and (ii) objections. To the extent practicable, the weekly updates shall
23 also provide updated data on the number of Notices that are returned as undeliverable and any re-
24 mailing efforts. The Settlement Administrator shall not provide Class Counsel with the names or
25 contact information of any Class Members or opt-outs at any point during or after the Settlement
26 Administration Process, including in its supporting declarations, unless required by the Court. If a
27 Class Member reaches out to Class Counsel with questions, the Settlement Administrator may
28 communicate with Class Counsel regarding that individual.

1 9. No less than twenty (20) court days before the Final Approval
2 Hearing, the Settlement Administrator will prepare a declaration to be provided to Class Counsel
3 and Defendant's counsel for filing in support of Named Plaintiff's motion for final approval
4 attesting to the following: (i) its mailing efforts regarding the Notice; (ii) its receipt of the valid
5 requests for exclusion, and its inability to deliver the Notice to Plaintiffs, if any; (iii) its receipt of
6 valid objections, if any; (iv) the estimated average Individual Settlement Award; (v) the final costs
7 of administration; and (vi) any other information requested by Class Counsel or the Court.

8
9 10. Option to Terminate Settlement. If, after the Objection/Exclusion
10 Deadline Date, and before the Final Approval Hearing referenced in Section X.H.11 below, the
11 number of Plaintiffs who have timely submitted requests for exclusion total ten percent (10%) or
12 more of all Plaintiffs, Defendant shall have, in its sole discretion, the option to terminate this
13 Settlement. To be valid, a request for exclusion must be submitted on a timely basis as required
14 by the Settlement Agreement. Defendant agrees to meet and confer in good faith with Class
15 Counsel before terminating this Agreement. In the event that Defendant elects to terminate,
16 Defendant shall provide written notice of such termination to Class Counsel. If Defendant
17 chooses to exercise its right to terminate the Settlement Agreement, Defendant must do so within
18 twenty (20) days after the Settlement Administrator notifies Class Counsel and Defendant's
19 counsel of the number of valid opt outs or objections received, which the Settlement Administrator
20 will do within ten (10) days after the Objection/Exclusion Deadline Date. Class Counsel may
21 attempt to cause retraction of any election of exclusion by Plaintiffs. If Defendant has exercised
22 its option to terminate the Settlement Agreement, and Class Counsel succeeds in causing the
23 retraction of sufficient requests for exclusion such that the remaining number of Plaintiffs seeking
24 exclusion is less than 10% of all Plaintiffs, then Defendant's notice of termination of the
25 Settlement Agreement shall automatically be deemed a nullity. To retract a prior request for
26 exclusion, a Plaintiff must provide to the Settlement Administrator, at least three (3) calendar days
27 prior to the Final Approval Hearing, or any adjournment thereof, a written notice stating his or her
28 desire to retract his or her request for exclusion. Any termination of this Agreement by Defendant

1 pursuant to this Section shall have the same effect as a termination of the Settlement Agreement
2 for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null
3 and void and have no further force or effect, and the Settlement Class certified pursuant to the
4 Settlement Agreement will be decertified for all purposes. If Defendant chooses to terminate the
5 Settlement Agreement based upon this Section, Defendant shall pay for the Settlement
6 Administrator's fees and costs incurred to that point.

7
8 11. Final Settlement Approval Hearing and Entry of Final Judgment.

9 Upon passage of the Objection/Exclusion Deadline Date, with the Court's permission, a Final
10 Settlement Approval Hearing ("Final Approval Hearing") shall be conducted to determine final
11 approval of the Settlement along with the amount properly payable for (i) attorneys' fees and costs
12 to Class Counsel; (ii) Named Plaintiffs' Service Award; (iii) Settlement Administration fees; and
13 (iv) PAGA payment to the LWDA and Aggrieved Employees. Upon final approval of the
14 Settlement by the Court at or after the Final Approval Hearing, the Parties shall present a Final
15 Judgment ("Final Judgment") (attached as **Exhibit 3** hereto) to the Court for its approval. After
16 entry of the Final Judgment, the Court shall have continuing jurisdiction pursuant to California
17 Code of Civil Procedure section 664.6 solely for purposes of addressing: (i) settlement
18 administration matters and (ii) such post-Final Judgment matters as may be appropriate under
19 court rules or as set forth in this Agreement.

20
21 12. The Settlement Administrator shall establish a Settlement Account
22 (either a separate checking account or separate ledger entry), and timely fund any checks written
23 upon the Settlement Account to pay all amounts owed under this Settlement;

24 a. Within seven (7) calendar days after the Effective Date,
25 Defendant will wire to or otherwise fund the Settlement Account created by the Settlement
26 Administrator to pay the Settlement Fund, as specified above;

13. Procedure for Payment of Settlement Awards. Within fourteen (14) calendar days after the Effective Date, the Settlement Administrator will pay Attorneys' Fees and Costs, the Named Plaintiffs' Service Award, and the LWDA's share of the PAGA Award to the LWDA. Within fourteen (14) calendar days after the Effective Date, the Settlement Administrator shall mail Individual Settlement Awards to the Participating Class Members and Individual PAGA Payouts to Aggrieved Employees. The envelopes transmitting the Individual Settlement Awards and Individual PAGA Payouts shall bear the notation, "YOUR CLASS ACTION SETTLEMENT CHECK IS ENCLOSED." Any checks paid to Participating Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance ("Check Stale Date"). Any checks not cashed after one hundred eighty (180) calendar days will be distributed as set forth within this Agreement. For any checks that are returned with a forwarding address, the Settlement Administrator shall send the check to that forwarding address within ten (10) calendar days. For any checks that are returned with no forwarding address, the Settlement Administrator shall attempt to determine a correct address by using a single computer or other search and shall call the Participating Class Member or Aggrieved Employee at the telephone number provided by Defendant. If the Settlement Administrator obtains a new address, then the check shall be mailed to that new address within ten (10) calendar days. If the Participating Class Member is a current employee of Defendant and the prior efforts are not successful, the Settlement Administrator shall arrange with the Defendant to have those distributions delivered to those Participating Class Members at their place of employment. In the event these procedures are utilized and the person does not receive the check, no additional steps are required and the Settlement Administrator will have fulfilled all of its obligations under this Section. If any checks are not redeemed or deposited within sixty (60) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating

1 that unless the check is redeemed or deposited in the next sixty (60) days, it will expire and
2 become non-negotiable, and offer to replace the check if it was lost or misplaced.

3
4 14. Administration of the Settlement shall be completed on or before the
5 date approximately ninety (90) days after the Check Stale Date. At that time, the Settlement
6 Administrator shall cancel any uncashed or deposited settlement checks. All funds associated with
7 uncashed or undeposited settlement checks shall be redistributed to the Class Members and
8 Aggrieved Employee on a pro rata basis. Upon completion of administration of the Settlement,
9 the Settlement Administrator shall provide Class Counsel and counsel for Defendant with a
10 declaration of completion to be filed with the Court by counsel for Defendant.

11
12 15. Administration Cost. All of Defendant's own legal fees, costs and
13 expenses incurred in the Action shall be borne by Defendant. In accordance with Section X.G,
14 settlement administration expenses will be included in the Settlement Fund. The Parties agree to
15 cooperate in the settlement administration process and to make all reasonable efforts to control and
16 minimize the costs and expenses incurred in administration of the Settlement.

17
18 I. Good Faith Efforts The Parties will work in good faith to address any
19 impediments to approval of the Settlement raised by the Court. Should the Parties encounter any
20 post-mediation dispute relating in any way to the settlement of the matter, the Parties agree that,
21 prior to dissolving the Settlement and re-engaging in active litigation, they shall return to mediator
22 Steve Pearl for additional, good faith attempts at mediation to resolve the Parties' differences. The
23 Parties shall share the costs of any additional mediation(s), if necessary.

24
25 J. Nullification of Settlement Agreement. In the event that prior to the
26 Effective Date: (i) the Court does not enter a Preliminary Approval Order; (ii) the Court does not
27 finally approve the Settlement as provided herein; (iii) the Court does not enter a Final Judgment
28 as provided herein which becomes final as a result of the occurrence of the Effective Date; (iv) ten

1 percent (10%) or more of Class Members and Aggrieved Employees submit valid opt-out election
2 forms and Defendant exercises its option to terminate the Settlement Agreement; or (v) the
3 Settlement does not become final for any other reason, this Settlement Agreement shall be null
4 and void and any order or judgment entered by the Court in furtherance of this Settlement shall be
5 treated as void *ab initio*. In that case, the Parties will seek to reach a revised agreement acceptable
6 to them to be presented to the Court. In the event the Parties cannot reach a mutually acceptable
7 revised agreement, they shall ask the mediator to assist them in resolving the remaining disputes
8 before litigating further. In the event the Parties are unable to reach a revised agreement, or any
9 such revised agreement is not approved by the Court, the Parties shall proceed in all respects as if
10 this Settlement Agreement had not been executed and Defendant will not make any payments
11 under this Settlement Agreement, except that any fees already incurred by the Settlement
12 Administrator shall be paid for equally by the Parties. In the event an appeal is filed from the
13 Court's Final Judgment, or any other appellate review is sought prior to the Effective Date,
14 administration of the Settlement shall be stayed pending final resolution of the appeal or other
15 appellate review.

