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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ALAMEDA – OAKLAND DIVISION

NICOLE LOPES, individually and on behalf of  
other members of the general public similarly  
situated, and aggrieved employees,

Plaintiff,

vs.

KOHL’S DEPARTMENT STORES, INC., a  
Delaware Corporation; and DOES 1 through 10,  
inclusive,

Defendants.

ISAAC BOBADILLA and BRIAN PARADIS,  
individually, and on behalf of other members of  
the general public similarly situated,

Plaintiffs,

vs.

KOHL’S DEPARTMENT STORES, INC., a  
California Corporation; and DOES 1 through 10,  
inclusive,

Defendants.

Case No. RG08380189  
Consolidated with: RG11597341

**JOINT STIPULATION OF CLASS ACTION  
AND PAGA SETTLEMENT AND RELEASE**

## JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Nicole Lopes, Brian Paradis, and Isaac Bobadilla (“Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and Defendant Kohl’s, Inc., fka Kohl’s Department Stores, Inc., (“Defendant”) (collectively with Plaintiffs, the “Parties”).

### DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Actions” means *Lopes v. Kohl’s Department Stores, Inc.*, No. RG08380189 (Alameda County Superior Court) and *Bobadilla v. Kohl’s Department Stores, Inc.*, No. RG11597341 (Alameda County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and settlement of the Claims, and all out-of-pocket costs incurred and to be incurred by Class Counsel to litigate and settle the Claims, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of an order granting final approval of the Settlement. Class Counsel will request attorneys’ fees and costs/expenses in a combined amount not to exceed Three Million Dollars (\$3,000,000). Based on the extensive amount of work observed by Defendant that was done by Class Counsel over the course of the Actions, Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Claims” means, collectively, Class-A Released Claims, Class-B Released Claims, and PAGA Released Claims.

4. “Class Counsel” means Capstone Law APC, Law Offices of Mark Yablonovich, and Goldstein, Borgen, Dardarian & Ho.

5. “Class Member(s)” or “Settlement Class” means all non-exempt, hourly employees of Defendant who worked at one or more of Defendant’s retail stores and/or Distribution Centers and/or E-

1 Fulfillment Center in the State of California at any time from April 4, 2004 through May 16, 2014, and  
2 who did not previously opt out of the class certified by the Court in *Lopes v. Kohl's Department Stores,*  
3 *Inc.*, No. RG08380189 (Alameda County Superior Court).

4 6. "Class-A Fund" means the fund equal to exactly sixty percent (60%) of the Net  
5 Settlement Fund that will be paid to all Class-A Members.

6 7. "Class-A Members" means all Class Members, regardless whether they submit timely  
7 and valid Requests for Exclusion.

8 8. "Class-A Released Claims" means the class claims that were certified by the Court in  
9 the Actions on May 16, 2014, and for which Class Members were provided notice and an opportunity to  
10 opt out; namely: (a) all claims for the failure to pay overtime and meal and rest period premiums at the  
11 regular rate of pay; (b) all claims for the failure to provide rest periods by requiring Class Members to  
12 remain on premises during their rest periods; (c) all claims for the failure to provide accurate itemized  
13 wage statements; and (d) the failure to pay all wages due upon termination of employment.

14 9. "Class-B Fund" means the fund equal to exactly forty percent (40%) of the Net  
15 Settlement Fund that will be paid to all Class-B Members.

16 10. "Class-B Members" means all Class Members who do not submit timely and valid  
17 Requests for Exclusion.

18 11. "Class-B Released Claims" means all class claims that were alleged in the Actions but  
19 not certified by the Court; namely: (1) all claims for the failure to provide meal periods; (2) all claims for  
20 the failure to pay meal and rest period premiums based on any theory other than the failure to pay  
21 premiums at the regular rate of pay; (3) all claims for the failure to pay wages for time spent undergoing  
22 security bag checks; (4) all claims for the failure to pay reporting time pay; (5) all claims for the failure to  
23 pay all vacation wages due at termination; (6) all claims for the failure to pay all wages timely during  
24 employment; and (7) all claims for the failure to pay overtime based on any theory other than the  
25 underlying failure to correctly calculate the regular rate of pay.

26 12. "Class List" means a complete list of all Class Members that Defendant will diligently  
27 and in good faith compile from its records and provide to the Settlement Administrator and Class  
28 Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List

will be formatted in Microsoft Office Excel and will include each Class Member's full name; most recent mailing address and telephone number; Social Security Number; dates of employment, including termination dates during the Class Period and PAGA Period; the number of Workweeks each Class Members worked during the Class Period; the number of Workweeks each PAGA Member worked during the PAGA Period; and any other relevant information needed to calculate settlement payments.

13. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

14. "Class Period" means the period from April 4, 2004 to May 16, 2014.

15. "Class Representative Enhancement Payments" means the amounts to be paid to Plaintiffs in recognition of their effort and work in litigating and settling the Claims on behalf of Class Members and the LWDA, and for their general release of claims. Subject to the Court granting final approval of this Settlement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of Twenty-Five Thousand Dollars (\$25,000) to Nicole Lopes and Twenty Thousand Dollars (\$20,000), each, to Brian Paradis, and Isaac Bobadilla.

16. "Court" means the Alameda County Superior Court.

17. "Defendant" means Defendant Kohl's, Inc., fka Kohl's Department Stores, Inc.

18. "Effective Date" means the later of: (a) the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (b) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

19. "Final Approval" means the date on which the Court enters an order granting final approval of the Settlement Agreement.

20. "Gross Settlement Amount" means the Gross Settlement Amount of Seven Million Dollars (\$7,000,000), to be paid by Defendant in full satisfaction of all Claims, which includes all Individual Settlement Payments, Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiffs and Defendant based on the aggregation of the agreed-upon settlement value of the Claims. In no event will Defendant be liable for more than the Gross Settlement

Amount for the settlement of the Claims, except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to Defendant. Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross Settlement Amount.

21. "Individual Settlement Payment" means each Class Member's and PAGA Member's respective shares of the Net Settlement Fund and PAGA Fund.

22. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement Administration Costs. There will be no reversion of the Net Settlement Fund to Defendant.

23. "Notice of Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, and telephone number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; and (d) a statement whether the objector intends to appear at the final fairness hearing.

24. "PAGA Released Claims" means all claims for civil penalties under California Labor Code §§ 2698, *et seq.* that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs' LWDA letters during the PAGA Period except as provided for in this Agreement. Specifically excluded from the definition of PAGA Released Claims are claims for violation of Sections 14(A) and 14(B) of the applicable Wage Order(s).

25. "PAGA Members" means all non-exempt, hourly employees of Defendant who worked at one or more of Defendant's retail stores and/or Distribution Centers and/or E-Fulfillment Center in the State of California at any time from February 25, 2007 through March 30, 2018.

26. "PAGA Period" means the period from February 25, 2007 through March 30, 2018.

27. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with Plaintiffs' claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,

1 *et seq.* *et seq.*, “PAGA”) (“PAGA Settlement”). The Parties have agreed that Two Hundred Thousand  
2 Dollars (\$200,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant  
3 to PAGA, Seventy-Five Percent (75%), or One Hundred Fifty Thousand Dollars (\$150,000), of the  
4 PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency  
5 (“Labor and Workforce Development Agency Payment”), and Twenty-Five Percent (25%), or Fifty  
6 Thousand Dollars (\$50,000) (“PAGA Fund”), of the PAGA Settlement will be disbursed to PAGA  
7 Members, and regardless of whether they request to be excluded from the Settlement Class.

8 28. “Parties” means Plaintiffs and Defendant collectively.

9 29. “Plaintiffs” means Nicole Lopes, Brian Paradis, and Isaac Bobadilla.

10 30. “Preliminary Approval” means the date on which the Court enters an order granting  
11 preliminary approval of the Settlement Agreement.

12 31. “Released Parties” means Defendant, its past or present officers, directors, shareholders,  
13 agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and  
14 its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

15 32. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a  
16 request to be excluded from the release of the Class-B Released Claims. The Request for Exclusion  
17 must: (a) set forth the name, address, telephone number and last four digits of the Social Security  
18 Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned  
19 to the Settlement Administrator; (d) clearly state that the Class Member wishes to opt out of the release  
20 of the Class-B Released Claims; and (e) be faxed or postmarked on or before the Response Deadline.

21 33. “Response Deadline” means the deadline by which Class Members must postmark or  
22 fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the  
23 calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement  
24 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of  
25 the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a  
26 postal holiday, in which case the Response Deadline will be extended to the next day on which the U.S.  
27 Postal Service is open.

28 34. “Settlement Administration Costs” means the costs payable from the Gross Settlement

1 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,  
2 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross  
3 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The  
4 Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,  
5 any such costs in excess of the amount represented by the Settlement Administrator as being the  
6 maximum costs necessary to administer the Settlement. Settlement Administration Costs are currently  
7 estimated to be Two Hundred Seventy Thousand Dollars (\$270,000).

8 35. "Settlement Administrator" means CPT Group, Inc., or any other third-party class action  
9 settlement administrator agreed to by the Parties and approved by the Court for the purposes of  
10 administering this Settlement. The Parties each represent that they do not have any financial interest in  
11 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that  
12 could create a conflict of interest.

13 36. "Workweeks" means any week in which a check for regular hours during the Class  
14 Period was issued. All Class Members will be credited with at least one Workweek during the Class  
15 Period, and all PAGA Members will be credited with at least one Workweek during the PAGA Period.  
16 All Class Members who were terminated during the Class Period will receive two extra Workweeks  
17 during the Class Period to compensate them for their claim for waiting time penalties under Labor Code  
18 section 203. All PAGA Members who were terminated during the PAGA Period will receive two extra  
19 Workweeks during the PAGA Period to compensate them for their claim for waiting time penalties  
20 under Labor Code section 203.