16
17 K. No Effect on Employee Benefits. The Service Award and Individual
18 Settlement Awards paid to the Named Plaintiffs and Participating Class Members shall be deemed
19 not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of,
20 any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Named
21 Plaintiffs or Participating Class Members. The Parties agree that any Service Award and
22 Individual Settlement Awards paid to Named Plaintiffs and Participating Class Members under the
23 terms of this Agreement do not represent any modification of Named Plaintiffs' or Class
24 Members' previously credited hours of service, or other eligibility criteria, under any employee
25 pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any
26 Service Award or Individual Settlement Awards hereunder shall not be considered
27 "compensation" in any year for purposes of determining eligibility for, or benefit accrual within,
28 an employee pension benefit plan, employee welfare benefit plan sponsored by Defendant, or

1 unemployment benefits. Defendant will not take 401(k) or other benefits deductions from any
2 Service Award or Individual Settlement Awards.

3
4 L. Privacy of Documents and Information. Named Plaintiffs and Class
5 Counsel agree that none of the documents and information provided to them by Defendant shall be
6 used for any purpose other than prosecution of the Actions and administration of the Settlement.

7
8 M. Confidentiality Prior to Preliminary Approval. The undersigned agree that
9 prior to the date of the filing of the papers in support of Preliminary Approval, they will keep
10 confidential the terms of this Settlement. Named Plaintiffs shall be informed that the Settlement is
11 confidential up until the date of the filing of the papers in support of Preliminary Approval, and
12 shall be advised to keep this Settlement confidential. Notwithstanding the foregoing, Named
13 Plaintiffs and Class Counsel may inform their immediate family and legal, tax, and financial
14 advisors of this Settlement. However, before disclosing any such information to any such person,
15 Named Plaintiffs or Class Counsel (as the case may be) shall advise such person(s) that the
16 information is confidential. The disclosure of this information to any other person shall constitute
17 a breach of this Agreement. Prior to the date of the filing of the papers in support of Preliminary
18 Approval, Class Counsel and counsel for Defendant may not communicate the terms of this
19 Settlement to Plaintiffs, other than Named Plaintiffs, including on websites. Notwithstanding the
20 foregoing, the Parties may discuss the terms of the Settlement in any papers filed with the Court
21 relating to preliminary approval of the Settlement. Defendant may reference this Settlement prior
22 to Preliminary Approval, in their financial disclosures. The Parties agree that damages from
23 violation of this provision are significant and impossible to calculate. They therefore agree that
24 any proven violation of this provision shall subject the Named Plaintiffs and/or Class Counsel to
25 liquidated damages in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) for each
26 such breach.

1 N. Limited Publicity Following Preliminary Approval. From and after
2 Preliminary Approval of the Settlement, Class Counsel and Named Plaintiffs may only comment
3 regarding the specific terms of this Agreement: (1) as required by law; or (2) as required under the
4 terms of this Agreement. In all other cases, Class Counsel and Named Plaintiffs agree to not
5 publicize this Settlement in any way. Neither Named Plaintiffs nor Class Counsel shall hold any
6 press conference, make any press release, make statements to the press, publish the settlement on
7 the internet or social media, or in any way affirmatively publicize any information related in any
8 way to the Settlement. The Parties agree that damages from violation of this provision are
9 significant and impossible to calculate. They therefore agree that any violation of this provision
10 shall subject the Named Plaintiffs and/or Class Counsel to liquidated damages in the amount of
11 Five Thousand Dollars and Zero Cents (\$5,000.00) for each such proven breach.

12
13 O. No Admission by the Released Parties. Defendant and the Released Parties
14 deny any and all claims alleged in the Action and deny all wrongdoing whatsoever. This
15 Agreement is not a concession or admission, and shall not be used against Defendant or any of the
16 Released Parties as an admission or indication with respect to any claim of any fault, concession
17 or omission by Defendant or any of the Released Parties. Whether or not the Settlement is finally
18 approved, neither the Settlement, nor any document, statement, proceeding or conduct related to
19 this Agreement, nor any reports or accounts thereof, shall in any event be:

20
21 1. Construed as, offered or admitted in evidence as, or deemed to be
22 evidence for any purpose adverse to the Released Parties, including, but not limited to, evidence of
23 a presumption, concession, indication or admission by any of the Released Parties of any liability,
24 fault, wrongdoing, omission, concession or damage; or

25
26 2. Disclosed, referred to or offered or received as evidence against any
27 of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or
28

1 administrative action or proceeding, except for purposes of settling the Actions pursuant to this
2 Agreement or enforcing the terms of this Stipulation.

3
4 P. CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS
5 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY"
6 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING
7 PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO
8 PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR
9 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND
10 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
11 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED
12 UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
13 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
14 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS
15 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
16 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO
17 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY
18 OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
19 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
20 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY
21 THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY
22 OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
23 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX
24 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
25 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT
26 OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
27 CONTEMPLATED BY THIS AGREEMENT.

28

1 Q. Exhibits and Headings. The terms of this Agreement include the terms set
2 forth in any of the attached Exhibits 1 through 3, which are incorporated by this reference as
3 though fully set forth herein. Any exhibits to this Agreement are an integral part of the
4 Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted
5 for convenience of reference only and do not constitute a part of this Agreement.

6
7 R. Amendment or Modification. This Agreement may be amended or
8 modified only by a written instrument signed by counsel for all Parties or their successors-in-
9 interest.

10
11 S. Entire Agreement. This Agreement and the attached exhibits constitute the
12 entire agreement among the Parties, and no oral or written representations, or warranties or
13 inducements, have been made to any Party concerning this Agreement or its exhibits, other than
14 the representations, warranties, and covenants contained and memorialized in such documents.

15
16 T. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
17 warrant and represent that they are expressly authorized by the Parties they represent to negotiate
18 this Agreement, and to take all appropriate action required or permitted to be taken by such Parties
19 (including the execution of any other documents) pursuant to this Agreement to effectuate the
20 terms of said Agreement. The Parties and their counsel will cooperate with each other and use
21 their best efforts to effect the implementation of the Settlement.

22
23 U. Binding on Successors and Assigns. This Agreement shall be binding upon,
24 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

25
26 V. California Law Governs. All terms of this Agreement and the exhibits
27 attached hereto shall be governed by and interpreted according to the laws of the State of
28 California.

1
2 Dated: 10/5/2023

DocuSigned by:
By: Angelica Romero
67C7C306880E448... ANGELICA ROMERO

3
4
5
6 Dated: 10/9/2023

DEFENDANT

RALPH LAUREN RETAIL, INC.

7
8 By: Jonathan Shiffman
44FF0C07DDFD43A...

9
10 Its: Associate Gen. Counsel, Employment Law

11 APPROVED AS TO FORM:

PLAINTIFFS' COUNSEL

12
13
14 Dated: FRONTIER LAW CENTER

15
16 By: ROBERT STARR
MANNY STARR
ADAM ROSE

17
18
19 Attorneys for Plaintiff
20 MARIANO GAGLIARDI

21
22
23 Dated: 10/5/2023

DIVERSITY LAW CENTER GROUP, P.C.

24
25 By: Larry W. Lee
LARRY W. LEE
26 MAX GAVRON
27 MAI TULYATHAN
28

Attorneys for Plaintiff
ANGELICA ROMERO

DEFENDANT'S COUNSEL

Dated: 10/10/23

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By: Samantha D. Hardy

SAMANTHA D. HARDY
DANIEL F. DE LA CRUZ
BERNICE DIAZ

Attorneys for Defendant
RALPH LAUREN RETAIL, INC.

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LIST OF EXHIBITS

1. Notice of Class and Representative Action Settlement
- 1A. Objection Form
- 1B. Exclusion Form
2. Preliminary Approval Order
3. Final Judgment

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

MARIANO GAGLIARDI, individually and on
behalf of all similarly situated employees,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation doing business in California and
DOES 1-100,

Defendants.

ANGELICA ROMERO, as an individual and on
behalf of all others similarly situated,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. CVRI2103581, CVRI2200840

**NOTICE OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Case No. CVRI2103581
Complaint Filed: August 3, 2021
FAC Filed: October 6, 2021

Trial Date: None Set

Case No. CVRI2200840
Complaint Filed: March 1, 2022
FAC Filed: June 10, 2022

Trial Date: None Set

CLASS NOTICE

NOTICE OF SETTLEMENT OF CLASS AND REPRESENTATIVE ACTION CLAIMS

Mariano Gagliardi v. Ralph Lauren Retail, Inc.
Superior Court of the State of California for the County of Riverside
Case No. CVRI2103581

Angelica Romero v. Ralph Lauren Retail, Inc.
Superior Court of the State of California for the County of Riverside
Case No. CVRI2200840

TO: Any and all persons who were employed as hourly, non-exempt Polo Ralph Lauren Factory Store employees employed in California by Ralph Lauren Retail, Inc. from December 20, 2020, through July 8, 2023, who did not sign an electronic arbitration agreement ("Class Period").