## 21 TERMS OF AGREEMENT

22 The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendant agree as  
23 follows:

24 37. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of  
25 the Gross Settlement Amount of Seven Million Dollars (\$7,000,000) into a Qualified Settlement Fund to  
26 be established by the Settlement Administrator. Defendant will pay the employer's share of payroll taxes  
27 separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual  
28 Settlement Payments; (b) the Labor and Workforce Development Agency Payment; (c) the Class

Representative Enhancement Payments; (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendant will deposit the Gross Settlement Amount and the employer's share of payroll taxes within ten (10) calendar days of the Effective Date ("Funding Date").

38. Attorneys' Fees and Costs. In connection with the litigation and settlement of the Claims, and based on the extensive amount of work observed by Defendant that was done by Class Counsel over the course of the Actions, Defendant agrees not to oppose or impede any application or motion for attorneys' fees and costs by Class Counsel for not more than Three Million Dollars (\$3,000,000), which will be paid from the Gross Settlement Amount.

39. Class Representative Enhancement Payments. In exchange for a general release, and in recognition of their effort and work in prosecuting and settling the Claims on behalf of Class Members and the LWDA, Defendant agrees not to oppose or impede any application or motion by Plaintiffs for Class Representative Enhancement Payments of up to Twenty-Five Thousand Dollars (\$25,000) to Nicole Lopes and Twenty Thousand Dollars (\$20,000), each, to Brian Paradis, and Isaac Bobadilla. The Class Representative Enhancement Payments will be paid from the Gross Settlement Amount and will be in addition to Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payments. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and effect even if the full amount of Class Representative Enhancement Payments sought by Plaintiffs is not ultimately awarded by the Court.

40. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is currently estimated to be Two Hundred Seventy Thousand Dollars (\$270,000). These costs of administration, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and providing necessary reports and declarations.

41. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount of Two Hundred Thousand Dollars (\$200,000) from the Gross Settlement Amount will be designated for

1 satisfaction of Plaintiffs' PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or One  
2 Hundred Fifty Thousand Dollars (\$150,000), of this sum will be paid to the LWDA and Twenty-Five  
3 Percent (25%), or Fifty Thousand Dollars (\$50,000), will be paid to PAGA Members in proportion to  
4 the number of Workweeks worked during the PAGA Period.

5 42. No Right to Exclusion from the Release of the Class-A Released Claims. Because Class  
6 Members were previously afforded an opportunity to opt out of the class certified by the Court on May  
7 16, 2014, the Parties agree that no Class Member has the right to exclude himself or herself from the  
8 release of the Class-A Released Claims, and all Class Members will receive their shares of the Class-A  
9 Fund.

10 43. No Right to Exclusion or Objections to the PAGA Settlement. Because this Settlement  
11 resolves claims brought pursuant to PAGA by Plaintiffs acting as proxies and as Private Attorneys  
12 General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Member has  
13 the right to exclude himself or herself from the PAGA settlement, and all PAGA Members will receive  
14 their shares of the PAGA Fund. The Parties also agree that no PAGA Member has the right to object to  
15 the PAGA Settlement Amount.

16 44. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Class-A  
17 Members and Class-B Members. No portion of the Net Settlement Fund will revert to or be retained by  
18 Defendant.

19 45. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No  
20 portion of the PAGA Fund will revert to or be retained by Defendant.

21 46. Individual Settlement Payment Calculations. Individual Settlement Payments will be  
22 calculated and apportioned from the Class-A Fund, Class-B Fund, and PAGA Fund based on the  
23 number of Workweeks a Class Member worked during the Class Period and PAGA Period. Specific  
24 calculations of Individual Settlement Payments will be made as follows:

25 46(a) Payments from the Class-A Fund. Defendant will calculate the total number  
26 of Workweeks worked by each Class Member during the Class Period and  
27 the aggregate total number of Workweeks worked by all Class Members  
28 during the Class Period. To determine each Class Member's estimated

1 “Individual Settlement Payment” from the Class-A Fund, the Settlement  
2 Administrator will use the following formula: The Class-A Fund will be  
3 divided by the aggregate total number of Workweeks in the Class Period,  
4 resulting in the “Workweek Value.” Each Class Member’s “Individual  
5 Settlement Payment” will be calculated by multiplying each individual  
6 Class Member’s total number of Workweeks by the Workweek Value. The  
7 Individual Settlement Payment will be reduced by any required deductions  
8 for each Class Member as specifically set forth herein, including employee-  
9 side tax withholdings or deductions. The entire Class-A Fund will be  
10 disbursed to all Class-A Members.