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHT TO A MONETARY SETTLEMENT ARISING OUT OF YOUR EMPLOYMENT BY RALPH LAUREN RETAIL, INC. AS AN HOURLY, NON-EXEMPT POLO RALPH LAUREN FACTORY STORE EMPLOYEE IN CALIFORNIA DURING THE CLASS PERIOD.

THIS NOTICE WILL EXPLAIN IMPORTANT, TIME-SENSITIVE DEADLINES.

I. INTRODUCTION

If you were employed by Defendant Ralph Lauren Retail, Inc. in California as an hourly, non-exempt Polo Ralph Lauren Factory Store employee at any time from December 20, 2020, through July 8, 2023 (the "Class Period") and you did not sign an electronic arbitration agreement, you are a member of the proposed settlement class in these class action lawsuits (a "Class Member") and your rights will be affected as set forth in the proposed settlement described in this Notice (the "Settlement"). On [REDACTED], 2023, the Court preliminarily approved the Settlement. You have received this Notice because Defendant's records show you are a Class Member in one or both of these actions. This Notice provides you with basic information about the case and advises you of your options with regard to the settlement.

II. NATURE OF THE ACTION

The *Gagliardi* Action was filed by Named Plaintiff Mariano Gagliardi ("Plaintiff Gagliardi") in the Superior Court for the State of California, County of Riverside, on August 3, 2021, against Defendant Ralph Lauren Retail, Inc. ("Defendant"). Plaintiff Gagliardi and the Plaintiffs are represented by the Frontier Law Center.

Plaintiff Gagliardi's Operative Complaint alleges the following causes of action: (1) failure to overtime at regular rate of pay; (2) failure to provide accurate wage statements; (3) waiting time penalties; (4) violation of unfair competition law; and (5) violation of the Private Attorneys General Act ("PAGA"). For these allegedly improper actions, Plaintiff Gagliardi is demanding various amounts for wages, penalties, interest, attorneys' fees, and other damages (collectively, "Plaintiff Gagliardi's claims").

The *Romero* Action was filed by Named Plaintiff Angelica Romero ("Plaintiff Romero", collectively with Plaintiff Gagliardi, "Named Plaintiffs") in the Superior Court for the State of California, County of Riverside, on March 1, 2022, against Defendant. Plaintiff Romero and the Plaintiffs are represented by the Diversity Law Group, P.C. (collectively with Frontier Law Center, "Class Counsel").

Plaintiff Romero's Operative Complaint alleges the following causes of action: (1) failure to pay minimum and overtime wages and waiting time penalties; (2) failure to provide accurate wage statements; (3) violation of unfair competition law; and (4) violation of PAGA. For these allegedly improper actions, Plaintiff Romero is also demanding various amounts for wages, penalties, interest, attorneys' fees, and other damages ("Plaintiff Romero's claims," collectively with Plaintiff Gagliardi's claims, "Named Plaintiffs' claims")

Ralph Lauren Retail, Inc. strongly denies liability for all of Named Plaintiffs' claims, and contends that it fully complied with California law during the Class Period.

The Court has not decided whether Named Plaintiffs or Defendant are correct. Named Plaintiffs would still have had to successfully certify the class and prove their claims at trial on a classwide basis. However, the Parties have concluded that it is in their respective best interests and the interests of the Plaintiffs to settle this lawsuit on the terms summarized in this Notice.

III. HOW DOES A CLASS ACTION SETTLEMENT WORK?

Both parties believe the settlement is fair, adequate, and reasonable. The Superior Court of California has preliminarily reviewed the terms of the settlement and determined the settlement is fair, adequate, and reasonable. Any final determination of these issues will be made at the Final Fairness Hearing, discussed below. On [date of ruling on preliminary approval], the Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Fairness Hearing concerning the proposed settlement on [date of final approval hearing], 2023 at [time a.m./p.m.], before the Honorable Harold W. Hopp at the Superior Court of the State of California for the County of Riverside, 4050 Main Street, Riverside, CA 92501. The date of the Final Fairness Hearing may change without further notice to the Class. You are advised to check the Court's website (riverside.courts.ca.gov) to confirm that the date has not been changed. Instructions on how to view the Court's docket are set forth at the end of this notice. Please note that some courthouses are still conducting virtual hearings due to COVID-19. Please check the Court's website to determine if the Court is conducting hearings in person or virtually.

IV. YOUR OPTIONS

Upon receipt of this Notice, you have three options, described in further detail in following sections:

DO NOTHING	You will receive your share of the Settlement. In exchange for receiving payment, you are giving up certain claims described more fully below covered by the Settlement against Defendant and/or related entities.
EXCLUDE YOURSELF	Receive no payment from the Settlement and retain all rights you may have against Defendant with respect to the Released Claims (defined below). Even if you exclude yourself, you will still be entitled to receive an Individual PAGA Payout if you are an Aggrieved Employee.
OBJECT	Write to the Court about why you don't agree with the Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and you will give up the claims covered by the Settlement.

V. THE SETTLEMENT

The following is only a summary of the provisions of the proposed Settlement between the Named Plaintiffs, Class Members, and Defendant. The specific and complete terms of the proposed Settlement are described in the Stipulation and Settlement of Class and Representative Action Claims ("Settlement Agreement"), a copy of which is available on the Court's docket for your review as set forth at the end of this Notice. You may also obtain a copy by searching for the court records in the Superior Court for the State of California, County of Riverside website: <https://www.riverside.courts.ca.gov/>.

The Settlement has a maximum value of \$375,000.00 (the "Settlement Fund"). The Settlement Fund is made up of : (1) the total payments to Participating Class Members of the Settlement Awards (the "Payout Fund"); (2) a Fees Award to Class Counsel (estimated at \$125,000.00); (3) a Costs Award to Class Counsel (estimated at \$24,000.00); (4) a Service Award/General Release Payment to the Named Plaintiffs (estimated to total \$20,000.00); (5) a payment to the Labor Workforce Development Agency (estimated at \$14,062.50); (6) a payment to the Aggrieved Employees known as the "PAGA Payout Fund" (estimated at \$4,687.50); and (7) claims administration expenses (estimated at \$14,000.00). The Payout Fund is explained in this Section. The Fees Award, Costs Award, Service Award, payment to the LWDA and Aggrieved Employees, and claims administration expenses are explained in Section VI below.

All Class Members are receiving this Notice. All Class Members who do not request to be excluded from the Settlement as set forth in Section VIII below will be "Participating Class Members." All Participating Class Members will automatically receive their share of the Payout Fund, which is distributed based on the number of weeks you worked for Defendant during the Class Period.

Approximately \$[] (the "Payout Fund") is available for disbursement to all Participating Class Members. **All Class Members who do not opt-out of the class action will receive an Individual Settlement Award.** Individual Settlement Awards will be distributed based on the number of weeks worked by the Participating Class Member as compared to the number of weeks worked by all Participating Class Members. Any partial week worked will be rounded up to the nearest full workweek. For example, a Participating Class Member who worked 365 days would have a Workweek Figure of 52 weeks. If the Payout Fund was \$171,937.50, and the total workweeks for all Participating Class Members was 22,514, this would result in a \$7.64 Per-Workweek Amount. Then, the above Participating Class Member would be eligible for \$7.64 for 52 workweeks, or \$397.28. This would be the Participating Class Member's Gross Settlement Amount.

Each Participating Class Member's Gross Settlement Amount will be divided into a "Gross Wage Portion" and a "Non-Wage Portion." One-third (33.33%) of all Individual Settlement Payments to Participating Class Members will be called the "Gross Wage Portion." The remaining two-thirds (66.67%) of payments to Participating Class Members represents the "Non-Wage Portion" of the Individual Settlement Payment and includes interest and penalties sought in the Action. Participating Class Members will be issued W2s for the Wage Portions of their Individual Settlement Payment and IRS Form 1099s for the Non-Wage Portions. From each Participating Class Member's Gross Wage Portion, payroll deductions will be made for state and federal withholding taxes and any payroll taxes owed by the Participating Class Member as a result of the payment, resulting in a "Net Wage Component." The total of the Net Wage Component and the Non-Wage Portion shall be the Class Member's "Net Settlement Amount." The Net Settlement Amount will be the net amount paid to each Class Member and is the Class Member's "Individual

Settlement Award." Subject to Court approval, the Parties anticipate Individual Settlement Awards will be distributed in approximately _____, 2024.

Each Class Member will receive their Individual Settlement Award by check. The checks shall remain valid and negotiable for one hundred eighty (180) days from issuance and may thereafter automatically be canceled if not cashed.