11 46(b) Payments from the Class-B Fund. Defendant will calculate the total number  
12 of Workweeks worked by each Class Member during the Class Period and  
13 the aggregate total number of Workweeks worked by all Class Members  
14 during the Class Period. To determine each Class Member’s estimated  
15 “Individual Settlement Payment” from the Class-B Fund, the Settlement  
16 Administrator will use the following formula: The Class-B Fund will be  
17 divided by the aggregate total number of Workweeks in the Class Period,  
18 resulting in the “Workweek Value.” Each Class Member’s “Individual  
19 Settlement Payment” will be calculated by multiplying each individual  
20 Class Member’s total number of Workweeks by the Workweek Value. The  
21 Individual Settlement Payment will be reduced by any required deductions  
22 for each Class-B Member as specifically set forth herein, including  
23 employee-side tax withholdings or deductions. The entire Class-B Fund will  
24 be disbursed to all Class-B Members. If there are any valid and timely  
25 Requests for Exclusion, the Settlement Administrator shall proportionately  
26 increase the Individual Settlement Payment for each Class-B Member  
27 according to the number of Workweeks worked, so that the amount actually  
28 distributed to Class-B Members equals 100% of the Class-B Fund.

1                   46(c)     Payments from the PAGA Fund. Defendant will calculate the total number  
2                                           of Workweeks worked by each PAGA Member during the PAGA Period  
3                                           and the aggregate total number of Workweeks worked by all PAGA  
4                                           Members during the PAGA Period. To determine each PAGA Member's  
5                                           estimated "Individual Settlement Payment," the Settlement Administrator  
6                                           will use the following formula: The PAGA Fund will be divided by the  
7                                           aggregate total number of Workweeks in the PAGA Period, resulting in the  
8                                           "PAGA Workweek Value." Each PAGA Member's "Individual Settlement  
9                                           Payment" will be calculated by multiplying each individual PAGA  
10                                          Member's total number of Workweeks by the PAGA Workweek Value.  
11                                          The entire PAGA Fund will be disbursed to all PAGA Members.

12               47.     No Credit Toward Benefit Plans. The Individual Settlement Payments made to Class  
13                                          Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not  
14                                          be utilized to calculate any additional benefits under any benefit plans to which any Class Members may  
15                                          be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase  
16                                          plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'  
17                                          intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which  
18                                          any Class Members may be entitled under any benefit plans.

19               48.     Administration Process. The Parties agree to cooperate in the administration of the  
20                                          settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in  
21                                          administration of the Settlement.

22               49.     Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval,  
23                                          Defendant will provide the Class List to the Settlement Administrator.

24               50.     Notice by First-Class U.S. Mail. Within fourteen (14) calendar days after receiving the  
25                                          Class List from Defendant, the Settlement Administrator will mail a Class Notice to all Class Members  
26                                          via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class  
27                                          List.

28               51.     Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the

1 Settlement Administrator will perform a search based on the National Change of Address Database for  
2 information to update and correct for any known or identifiable address changes. Any Class Notices  
3 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be  
4 sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the  
5 Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding  
6 address is provided, the Settlement Administrator will promptly attempt to determine the correct address  
7 using a skip-trace, or other search using the name, address and/or Social Security Number of the Class  
8 Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-  
9 mailed Class Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15)  
10 calendar days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion  
11 or an objection to the Settlement.

12 52. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will  
13 provide: (a) information regarding the nature of the Actions; (b) a summary of the Settlement's principal  
14 terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each  
15 respective Class Member and PAGA Member worked for Defendant during the Class Period and PAGA  
16 Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment and  
17 the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class  
18 Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of  
19 Objection; (h) the deadlines by which the Class Member must postmark or fax Requests for Exclusion,  
20 or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

21 53. Disputed Information on Class Notices. Class Members will have an opportunity to  
22 dispute the information provided in their Class Notices. To the extent Class Members dispute their  
23 employment dates or the number of Workweeks on record, Class Members may produce evidence to the  
24 Settlement Administrator showing that such information is inaccurate. Defendant's records will be  
25 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the  
26 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,  
27 and will be decided within thirty (30) business days after the Response Deadline.

28 54. Request for Exclusion Procedures. Any Class Member wishing to opt-out of the release

1 of the Class-B Released Claims must sign and fax or postmark a written Request for Exclusion to the  
2 Settlement Administrator within the Response Deadline. In the case of Requests for Exclusion that are  
3 mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine  
4 whether a Request for Exclusion has been timely submitted.

5 55. Releases by Class-A Members. Upon the Funding Date, and except as to such rights or  
6 claims as may be created by this Settlement Agreement, each Class-A Member, together and  
7 individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and  
8 attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from  
9 each of the Class-A Released Claims arising during the Class Period.

10 56. Releases by Class-B Members. Upon the Funding Date, and except as to such rights or  
11 claims as may be created by this Settlement Agreement, each Class-B Member, together and  
12 individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and  
13 attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from  
14 each of the Class-B Released Claims arising during the Class Period.