If you were an hourly, non-exempt Polo Ralph Lauren Factory Store employee employed by Defendant Ralph Lauren Retail, Inc. in California during the PAGA Period who did not sign an electronic arbitration agreement you are an "Aggrieved Employee." The "PAGA Period" means the period beginning December 20, 2020, and ending on July 8, 2023. Aggrieved Employees will also receive a share of the PAGA Payout Fund. The PAGA Payout Fund will be distributed to Aggrieved Employees based on a per-workweek basis. Aggrieved Employees will receive their share based on how many workweeks they worked during the PAGA Period as compared to all workweeks worked by all Aggrieved Employees during the PAGA Period ("PAGA Workweek Totals"). The number of workweeks for Aggrieved Employees will be determined by adding all the calendar days within the inclusive dates of employment and dividing that number by seven. Any partial workweek will be rounded up to the nearest full workweek. This shall be considered each Aggrieved Employee's "PAGA Workweek Figure." Aggrieved Employees' Individual PAGA Payouts will be calculated by dividing the PAGA Payout Fund by the total of all Aggrieved Employees' PAGA Workweek Figures to arrive at a Per-Workweek Amount, and then multiplying this amount by each Aggrieved Employees' PAGA Workweek Figure.

The Individual PAGA Payouts shall be categorized as penalties and subject to an IRS Form 1099, which shall be distributed by the Settlement Administrator.

If your address changes, or is different from the one on the envelope enclosing this Notice, please promptly notify the Settlement Administrator at [insert telephone number].

VI. YOUR ESTIMATED SHARE AND HOW TO DISPUTE YOUR WORKWEEKS

Based on Defendant's records, you worked _____ workweeks during the Class Period and your estimated Individual Settlement Award is \$_____.

[AGGRIEVED EMPLOYEES ONLY: Based on Defendant's records, you worked _____ workweeks during the PAGA Period and your estimated Individual PAGA Payout is \$_____.]

If you wish to dispute the number of work weeks listed on above you must notify the Settlement Administrator by mail or telephone, as stated below, no later than [30 days after notice]. You may produce any available supporting evidence, such as wage statements, offers of employment, termination letters, and/or other employment records, to the Settlement Administrator. The Settlement Administrator will then review the evidence submitted by you and make the decision as to which dates should be applied. The determination by the Settlement Administrator will be final and binding.

VII. CLASS COUNSEL'S FEES AWARD, SERVICE AWARD, PAYMENT TO THE LWDA, AND SETTLEMENT ADMINISTRATION EXPENSES

A. The amount of attorneys' fees awarded to Class Counsel will be subject to the Court's discretion, but in any event, will not exceed \$125,000.00 (the "Fees Award"). Class Counsel may seek a Costs Award not to exceed \$24,000.00. Class Counsel will not be permitted to ask the Court for any additional payments for fees, costs or interest and the Fees Award and Costs Award shall be for all claims for attorneys' fees and costs past, present and future incurred in the Actions. The Fees Award and Costs Award will be paid out of and deducted from the Settlement Fund. As part of the Settlement, you will not be required to pay Class Counsel for their representation of you in the Action.

B. The amount of Service Award/General Release Payment to each of the Named Plaintiffs will be subject to the Court's discretion, but in any event, will not exceed \$10,000.00 each, totaling \$20,000.00. This Service Award/General Release Payment shall be paid out of and deducted from the Settlement Fund.

C. As part of the preliminary approval of the Settlement, the Court has approved payment of \$18,750.00, 75% of which, or \$14,062.50 will be paid to the California Labor Workforce Development Agency ("LWDA") and represent the LWDA's share of the Settlement attributable to civil penalties under the California Labor Code's Private Attorneys General Act, Labor Code §§ 2699 *et seq.* ("PAGA"). The remaining \$4,687.50 is the PAGA Payout Fund and will be distributed to Aggrieved Employees.

D. Also, as part of the preliminary approval of the Settlement, the Court has approved payment of settlement administration expenses in the amount of up to \$14,000.00 to the Settlement Administrator from the Settlement Fund.

VI. IF YOU PARTICIPATE IN THE SETTLEMENT.

A. If you do not request to be excluded from the settlement you will give up your right to sue the Released Parties, which is defined as Defendant and each of its past and present officers, directors, employees, agents, subsidiaries, parents, and affiliates for the Released Claims.

B. "Released Claims" means all claims alleged or that could have been alleged based upon the facts pleaded in the Actions under any theory of law, including but not limited to all claims for unpaid wages, including but not limited to minimum wages, straight time wages, or overtime wages (including but not limited to those brought on an off-the-clock, bag check, rounding, regular rate, overtime computation or other theory); sick leave claims; meal and rest period claims (including failure to provide meal and rest periods and/or to pay properly calculated penalties); wage statement claims; recordkeeping claims; all claims arising under the California Labor Code, IWC Wage Orders, local ordinance, or otherwise, which are based on the facts alleged in the Actions; and any and all associated penalties and damages on any and all claims (including but not limited to PAGA penalties that are premised on the facts alleged in the Actions and/or Named Plaintiffs' notices to the Labor and Workforce Development Agency, wage statement penalties, waiting time penalties, late payment penalties, meal and rest period penalties and liquidated damages) during the Class Period.

C. If you are an Aggrieved Employee, even if you decide to exclude yourself from the Settlement, the State of California will release the Released PAGA Claims and you will receive your Individual PAGA Payout.

D. "Released PAGA Claims" means all claims alleged or that could have been alleged based upon the facts pleaded in the Actions under any theory of law, including but not limited to all claims under the PAGA for unpaid wages, including but not limited to minimum wages, straight time wages, or overtime wages (including but not limited to those brought on an off-the-clock, bag check, rounding, regular rate, overtime computation or other theory); sick leave claims; meal and rest period claims (including failure to provide meal and rest periods and/or to pay properly calculated penalties); wage statement claims; recordkeeping claims arising during the PAGA Period.

E. "Released Parties" means Defendant and each of its past and present officers, directors, employees, agents, subsidiaries, parents, and affiliates.

VII. PROCEDURE FOR EXCLUSION

You may exclude yourself from the Settlement by mailing to [ADMIN CONTACT INFO], on or before [DATE], a written statement expressing your desire to be excluded from the Settlement in the *Gagliardi* and *Romero* litigation. If you wish to request exclusion from the Settlement in these Actions, your written statement must include your name (and former names, if any), current address, telephone number, last four digits of your social security number, and the location and dates of your employment by Defendant. In addition, it must be postmarked on or before [DATE].

You may also fill out and submit the Exclusion Form attached as Exhibit 1.B to this Notice. You must send it to the Settlement Administrator on or before [DATE].

Requests for exclusion that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void and ineffective. If you submit a valid and timely request for exclusion from the Settlement you will not receive your Individual Settlement Award, and you will not give up your right to sue the Released Parties for the Released Claims.

If you are an Aggrieved Employees, even if you request to exclude yourself from the Settlement, you will still receive your Individual PAGA Payout and the State of California will release the Released PAGA Claims.

VIII. SETTLEMENT HEARING/OBJECTIONS TO THE PROPOSED SETTLEMENT

A hearing (the "Final Approval Hearing") will be held before the Honorable Harold W. Hopp on [REDACTED], 2023, at [REDACTED]:[REDACTED].m. at the Superior Court of the State of California for the County of Riverside, 4050 Main Street, Riverside, CA 92501 (the "Court"), to determine whether the proposed Settlement of the Actions is fair, adequate and reasonable and should be approved by the Court. The hearing may be continued by the Court from time to time as the Court may without further direct notice.

Any Class Member who wishes to object to the Settlement may serve on the Settlement Administrator and counsel for the Parties a written statement objecting to the Settlement. Written objections must be served on the Settlement Administrator at [ADMIN CONTACT INFO]. Such written objection must contain the name, address, telephone number, and last four digits of the Social Security Number of the person objecting; the location and dates of his/her employment by Defendant; whether the objector has retained an attorney; and if the objector has retained an attorney, the name of the firm, name of the attorney, address, and telephone number. Class Members may also fill out and Submit the Objection Form attached as Exhibit 1.A to this notice.

Any such written objection must be mailed on or before _____, 2023.

Alternatively, any Class Member may appear at the final approval hearing to assert their objection.

Any Class Member who is satisfied with the proposed Settlement need not appear at the Final Approval Hearing.

IX. EXAMINATION OF PAPERS AND INQUIRIES

This Notice is only a summary of the Actions and the proposed Settlement and is not comprehensive. For a more detailed statement of the matters involved in the Actions and the proposed Settlement, you may refer to the pleadings, the Stipulation and Settlement Agreement of Class and Representative Action Claims, and other papers filed in the Actions, which may be inspected at the Office of the Clerk of the Court, 4050 Main Street, Riverside, CA 92501, during regular business hours of each Court day.

X. WHAT IS THE CONTACT INFORMATION FOR CLASS COUNSEL?

Robert Starr
Manny Starr
Adam Rose
Frontier Law Center
23901 Calabasas Road, #1084
Calabasas, California 91302
Telephone: (818) 914-3433
Fax: (818) 914-3433

Larry W. Lee
Max Gavron
Mai Tulyathan
Diversity Law Group, P.C.
515 S Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Fax: (213) 488-6554

All questions by Class Members regarding this Notice and/or the Settlement should be directed to the settlement administrator for this Settlement:

[ADMIN CONTACT]

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.

Exhibit 1.A: Objection Form

ID

OBJECTION FORM

(Gagliardi v. Ralph Lauren Retail, Inc., Case No. CVRI2103581; and Romero v. Ralph Lauren Retail, Inc., Case No. CVRI2200840)

AS EXPLAINED IN MORE DETAIL IN THE NOTICE THAT CAME WITH THIS FORM, YOU HAVE THE RIGHT TO OBJECT TO THE PROPOSED CLASS ACTION SETTLEMENT DESCRIBED IN THE NOTICE.

If you choose, you may object to the proposed Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and if the Court grants final approval to the Settlement, you will get your Settlement Payment and the release of claims will apply to you.

If you wish to object to the Settlement, you must complete this Objection Form and state the basis for your objection, or you may write your objection in any other written format you choose. Send the completed Objection Form or other written statement, along with any other documents you may have that support your objection, if any, by mailing it to the address below, postmarked no later than ****[INSERT 45 days after mailing]**, 2023**. Alternatively, you may appear and be heard at the Final Approval Hearing regardless of whether you submit an Objection Form or other written objection. Ralph Lauren will not retaliate against Class Members whether they participate or opt out of the Settlement . In fact, class members supervisors will not know whether or not they participated.

[ADMIN CONTACT INFORMATION]

Your Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number, Including Area Code: _____

Dates of Employment: _____

Last Four Numbers of Social Security Number: _____

Date: _____

 (signature)

Reasons Why You Object (you may attach additional pages if necessary): _____

EXHIBIT 1.B: EXCLUSION FORM

ID

REQUEST FOR EXCLUSION FORM

(Gagliardi v. Ralph Lauren Retail, Inc., Case No. CVRI2103581; and Romero v. Ralph Lauren Retail, Inc., Case No. CVRI2200840)

IF YOU WANT TO BE INCLUDED IN THIS CLASS ACTION SETTLEMENT AND RECEIVE A SETTLEMENT PAYMENT, DO NOT FILL OUT THIS FORM.

IF YOU DO NOT WANT TO BE INCLUDED IN THE SETTLEMENT, AND DO NOT WANT TO RECEIVE A SETTLEMENT PAYMENT, YOU MUST COMPLETE, DATE AND SIGN THIS FORM AND MAIL IT BACK TO THE ADDRESS BELOW, POSTMARKED NO LATER THAN **[INSERT 45 days after mailing]**, 2023:****

[ADMIN INFORMATION]

I have received notice of the proposed settlement in this lawsuit, and I wish to be excluded from the class and I have decided ***not*** to participate in the proposed settlement. I understand this means that I will not be bound by the settlement and will not receive any payment from the settlement, but I will retain whatever rights I may have, if any, to pursue a claim against Defendant with respect to the Released Claims in the lawsuit referenced above.

Ralph Lauren will not retaliate against Class Members whether they participate or opt out of the Settlement. In fact, Class Members' supervisors will not know whether or not they participated.

Your Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number, Including Area Code: _____

Date: _____

(signature)

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

MARIANO GAGLIARDI, individually and on
behalf of all similarly situated employees,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation doing business in California and
DOES 1-100,

Defendants.

Lead Case No. CVRI2103581
CVRI2200840

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

Case No. CVRI2103581
Complaint Filed: August 3, 2021
FAC Filed: October 6, 2021

Trial Date: None Set

ANGELICA ROMERO, as an individual and on
behalf of all others similarly situated,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. CVRI2200840
Complaint Filed: March 1, 2022
FAC Filed: June 10, 2022

Trial Date: None Set

PRELIMINARY APPROVAL ORDER

1 WHEREAS, the following actions are pending before this Court as a class and
2 representative actions: *Gagliardi v. Ralph Lauren Retail, Inc.*, Case No. CVRI2103581; and
3 *Romero v. Ralph Lauren Retail, Inc.*, Case No. CVRI2200840 (the "Actions"); and
4

5 WHEREAS, the Parties have jointly applied to this Court for an order preliminarily
6 approving the settlement of the Actions in accordance with a Stipulation and Settlement of Class
7 and Representative Action Claims (the "Stipulation" or "Settlement"), which, together with the
8 exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement and
9 dismissal of the Actions with prejudice upon the terms and conditions set forth therein; and the
10 Court having read and considered the Stipulation and the exhibits annexed thereto;
11

12 NOW, THEREFORE, IT IS HEREBY ORDERED:
13

14 1. This Order incorporates by reference the definitions in the Stipulation, and all terms
15 defined therein shall have the same meaning in this Order as set forth in the Stipulation.
16

17 2. The Court recognizes that Plaintiffs and Defendant stipulate and agree to
18 certification of a class for settlement purposes only. For settlement purposes only, the Court
19 conditionally certifies the following settlement class (the "Class"): "All hourly, non-exempt Polo
20 Ralph Lauren Factory Store employees employed by Defendant Ralph Lauren Retail, Inc. in
21 California during the Class Period who did not sign an electronic arbitration agreement" (the
22 "Plaintiffs"). The "Class Period" shall be the time period beginning on December 20, 2020, and
23 ending on July 8, 2023.
24

25 3. The Court finds, for settlement purposes only, the requirements of California Code
26 of Civil Procedure section 382 are satisfied.
27
28

1 4. Named Plaintiffs Mariano Gagliardi and Angelica Romero (“Named Plaintiffs”) are
2 hereby appointed and designated, for all purposes, as the representatives of the class, and the
3 following attorneys are hereby appointed and designated as counsel for Named Plaintiffs and the
4 Class (“Class Counsel”):

5
6 Robert Starr
 Manny Starr
 Adam Rose
 Frontier Law Center
7 23901 Calabasas Road, #1084
8 Calabasas, California 91302

9
10 Larry W. Lee
 Max Gavron
 Mai Tulyathan
11 Diversity Law Group, P.C.
12 515 S Figueroa Street, Suite 1250
 Los Angeles, California 90071

13 Class Counsel is authorized to act on behalf of Class Members with respect to all acts or consents
14 required by, or which may be given pursuant to, the Settlement, and such other acts reasonably
15 necessary to consummate the Settlement. Any Class Member may enter an appearance through
16 counsel of such Class Member’s own choosing and at such Class Member’s own expense. Any
17 Class Member who does not enter an appearance or appear on his or her own will be represented
18 by Class Counsel.

19
20 5. The Court appoints Phoenix Settlement Administrators as the Settlement
21 Administrator. The Settlement Administrator shall be responsible for: preparing and printing the
22 Notice, and mailing the Notice as directed by the Court to the Class Members; communicating
23 with Plaintiffs and others regarding the Settlement Award administration process, corrections,
24 and/or additional information needed for administration; calculating the total workweek amounts;
25 calculating the amount of the Individual Settlement Awards, Individual PAGA Payouts and all tax
26 deductions to be withheld and remitted; administering a settlement website; keeping track of opt
27 outs; drafting and mailing Settlement Award checks to Participating Class Members and
28 Aggrieved Employees; disbursing the Fees Award and Costs Award to Class Counsel; disbursing

1 the Service Award to Named Plaintiffs through Class Counsel; and submitting the LWDA's
2 portion of the PAGA payment to the LWDA; preparing, mailing, and filing all applicable tax
3 forms necessary as a result of the payments made under this Settlement; preparing any
4 declarations required by the Court; and for such other tasks as the Parties mutually agree or the
5 Court orders the Settlement Administrator to perform

6
7 6. The Court hereby approves on a preliminary basis the Stipulation and settlement
8 contained therein, including the definition and disposition of the Settlement Fund and related
9 matters provided for in the Stipulation. It appears to the Court on a preliminary basis that the
10 settlement amount and terms are fair, adequate and reasonable as to all potential Class Members
11 when balanced against the probable outcome of further litigation relating to liability and damages
12 issues. It further appears that extensive and costly investigation and research have been conducted
13 such that counsel for the Parties at this time are able to reasonably evaluate their respective
14 positions. It further appears to the Court that settlement at this time will avoid substantial
15 additional costs by all Parties, as well as avoid the delay and risks that would be presented by
16 further prosecution of the Actions. It further appears that the Settlement has been reached as the
17 result of intensive, serious and non-collusive, arms'-length negotiations.