15 57. Releases by Plaintiffs and LWDA. Upon the Funding Date, and except as to such rights  
16 or claims as may be created by this Settlement Agreement, Plaintiffs, the State of California, and the  
17 LWDA shall fully and forever release and discharge all of the Released Parties, or any of them, from  
18 each of the PAGA Released Claims during the PAGA Period.

19 58. Objection Procedures. To object to the Settlement Agreement, a Class Member may  
20 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response  
21 Deadline, or in lieu of submitting a written Notice of Objection, appear in person at the Final Approval  
22 Hearing to object. Class Members who fail to object either by submitting a valid Notice of Objection or  
23 appearing in person at the Final Approval Hearing will be deemed to have waived all objections to the  
24 Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the  
25 Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise  
26 encourage Class Members to submit written objections to the Settlement Agreement or appeal from the  
27 final approval order and judgment. Class Counsel will not represent any Class Members with respect to  
28 any such objections to this Settlement. If a Class Member timely submits both a Notice of Objection and

1 a Request for Exclusion, the Request for Exclusion will be given effect and considered valid, the Notice  
2 of Objection shall be rejected, and the Class Member shall not participate in or be bound by the  
3 Settlement.

4 59. Certification Reports Regarding Individual Settlement Payment Calculations. The  
5 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that  
6 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to  
7 the Settlement, and whether any Class Member has submitted a challenge to any information contained  
8 in their Class Notice, including those received after the Response Deadline. Additionally, the Settlement  
9 Administrator will provide to counsel for both Parties any updated reports regarding the administration  
10 of the Settlement Agreement as needed or requested.

11 60. Distribution Timing of Individual Settlement Payments. Within fourteen (14) calendar  
12 days of the Funding Date, the Settlement Administrator will issue payments to: (a) Class Members and  
13 PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; and (d) Class  
14 Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services  
15 performed in connection with the Settlement.

16 61. Uncashed Settlement Checks. Proceeds represented by Individual Settlement Payment  
17 checks returned as undeliverable and Individual Settlement Payment checks remaining uncashed for  
18 more than one hundred and eighty (180) calendar days after issuance will be tendered pursuant to Code  
19 of Civil Procedure section 384 to the Justice Gap Fund maintained by The State Bar of California.

20 62. Certification of Completion. Upon completion of administration of the Settlement, the  
21 Settlement Administrator will provide a written declaration under oath to certify such completion to the  
22 Court and counsel for all Parties.

23 63. Treatment of Individual Settlement Payments. All Individual Settlement Payments will  
24 be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be  
25 allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be  
26 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

27 64. Administration of Taxes by the Settlement Administrator. The Settlement Administrator  
28 will be responsible for issuing to Plaintiffs, Class Members, PAGA Members, and Class Counsel any

1 W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this  
2 Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and  
3 penalties to the appropriate government authorities.

4 65. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect  
5 of the payments called for hereunder, and Plaintiffs and Class Members are not relying on any statement,  
6 representation, or calculation by Defendant or by the Settlement Administrator in this regard.

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

1 AGREEMENT.

2 67. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant  
3 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
4 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of  
5 action or right herein released and discharged.

6 68. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally  
7 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other  
8 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null  
9 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will  
10 likewise be treated as void from the beginning.

11 69. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to  
12 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval  
13 Order for preliminary approval of the proposed Settlement Agreement, and setting a date for a final  
14 fairness hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class  
15 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will  
16 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the  
17 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for  
18 drafting all documents necessary to obtain preliminary approval. Class Counsel will provide to the  
19 LWDA in each of the Actions a copy of the Settlement Agreement at the same time that it is submitted  
20 to the Court pursuant to Labor Code section 2699(l)(2).

21 70. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the  
22 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the  
23 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the  
24 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)  
25 the Class Representative Enhancement Payments; (c) Individual Settlement Payments; (d) the Labor and  
26 Workforce Development Agency Payment; (e) all Settlement Administration Costs. The final fairness  
27 hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel  
28 will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also

1 be responsible for drafting the attorneys' fees and costs application to be heard at the final approval  
2 hearing.

3 71. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the  
4 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its  
5 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of  
6 addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement  
7 administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as  
8 set forth in this Settlement Agreement. In addition to the Settlement Agreement and Class Notice, a copy  
9 of the Judgment will be posted to the Settlement Administrator's website. Class Counsel will provide a  
10 copy of the Judgment to the LWDA pursuant to Labor Code section 2699(l)(3).

11 72. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by  
12 all Class Members, Plaintiffs will release and forever discharge the Released Parties, to the fullest extent  
13 permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which  
14 Plaintiffs have or may have against the Released Parties as of the date of execution of this Settlement  
15 Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil  
16 Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all  
17 rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code  
18 or similar provisions of applicable law which are as follows:

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

25 73. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the  
26 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth  
27 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

28 74. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the

entirety of the Parties' settlement of the Claims. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties as to the Claims. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

75. Amendment or Modification. No amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved by the Court.

76. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

77. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

78. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

79. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

80. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Actions and have arrived at

1 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into  
2 account all relevant factors, present and potential. The Parties further acknowledge that they are each  
3 represented by competent counsel and that they have had an opportunity to consult with their counsel  
4 regarding the fairness and reasonableness of this Settlement.