18
19 7. A hearing (the "Final Approval Hearing") shall be held before this Court on
20 _____, at _____.m. at the Superior Court of the State of California for the County
21 of Riverside, 4050 Main Street, Riverside, CA 92501, to determine all necessary matters
22 concerning the Settlement, including: whether the proposed settlement of the Action on the terms
23 and conditions provided for in the Stipulation is fair, adequate and reasonable and should be
24 finally approved by the Court; whether a Judgment, as provided in the Stipulation, should be
25 entered herein; whether the plan of allocation contained in the Stipulation should be approved as
26 fair, adequate and reasonable to the Class Members; and to finally approve Class Counsel's Fees
27 and Costs Award, the Named Plaintiffs' Service Award/General Release Payment, the PAGA
28 payment to the LWDA, PAGA Payout Fund, and the settlement administration expenses. The

1 Final Approval Hearing may be continued without further notice to Participating Class Members.
2 The Parties shall file a Motion for Final Approval sixteen (16) court days prior to the final
3 approval hearing. Concurrent with this filing, the Settlement Administrator shall provide a
4 declaration detailing the notice process, any requests for exclusions and/or objections received,
5 and authenticating a copy of every exclusion for received.

6
7 8. The Stipulation specifies a Fees Award in an amount not to exceed \$125,000.00,
8 Costs in an amount not to exceed \$24,000.00, a Service Award/General Release Payment of
9 \$10,000.00 each to the Named Plaintiffs, \$14,000.00 for Settlement Administration Expenses, and
10 \$14,062.50 to the Labor and Workforce Development Agency ("LWDA") as the LWDA's 75%
11 share of the \$18,750.00, and \$4,687.50 to the Aggrieved Employees as their 25% share of the
12 amount allocated to Private Attorney General Act ("PAGA") claims in these Actions. However,
13 the Court will not approve the amount of attorneys' fees and costs, claims administration expenses,
14 or the amount of the Service Award/General Release Payment until the Final Approval Hearing.
15 If the Court decides to award less than the amounts set forth above, then those amounts shall be
16 added to the Payout Fund and will be distributed amongst Class Members in accordance with the
17 Settlement Agreement. Funds associated with the Individual Settlement Awards of Unlocated
18 Class Members and Class Members who have submitted valid and timely requests for exclusion
19 shall be included in the Payout Fund and will be distributed amongst Class Members in
20 accordance with the formulas above. Funds associated with uncashed checks will be redistributed
21 to the Participating Class Members and Aggrieved Employees on a pro rata basis.

22
23 9. The Court hereby approves, as to form and content, the Notice, Objection Form,
24 and Exclusion Form, which are attached to this Order as Exhibits 1, 1A and 1B. The Court finds
25 that the distribution of the Notice substantially in the manner and form set forth in the Stipulation
26 and this Order meets the requirements of due process, is the best notice practicable under the
27 circumstances, and shall constitute due and sufficient notice to all persons entitled thereto.

1 10. The Settlement Administrator shall mail or cause to be mailed to Class Members
2 the Notice by first class mail within forty-five (45) calendar days after the date of this Order using
3 the procedures set forth in the Stipulation. Class Members shall have forty-five (45) days from the
4 date of the mailing to respond to the Notice. The Court finds the dates selected for the mailing and
5 distribution of the Notice meet the requirements of due process and provide the best notice
6 practicable under the circumstances and shall constitute due and sufficient notice to all persons
7 entitled thereto. Class Members who do not opt out of the Settlement will become Participating
8 Class Members and will automatically receive their Individual Settlement Awards. Class
9 Members who request exclusion will still receive their portion of the PAGA Payout Fund if they
10 are also Aggrieved Employees.

11
12 11. Any Class Member may choose to opt out of and be excluded from the Class as
13 provided in the Notice by following the instructions for requesting exclusion from the Class that
14 are set forth in the Notice; however the Aggrieved Employees will still release the Released
15 PAGA Claims even if they request to be excluded from being a Participating Class Member. All
16 requests for exclusion must be submitted as provided in the Notice. Any such person who chooses
17 to opt out of and be excluded from the Class will not be entitled to any recovery from the Payout
18 Fund under the Settlement and will not be bound by the Settlement or have any right to object,
19 appeal or comment thereon. Any written request to opt out must be signed by each such person
20 opting out. Class Members who have not requested exclusion shall be bound by all
21 determinations of the Court, the Stipulation and Judgment.

22
23 12. Any Class Member may appear at the Final Approval Hearing and may object or
24 express his or her views regarding the Settlement, and may present evidence and file briefs or
25 other papers, that may be proper and relevant to the issues to be heard and determined by the
26 Court as provided in the Notice. Class Members may follow the procedures set forth in the Notice
27 to submit a written objection to the Settlement.

1 13. All settlement administration expenses shall be paid from the Settlement Fund.

2
3 14. The Settlement is not a concession or admission, and shall not be used against
4 Defendant or any of the Released Parties as an admission or indication with respect to any claim
5 of any fault or omission by Defendant or any of the Released Parties. Whether or not the
6 Settlement is finally approved, neither the Settlement, nor any document, statement, proceeding or
7 conduct related to the Settlement, nor any reports or accounts thereof, shall in any event be:

8
9 a. Construed as, offered or admitted in evidence as, received as or deemed to be
10 evidence for any purpose adverse to the Released Parties, including, but not limited
11 to, evidence of a presumption, concession, indication or admission by Defendant or
12 any of the Released Parties of any liability, fault, wrongdoing, omission,
13 concession or damage; or

14
15 b. Disclosed, referred to, or offered or received in evidence against any of the
16 Released Parties in any further proceeding in the Actions, or in any other civil,
17 criminal or administrative action or proceeding, except for purposes of settling the
18 Actions pursuant to the Stipulation.

19
20 15. As of the date this Order is signed, all dates and deadlines associated with the
21 Actions shall continue to be stayed, other than those related to the administration of the Settlement
22 of the Actions.

23
24 16. In the event the Settlement does not become effective in accordance with the terms
25 of the Stipulation, or the Settlement is not finally approved, or is terminated, canceled or fails to
26 become effective for any reason, this Order shall be rendered null and void and shall be vacated,
27 and the Parties shall revert to their respective positions as of the date immediately before entering
28 into the Stipulation.

1 17. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and all dates provided for in the Stipulation without further notice to Plaintiffs, and
3 retains jurisdiction to consider all further applications arising out of or connected with the
4 proposed Settlement. Should the final approval hearing be continued for any reason, Class
5 Counsel shall give notice to any objecting party.

6
7 Dated: _____

8
9 _____
10 THE HONORABLE HAROLD W. HOPP
11 JUDGE OF THE SUPERIOR COURT
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

MARIANO GAGLIARDI, individually and on
behalf of all similarly situated employees,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation doing business in California and
DOES 1-100,

Defendants.

Lead Case No. CVRI2103581;
CVRI2200840

**[PROPOSED] FINAL JUDGMENT AND
ORDER**

Case No. CVRI2103581
Complaint Filed: August 3, 2021
FAC Filed: October 6, 2021

Trial Date: None Set

ANGELICA ROMERO, as an individual and on
behalf of all others similarly situated,

Plaintiffs,

v.

RALPH LAUREN RETAIL, INC., a Delaware
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. CVRI2200840
Complaint Filed: March 1, 2022
FAC Filed: June 10, 2022

Trial Date: None Set

FINAL JUDGMENT AND ORDER

1 This matter having come before the Court for hearing pursuant to the Order of this Court
2 dated [REDACTED], for final approval of the settlement set forth in the Stipulation for Settlement
3 of Class and Representative Action Claims ("Stipulation" or "Settlement"). The Stipulation was
4 filed on _____ and was attached to the Declaration of _____.

5
6 Due and adequate notice having been given to the Class Members as required in said
7 Order, and the Court having considered all papers filed and proceedings had herein and otherwise
8 being fully informed of the premises and good cause appearing therefore, it is

9
10 ORDERED, ADJUDGED AND DECREED THAT:

- 11
- 12 1. All terms used herein shall have the same meaning as defined in the Stipulation.
 - 13
 - 14 2. This Court has jurisdiction over the subject matter of this litigation and over all
15 Parties to this litigation, including all Participating Class Members and Aggrieved Employees.
16
 - 17 3. Distribution of the Notice directed to the Class Members as set forth in the
18 Stipulation and the other matters set forth therein has been completed in conformity with the
19 Preliminary Approval Order, including individual notice to all Class Members who could be
20 identified through reasonable effort, and was the best notice practicable under the circumstances.
21 This Notice provided due and adequate notice of the proceedings and of the matters set forth
22 therein, including the proposed settlement set forth in the Stipulation, to all persons entitled to
23 such Notice, and the Notice fully satisfied the requirements of due process. A full opportunity has
24 been afforded to the Class to participate in the Final Approval Hearing, and all Class Members and
25 other persons wishing to be heard have been heard. The Class Members also have had a full and
26 fair opportunity to exclude themselves from the settlement. Accordingly, the Court determines that
27 all Class Members who did not submit a timely and valid request for exclusion from the settlement
28

1 to the Settlement Administrator are bound by this Order. ____ Class Members objected to the
2 Settlement. ____ Class Members opted out of the Settlement.