5 81. Invalidity of Any Provision. Before declaring any provision of this Settlement  
6 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent  
7 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement  
8 valid and enforceable.

9 82. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class  
10 certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may  
11 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,  
12 and either party may appeal any court order regarding this settlement that materially alters the Settlement  
13 Agreement's terms.

14 83. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute  
15 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In  
16 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any  
17 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or  
18 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached  
19 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with  
20 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any  
21 of the negotiations connected with it, will be construed as an admission or concession by Defendant of  
22 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to  
23 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be  
24 offered or received as evidence in any action or proceeding to establish any liability or admission on the  
25 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-  
26 compliance with, federal, state, local or other applicable law.

27 84. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree  
28 that they will not issue any press releases, initiate any contact with the press, respond to any press

inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

85. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

86. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

87. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms'-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

88. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

89. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

90. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

91. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

**PLAINTIFF**

DocuSigned by:  
  
1FDA1557DA874CA...

Dated:

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Brian Paradis

Dated:

Isaac Bobadilla

Dated:

[Name of Authorized Signatory]  
**KOHL'S, INC., fka Kohl's Department Stores,  
 Inc.**

**PLAINTIFF**

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Nicole Lopes

DocuSigned by:  
  
 3C543AE4E4E946B...

**PLAINTIFF**

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Isaac Bobadilla

**DEFENDANT**

[Name of Authorized Signatory]  
**KOHL'S, INC., fka Kohl's Department Stores,  
 Inc.**

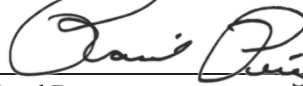


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**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

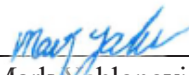
Dated: 11/9/2023

By:   
Raul Perez

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**LAW OFFICES OF MARK YABLONOVICH**

Dated: 11/9/2023

By:   
Mark Yablonoich

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**GOLDSTEIN, BORGEN, DARDARIAN & HO**

Dated:

By: \_\_\_\_\_  
Laura L. Ho

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**LITTLER MENDELSON, P.C.**

Dated:

By: \_\_\_\_\_  
Keith A. Jacoby

Attorneys for Defendant Kohl's, Inc.

**OGLETREE, DEAKINS, NASH, SMOAK &  
STEWART, P.C.**

Dated:

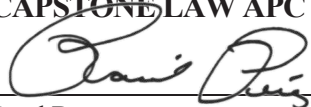
By: \_\_\_\_\_  
Tracie Childs

Attorneys for Defendant Kohl's, Inc.

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

Dated: 11/9/2023

By:   
Raul Perez

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**LAW OFFICES OF MARK YABLONOVICH**

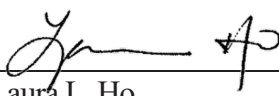
Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Mark Yablonovich

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**GOLDSTEIN, BORGEN, DARDARIAN & HO**

Dated: \_\_\_\_\_

By:   
Laura L. Ho

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

**LITTLER MENDELSON, P.C.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Keith A. Jacoby

Attorneys for Defendant Kohl's, Inc.

**OGLETREE, DEAKINS, NASH, SMOAK &  
STEWART, P.C.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Tracie Childs

Attorneys for Defendant Kohl's, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 11/9/2023

By:   
Raul Perez

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

LAW OFFICES OF MARK YABLONOVICH

Dated: 11/9/2023

By:   
Mark Yablonoich

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

GOLDSTEIN, BORGEN, DARDARIAN & HO

Dated:

By: \_\_\_\_\_  
Laura L. Ho

Attorneys for Plaintiffs Nicole Lopes, Brian Paradis,  
and Isaac Bobadilla

LITTLER MENDELSON, P.C.

Dated: 11/28/23

By:   
Keith A. Jacoby

Attorneys for Defendant Kohl's, Inc.

OGLETREE, DEAKINS, NASH, SMOAK &  
STEWART, P.C.

Dated: November 28, 2023

By:   
Tracie Childs

Attorneys for Defendant Kohl's, Inc.

# Exhibit A

*Lopes v. Kohl's Department Stores, Inc.*, No. RG08380189  
*Bobadilla v. Kohl's Department Stores, Inc.*, No. RG11597341  
Superior Court of the State of California, for the County of Alameda  
**NOTICE OF CLASS ACTION SETTLEMENT**

*You are not being sued. This notice affects your rights. Please read it carefully*

To: All non-exempt, hourly employees of Defendant Kohl's, Inc., fka Kohl's Department Stores, Inc. ("Defendant") who worked at one or more of Defendant's retail stores and/or Distribution Centers and/or E-Fulfillment Center in the State of California at any time from April 4, 2004 through May 16, 2014, and who did not previously opt out of the class certified by the Court in *Lopes v. Kohl's Department Stores, Inc.*, No. RG08380189 (Alameda County Superior Court) ("Class Members").

All non-exempt, hourly employees of Defendant who worked at one or more of Defendant's retail stores and/or Distribution Centers and/or E-Fulfillment Center in the State of California at any time from February 25, 2007 through March 30, 2018 ("PAGA Members").

On \_\_\_\_\_, the Honorable Evelio Grillo of the Alameda County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

**NOTE: All non-exempt, hourly paid employees who worked for Defendant in California as cashiers, point of sales associates, or other functionally equivalent positions at a retail store location during the period from February 3, 2010 to [the present] are eligible to receive payments from a separate settlement involving Kohl's Department Stores, Inc. That settlement and the instant settlement are *separate*, and payments from the two settlements will also be issued *separately*.**

**Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund.** The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at \_:00 \_m. on \_\_\_\_\_, 2024 in Department 21 of the Alameda County Superior Court located at 1221 Oak Street, Oakland, California 94612.

You are not required to attend the hearing, but if you wish to attend, you may attend the hearing remotely, which can be set up through Zoom. See <https://www.alameda.courts.ca.gov/general-information/remote-appearances> for more information about how to make a remote appearance.

Please also note that the Final Fairness Hearing may be rescheduled by the Court for another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as 'eCourt Public Portal,' at <https://eportal.alameda.courts.ca.gov>. After arriving at the website, click the 'Search' tab at the top of the page, then select the Document Downloads link, enter the case number and click 'Submit.' Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

## SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

|                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>                                                                                                 | <p>If you do nothing, you will be eligible for payments from the Class-A Fund, Class-B Fund, and if you are also a PAGA Member, PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendant based on the same facts alleged in the actions during the applicable Class Period.</p>                                                                                                                                                                                                                                                                                                                                      |
| <p><b>You Can Opt-out of the release of the Class-B Released Claims</b></p> <p><b>The Opt-out Deadline is [DATE]</b></p>                                              | <p>The settlement releases three types of claims: Class-A Released Claims, Class-B Released Claims, and PAGA Released Claims. <i>See below for more details.</i></p> <p>You cannot opt out of the release of the Class-A Released Claims, or the PAGA Released Claims, but you can opt out of the release of the Class-B Released Claims. To opt out, you must submit a written Request for Exclusion by [DATE]. Once excluded, you will not release the Class-B Released Claims, and will not receive a payment from the Class-B Fund. <i>See below for more information.</i></p> <p>PAGA Members cannot opt-out of the PAGA portion of the proposed Settlement.</p>                                                 |
| <p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by [DATE]</b></p> | <p>All Class Members can object to any aspect of the proposed class settlement, but not the PAGA settlement.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>You Can Participate in the [DATE] Final Approval Hearing</b></p>                                                                                                | <p>The Court's Final Approval Hearing is scheduled to take place on [DATE] in Department 21 of the Alameda County Superior Court located at 1221 Oak Street, Oakland, California 94612. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing.</p> <p>If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.</p> |

### Summary of the Litigation

Plaintiffs Nicole Lopes, Brian Paradis, and Isaac Bobadilla, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (a) pay minimum and overtime wages, (b) pay meal and rest period premiums at the correct regular rate of pay, (c) provide compliant meal and rest periods, (d) provide compliant wage statements, (e) pay all wages due and owing during employment, (f) timely pay all wages due and owing at the end of employment, and (g) pay reporting time pay.

After over 15 years of active litigation, the parties were able to negotiate a settlement of the Class-A Released Claims, Class-B Released Claims, and PAGA Released Claims (see below).

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC, Law Offices of Mark Yablonovich, and Goldstein, Borgen, Dardarian & Ho (collectively "Class Counsel"), have investigated and

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

### **Summary of The Proposed Settlement Terms**

Plaintiffs and Defendant have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$7,000,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of \$25,000 to Nicole Lopes and \$20,000, each, to Brian Paradis, and Isaac Bobadilla for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendant; (3) \$3,000,000 in attorneys' fees and litigation costs and expenses; (4) a \$200,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$150,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$50,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$270,000. After deducting the above payments, a total of approximately \$3,465,000 will be allocated to Class Members ("Net Settlement Fund"). Sixty percent (60%) of the Net Settlement Fund will be allocated to the Class-A Fund, and the remaining forty percent (40%) will be allocated to the Class-B Fund. Additionally, all PAGA Members will receive a proportional share of the \$50,000 PAGA Fund.