3
4 4. This Court hereby approves the settlement set forth in the Stipulation and finds that
5 the Settlement is, in all respects, fair, adequate and reasonable and directs the Parties to effectuate
6 the Settlement according to its terms. The Court finds that the Settlement has been reached as a
7 result of intensive, serious and non-collusive arms'-length negotiations; that the Parties have
8 conducted extensive and costly investigation and research and counsel for the Parties are able to
9 reasonably evaluate their respective positions; and that settlement at this time will avoid additional
10 substantial costs, as well as avoid the delay and risks that would be presented by the further
11 prosecution of these Actions. The Court has reviewed the monetary recovery that is being granted
12 as part of the Settlement and recognizes the significant value to the Class of that monetary
13 recovery. The Court finds that the Class is properly certified as a class for settlement purposes
14 only.

15
16 5. For purposes of this Judgment, the term "Class" means "All hourly, non-exempt
17 Polo Ralph Lauren Factory Store employees employed by Defendant Ralph Lauren Retail, Inc. in
18 California during the Class Period who did not sign an electronic arbitration agreement." The
19 "Class Period" shall be the time period beginning on December 20, 2020, and ending on July 8,
20 2023.

21
22 6. As of the Effective Date, each and every Released Claim of each and every
23 Participating Class Member is and shall be deemed to be conclusively released as against the
24 Released Parties for the Class Period.

25
26 7. The Court hereby confirms Named Plaintiffs Mariano Gagliardi and Angelica
27 Romero as the class representatives in these Actions. The Court hereby confirms Robert Starr,
28 Manny Starr, and Adam Rose of Frontier Law Center; and Larry W. Lee, Max Gavron, and Mai

1 Tulyathan of Diversity Law Group, P.C., and William L. Marder of Polaris Law Group; as Class
2 Counsel in these Actions.

3
4 8. The Final Judgment shall bind each Participating Class Member (including Named
5 Plaintiffs) and shall operate as a full release and discharge of the Released Claims. The Final
6 Judgement shall also bind the Named Plaintiffs and State of California and operate as a full release
7 and discharge of the Released PAGA Claims. The Parties agree that the Released Claims shall
8 have full *res judicata* effect as to claims arising from the facts and/or theories outlined above
9 under federal law for all Participating Class Members as described in *Rangel v. PLS Check*
10 *Cashers of California, Inc.*, 899 F.3d 1106 (9th Cir. 2018), regardless of whether that Class
11 Member endorses and cashes his or her settlement check, unless a later court determines
12 otherwise.

13
14 9. The Stipulation and Settlement is not an admission by Defendant or any of the
15 other Released Parties, nor is this Judgment a finding, of the validity of any claims in the Actions
16 or of any wrongdoing by Defendant or any of the other Released Parties. Neither this Judgment,
17 the Stipulation, nor any document referred to herein, nor any action taken to carry out the
18 Stipulation is, may be construed as, or may be used as an admission by or against Defendant or
19 any of the other Released Parties of any fault, wrongdoing or liability whatsoever. The entering
20 into or carrying out of the Stipulation, and any negotiations or proceedings related thereto, shall
21 not in any event be construed as, or deemed to be evidence of, an admission or concession with
22 regard to the denials or defenses by Defendant or any of the other Released Parties and shall not be
23 offered in evidence in any action or proceeding against Defendant or any of the Released Parties in
24 any court, administrative agency or other tribunal for any purpose whatsoever other than to
25 enforce the provisions of this Judgment, the Stipulation, or any related agreement or release.
26 Notwithstanding these restrictions, any of the Released Parties may file in the Actions or in any
27 other proceeding the Judgment, Stipulation, or any other papers and records on file in the Actions
28

1 as evidence of the Settlement to support a defense of *res judicata*, collateral estoppel, release, or
2 other theory of claim or issue preclusion or similar defense as to the Released Claims.

3
4 10. Without affecting the finality of this Judgment in any way, this Court hereby
5 retains continuing jurisdiction over the interpretation, implementation and enforcement of the
6 Settlement and all orders and judgments entered in connection therewith.

7
8 11. The Court hereby awards Class Counsel attorneys' fees ("Fees Award") in the
9 amount of \$125,000.00 and costs ("Costs Award") in the amount of \$ _____. Of these amounts,
10 the Court awards \$ _____ as fees to Diversity Law Group, P.C., \$ _____ as
11 costs to Diversity Law Group, P.C., \$ _____ as fees Polaris Law Group,
12 \$ _____ as costs to Polaris Law Group, and \$ _____ as fees to Frontier Law
13 Center, \$ _____ as costs to Frontier Law Center. Class Counsel shall not be entitled to any
14 other award of attorneys' fees or costs in any way connected with this Action. The Court also
15 hereby approves a Service Award/General Release Payment to each of the Named Plaintiffs in the
16 amount of \$10,000.00. The Court approves payment to the LWDA in the amount of \$ _____,
17 and payment to the Aggrieved Employees in the amount of \$ _____. The Court also
18 approves the payment of claims administration expenses in the amount of \$ _____. The Court
19 finds and determines that these payments are fair and reasonable. The Court hereby gives final
20 approval to and orders these payments be made by the Settlement Administrator in accordance
21 with the terms of the Stipulation. The envelopes transmitting the settlement distributions to
22 Participating Class Members and Aggrieved employees shall bear the notation, "YOUR CLASS
23 ACTION SETTLEMENT CHECK IS ENCLOSED." The Settlement Administrator shall mail a
24 reminder postcard to any Participating Class Member whose settlement distribution check has not
25 be negotiated within 60 days after the date of mailing. If the Participating Class Member is a
26 current employee of Defendant and the prior efforts are not successful, the Settlement
27 Administrator shall arrange with the Defendant to have those distributions delivered to those
28 Participating Class Members at their place of employment. Any separate appeal from the portion

1 of this Judgment as to the Fees Award shall not operate to terminate or cancel the Stipulation or
2 otherwise affect the finality of this Judgment.

3
4 12. After administration of the Settlement has been completed in accordance with the
5 Stipulation and all amounts calculated, and in no event later than ninety (90) days after the Check
6 Stale Date, Defendant shall file a report with this Court certifying compliance with the terms of
7 the Settlement.

8
9 13. The Court finds that the Stipulation is in good faith and constitutes a fair,
10 reasonable and adequate compromise of the Released Claims.

11
12 14. If the Settlement does not become final and effective in accordance with the terms
13 of the Stipulation, resulting in the return and/or retention of the Settlement Fund to Defendant
14 consistent with the terms of the Settlement, then this Judgment and all orders entered in
15 connection herewith shall be rendered null and void and shall be vacated.

16
17 15. Notice of entry of this Final Approval Order and Judgment shall be given to the
18 Class Members by posting a copy of the Final Approval Order and Judgment on the Settlement
19 Administrator's website – accessible only to Class Members – for a period of at least sixty (60)
20 calendar days after the date of entry of this Final Approval Order and Judgment. Individualized
21 notice is not required.

1 Dated: _____

2 _____
3 THE HONORABLE HAROLD W. HOPP
4 JUDGE OF THE SUPERIOR COURT
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Certificate Of Completion

Envelope Id: 4A02868F1D8247349AB4A47C9BFFDF0D

Status: Completed

Subject: Complete with DocuSign: 231005 Gagliardi Class Action Settlement Agreement.pdf

Source Envelope:

Document Pages: 64

Signatures: 1

Envelope Originator:

Certificate Pages: 4

Initials: 0

Amy Patrick

AutoNav: Enabled

333 South Hope Street, 43rd Floor

Envelope Stamping: Disabled

Los Angeles, CA 90071

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

apatrick@sheppardmullin.com

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Holder: Amy Patrick

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apatrick@sheppardmullin.com

Signer Events

Jonathan Shiffman

Jonathan.Shiffman@RalphLauren.com

Associate Gen. Counsel, Employment Law

Security Level: Email, Account Authentication
(None)**Signature**

DocuSigned by:



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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

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You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: DocuSignSupport@sheppardmullin.com

To advise Sheppard, Mullin, Richter & Hampton LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at DocuSignSupport@sheppardmullin.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

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To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to DocuSignSupport@sheppardmullin.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

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To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to DocuSignSupport@sheppardmullin.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

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The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

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To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Sheppard, Mullin, Richter & Hampton LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Sheppard, Mullin, Richter & Hampton LLP during the course of your relationship with Sheppard, Mullin, Richter & Hampton LLP.