**Payments from the Class-A Fund.** Defendant will calculate the total number of Workweeks worked by each Class Member from April 4, 2004 through May 16, 2014 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Class-A Fund, the Settlement Administrator will use the following formula: The Class-A Fund will be divided by the aggregate total number of Workweeks in the Class Period, resulting in the "Workweek-A Value." Each Class Member's share of the Class-A Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek-A Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of \_\_\_\_ Workweeks. Accordingly, your estimated payment from the Class-A Fund is approximately \$ \_\_\_\_.

**Payments from the Class-B Fund.** To determine each Class Member's estimated share of the Class-B Fund, the Settlement Administrator will use the following formula: The Class-B Fund will be divided by the aggregate total number of Workweeks in the Class Period, resulting in the "Workweek-B Value." Each Class Member's share of the Class-B Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek-B Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Class-B Fund will be paid to all Class Members who do not submit Requests for Exclusion ("Class-B Members"). If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Class-B Member's share of the Class-B Fund according to the number of Workweeks worked, so that the amount actually distributed to Class-B Members equals 100% of the Class-B Fund.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of \_\_\_\_ Workweeks. Accordingly, your estimated payment from the Class-B Fund is approximately \$ \_\_\_\_.

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

**Payments from PAGA Fund.** Defendant will calculate the total number of Workweeks worked by each PAGA Member from February 25, 2007 through March 30, 2018 (“PAGA Period”) and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks in the PAGA Period, resulting in the “PAGA Workweek Value.” Each PAGA Member’s share of the PAGA Fund will be calculated by multiplying each individual PAGA Member’s total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he, she, or they submits a valid Request for Exclusion.

According to Defendant’s records, you worked during the PAGA Period in a non-exempt position for a total of \_\_\_\_ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$ \_\_\_\_.

**Your Estimated Payment:** Based on the above, your estimated payment from the settlement is approximately \$ \_\_\_\_\_. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator  
c/o \_\_\_\_\_  
Fax No. \_\_\_\_\_

If you dispute the information stated above, Defendant’s records will control unless you are able to provide documentation that establishes otherwise.

**Taxes on Settlement Payments.** IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

### **Your Options Under the Settlement**

#### **Option 1 – Automatically Receive a Payment from the Settlement**

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Class-A Released Claims and Class-B Released Claims:

“**Class-A Released Claims**” means the class claims that were certified by the Court in the Actions on May 16, 2014, and for which Class Members were provided notice and an opportunity to opt out; namely: (a) all claims for the failure to pay overtime and meal and rest period premiums at the regular rate of pay; (b) all claims for the failure to provide rest periods by requiring Class Members to remain on premises during their rest periods; (c) all claims for the failure to provide accurate itemized wage statements; and (d) the failure to pay all wages due upon termination of employment.

“**Class-B Released Claims**” means all class claims that were alleged in the Actions but not certified by the Court; namely: (1) all claims for the failure to provide meal periods; (2) all claims for the failure to pay meal and rest period premiums

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based on any theory other than the failure to pay premiums at the regular rate of pay; (3) all claims for the failure to pay wages for time spent undergoing security bag checks; (4) all claims for the failure to pay reporting time pay; (5) all claims for the failure to pay all vacation wages due at termination; (6) all claims for the failure to pay all wages timely during employment; and (7) all claims for the failure to pay overtime based on any theory other than the underlying failure to correctly calculate the regular rate of pay.

Additionally, if the Court grants final approval, the State of California and the LWDA will be deemed to have released or waived the **“PAGA Released Claims”**: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs’ LWDA letters during the PAGA Period except as provided for in this Agreement. Specifically excluded from the definition of PAGA Released Claims are claims for violation of Sections 14(A) and 14(B) of the applicable Wage Order(s).

### **Option 2 – Opt Out of the release of the Class-B Released Claims**

If you do not wish to release any of the Class-B Released Claims, you may exclude yourself from the release by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement and do not wish to release the Class-B Released Claims. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent or fax, to the address or fax number below.

Settlement Administrator

c/o \_\_\_\_\_

\_\_\_\_\_

The Request for Exclusion must be postmarked or faxed not later than \_\_\_\_\_, 2024. If you submit a Request for Exclusion which is not postmarked or faxed by \_\_\_\_\_, 2024, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will:

- Not release the Class-B Released Claims, and will not receive a payment from the Class-B Fund.
- Release the Class-A Released Claims, and will receive a payment from the Class-A Fund.
- If you are a PAGA Member, you will still receive a payment from the PAGA Fund.

### **Option 3 – Object to the Settlement**

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator’s address].

All written objections must be received by the administrator by not later than \_\_\_\_\_ 2024. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m. in the Superior Court of the State of California, for the County of Alameda in Department 21 and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

### **Additional Information**

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

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The pleadings and all other records from this Action may be examined by inspecting the Court file at the Clerk's Office of the Alameda County Superior Court, located at 1221 Oak Street, Oakland, California 94612. You can also find the settlement agreement, by accessing the Court's website at <https://portal.alameda.courts.ca.gov>.

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