Exhibit B



July 15, 2021

Via Online Filing

<http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>
PAGA Administrator

Via Certified Mail**Ralph Lauren Retail, Inc.**

650 Madison Avenue
New York, NY 10022

Via Certified Mail**Ralph Lauren Retail, Inc.**

100 Metro Blvd, 4th Fl.
Ridgewood, NJ 07110

Via Certified Mail**Ralph Lauren Retail, Inc.**

48400 Seminole Dr., Ste 800
Cabazon, CA 92230

Subject: *Mariano Gagliardi v. Ralph Lauren Retail, Inc*

Dear Representative:

Our firm represents Mariano Gagliardi ("Mr. Gagliardi"), who worked for Ralph Lauren Retail, Inc. ("RLR") as an Assistant Store Manager in Cabazon, California within the last year.

Mr. Gagliardi intends to seek PAGA penalties on behalf of himself and all employees of RLR who were employed by RLR during the PAGA Period ("Aggrieved Employees"). The PAGA Period is defined as from one year prior to the filing of this PAGA notice through the date of final disposition of any action filed pursuant to this PAGA notice. The violations alleged in this letter are ongoing, and thus, the PAGA Period extends into the future. This letter is sent pursuant to the requirement of Labor Code section 2699.3.

Violation of Labor Code Section 246

Pursuant to Labor Code section 246, an employee is entitled to receive sick pay wages for the use of accrued sick leave as set forth in Labor Code section 246.5. An employee's right to receive sick pay wages is vested at the time the employee utilizes sick leave, rather than at a later point in time. Therefore, when an employee utilizes sick leave, an employer is required to calculate the employee's sick pay wages.

An employer may calculate an employee's sick pay wages in one of two ways: (1) "Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek;" or (2) "Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay,

by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

RLR paid bonuses, commissions, and other non-discretionary pay to Mr. Gagliardi and the Aggrieved Employees. However, **RLR** failed to include this non-discretionary pay in the calculation of Mr. Gagliardi's and the Aggrieved Employees' sick leave rate of pay.

Because **RLR** failed to pay Mr. Gagliardi and the Aggrieved Employees all sick pay wages due, **RLR** is subject to civil penalties pursuant to Labor Code section 2699.

Violation of Labor Code Sections 201 – 203 – Waiting Time Penalties

Labor Code sections 201 – 203 require that an employer provide an employee with all wages due and payable either: (a) immediately upon termination, or (b) within 3 days of the employee's resignation. When an employer fails to comply with the above, the employee is entitled to the equivalent of a day's wage at their regular rate of pay for each day the employer is late; these penalties cap at 30 days.

Since **RLR** failed to compensate Mr. Gagliardi and the Aggrieved Employees properly for their sick time leave, **RLR** has necessarily failed to provide Mr. Gagliardi and the Aggrieved Employees with all wages due and payable at the culmination of their employer/employee relationship. Accordingly, **RLR** are subject to the civil penalties listed in Labor Code section 2699.

Very Truly Yours,



Manny Starr

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ralph Lauren Retail, Inc.
48400 Seminole Dr. Ste 800
Cabazon, CA 92230



9590 9402 5883 0038 5186 12

2. Article Number (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
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- ☐ Insured Mail Restricted Delivery (over \$500)

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- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

7019 2970 0000 5252 8492

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®



7019 2970 0000 5252 8492

7019 2970 0000 5252 8492

U.S. Postal Service™

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

RE: Gagliardi
PAGAFor delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
- ☐ Return Receipt (electronic) \$
- ☐ Certified Mail Restricted Delivery \$
- ☐ Adult Signature Required \$
- ☐ Adult Signature Restricted Delivery \$

Postage

\$

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Sent To

Ralph Lauren Retail, Inc.

Street and Apt. No., or PO Box No.

48400 Seminole Dr. Ste 800

City, State, ZIP+4®

Cabazon, CA 92230

Postmark
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PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

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1. Article Addressed to:

Ralph Lauren Retail, Inc.
100 Metro Blvd., Floor 4
Ridgewood, NJ 07110



9590 9402 5883 0038 5186 29

2. Article Number (Transfer from service label)

7019 2970 0000 5252 8485

PS Form 3811, July 2015 PSN 7530-02-000-9053

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A. Signature

X

- ☐ Agent
☐ Addressee

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C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
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☐ Adult Signature Restricted Delivery
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☐ Certified Mail Restricted Delivery
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☐ Adult Signature Restricted Delivery \$

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Ridgewood, NJ 07110

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1. Article Addressed to:

Ralph Lauren Retail, Inc.
650 Madison Ave.
New York, NY 10022



9590 9402 5883 0038 5186 05

2. Article Number (Transfer from service label)

7019 2970 0000 5252 8478

PS Form 3811, July 2015 PSN 7530-02-000-9053

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☐ Agent☐ Addressee

B. Received by (Printed Name)

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D. Is delivery address different from item 1? ☐ Yes
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3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured MailMail Restricted Delivery
(500)☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☒ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

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Certified Mail Fee

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Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hardcopy)☐ Return Receipt (electronic)☐ Certified Mail Restricted Delivery☐ Adult Signature Required☐ Adult Signature Restricted Delivery

Postage

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Total Postage and Fees

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Sent to

Ralph Lauren Retail, Inc.

Street and Apt. No., or PO Box No.

650 Madison Ave.

City, State, ZIP+4®

New York, NY 10022

PS Form 3800, April 2015 PSN 7530-02-000-9017

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October 6, 2021

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Via Certified Mail**Ralph Lauren Retail, Inc.**

650 Madison Avenue
New York, NY 10022

Via Certified Mail**Ralph Lauren Retail, Inc.**

100 Metro Blvd, 4th Fl.
Ridgewood, NJ 07110

Via Certified Mail**Ralph Lauren Retail, Inc.**

48400 Seminole Dr., Ste 800
Cabazon, CA 92230

Subject: *Mariano Gagliardi v. Ralph Lauren Retail, Inc – Supplemental Notice*

Dear Representative:

This notice letter is in filed in order to provide Ralph Lauren Retail, Inc. (“RLR”) with notice of additional Labor Code violations alleged by Mariano Gagliardi relating to his employment with RLR. These claims are in addition to those asserted in his July 15, 2020 letter, and the violations alleged in his July 15, 2020 letter are incorporated herein. The violations in this letter are ongoing.

Violation of Labor Code Section 510 – Overtime Pay Violation

Pursuant to Labor Code section 510, an employer must compensate an employee at a rate of no less than one-and-one-half times their *regular rate of pay* for work in excess of eight hours on a single workday, or forty hours in a single workweek.

An employees’ “regular rate of pay” is modified by any bonuses, commissions, or other non-discretionary pay. RLR paid bonuses, commissions, and other non-discretionary pay to Mr. Gagliardi and the Aggrieved Employees, however, it failed to include this non-discretionary pay in the calculation of Mr. Gagliardi and the Aggrieved Employees’ regular rate of pay for purposes of paying overtime. Therefore, RLR failed to compensate Mr. Gagliardi and the Aggrieved Employees all overtime wages due for overtime hours worked.

Because RLR failed to pay Mr. Gagliardi and the Aggrieved Employees all overtime wages due, RLR is subject to civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Violation of Labor Code Sections 226 – Wage Statement Penalties

Labor Code section 226 requires RLR to provide Mr. Gagliardi and the Aggrieved Employees with wage statements that *accurately* show, among other things: (1) the total amount of gross and net wages earned and (2) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

Here, RLR has failed to compensate Mr. Gagliardi and the Aggrieved Employees all overtime wages due as alleged above. It follows that RLR failed to provide Mr. Gagliardi and the Aggrieved employees with *accurate* wage statements.

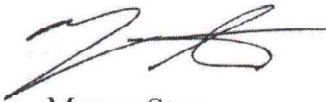
Based on the foregoing wage statement violations, the civil penalties listed in Labor Code section 226.3 apply.

Violation of Labor Code Sections 201 – 203 – Waiting Time Penalties

Labor Code sections 201 – 203 require that an employer provide an employee with all wages due and payable either: (a) immediately upon termination, or (b) within 3 days of the employee's resignation. When an employer fails to comply with the above, the employee is entitled to the equivalent of a day's wage at their regular rate of pay for each day the employer is late; these penalties cap at 30 days.

In addition to not paying all sick time wages due at the conclusion of Mr. Gagliardi and the Aggrieved Employees' employment, as alleged in Mr. Gagliardi's July 15, 2020 notice letter, RLR failed to pay all overtime wages due in violation of Labor Code sections 201 and 202. As such, RLR is subject to civil penalties pursuant to Labor Code section 2699.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Manny Starr', with a stylized flourish at the end.

Manny Starr

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1. Article Addressed to:

Ralph Lauren Retail, Inc.
48400 Seminole Dr., Ste 800
Cabazon, CA 92230



9590 9402 5872 0038 5956 24

2. Article Number (Transfer from service label)

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☐ Agent

☐ Addressee

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If YES, enter delivery address below: ☐ No

3. Service Type

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- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Mail
Mail Restricted Delivery
(00)

PS Form 3811, July 2015 PSN 7530-02-000-9053

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PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

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Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
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- ☐ Certified Mail Restricted Delivery \$
- ☐ Adult Signature Required \$
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Postage

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