

EXHIBIT B

Private Attorneys General Act Settlement Agreement

IT IS HEREBY AGREED by and among the undersigned Parties, subject to the approval of the Court, that the Action and Released Claims shall be settled and resolved pursuant to the following terms and conditions set forth in this Private Attorneys General Act Settlement Agreement (“Agreement”), entered by and between Plaintiff Lakeshia Cook-Farrar (“Plaintiff”) and Defendant The RealReal, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties” and individually as “Party.”

This Agreement shall be effective upon the date the Court has entered an order approving of a joint stipulation of settlement or motion seeking approval of the Settlement (the “Effective Date”).

I. DEFINITIONS

Unless otherwise defined herein, the following terms, when used in this Agreement, shall have the following meanings:

1. “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Lakeshia Cook-Farrar v. The RealReal, Inc.*, Superior Court of California, County of San Francisco, Case No. CGC-22-599036, originally filed on April 6, 2022, as well as all claims and allegations made in Plaintiff’s LWDA Letter dated January 31, 2022.

2. “Administrator” means Phoenix Settlement Administrators, a neutral third-party administrator that the Parties have agreed to appoint to administer the settlement, subject to approval by the Court, in accordance with the terms of this Agreement.

3. “Administration Costs” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid in the amount of \$6,650.00 to submitted to the Court in connection with approval of this Settlement.

4. “Aggrieved Employee” means all current or former non-exempt employees who worked for Defendant in the State of California from January 31, 2021, to the date that the Court enters an order approving the settlement, who received non-discretionary remuneration and concurrently received rest or meal period premiums or paid sick leave.

5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s full name, last known mailing address, last known personal email address (if available to Defendant), Social Security number, and number of qualifying Pay Periods worked during the PAGA Period.

6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

7. “Approval Order” means the proposed Court Order Granting Approval of Settlement.

8. “Attorneys’ Fees” and “Attorneys’ Expenses” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

9. “Complaint” means the claims and allegations set forth in Plaintiff’s Representative Action Complaint under the Private Attorneys General Act of 2004, filed with the Court on April 6, 2022, in the Action.

10. “Court” or “San Francisco Superior Court” means the Superior Court of California for the County of San Francisco.

11. “Defense Counsel” means Mollie M. Burks and Annette L. Rose of Gordon Rees Scully Mansukhani, LLP.

12. “Effective Date” means the date the Court enters an Order and Judgment approving this Agreement.

13. “Employee Payment” refers to the Aggrieved Employees’ pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

14. “Gross Settlement Amount” is the sum of \$230,000.00, which represents the total amount payable under this Agreement by Defendant, and will be used to pay the Employee Payments, LWDA Payment, Attorneys’ Fees, Attorneys’ Costs, Plaintiff’s Service Payment, and the Administration Costs.

15. “Judgment” means the judgment entered by the Court based upon Final Approval.

16. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

17. “LWDA Letter” means Plaintiff’s January 31, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a)

18. “LWDA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

19. “Net Settlement Amount” is the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Attorneys’ Fees, Attorneys’ Expenses, Plaintiff’s Service Payment, and Administration Costs. The remainder is to be paid: 25% to Aggrieved Employees as Employee Payments; and 75% to the LWDA as the LWDA Payment.

20. “PAGA” means the California Labor Code Private Attorneys General Act,

California Labor Code § 2698, *et seq.*

21. “PAGA Counsel” means Larry W. Lee and Christine S. Lee of Diversity Law Group, P.C., Edward W. Choi of the Law Offices of Choi & Associates, and William L. Marder of the Polaris Law Group, the attorneys representing Plaintiff in the Action.

22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

23. “PAGA Period” means the period from January 31, 2021, to the date that the Court enters an order approving the settlement.

24. “Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant during the PAGA Period and received non-discretionary remuneration and concurrently received rest or meal period premiums or paid sick leave.

25. “Plaintiff” means Lakeshia Cook-Farrar, the named plaintiff in the Action.

26. “Released Claims” means all claims for Civil Penalties pursuant to Labor Code section 2698, *et seq.* (PAGA), based on the factual allegations in operative Complaint in the Action and the January 31, 2022 LWDA letter, including specifically, claims for PAGA penalties arising out of or based on alleged failure to pay compliant rest and meal period premiums, failure to provide timely wages, failure to provide timely wages upon separation, failure to provide accurate itemized wage statements, failure to pay compliant paid sick leave, and/or failure to maintain accurate payroll records. This release includes all claims for civil penalties arising under the PAGA, including but not limited to Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 512, 1174, 1174(3), 1174.5, 1199, and 1199.5, and the applicable Wage Orders of the Industrial Welfare Commission that arose during the Aggrieved Employees’ employment with Defendant during the PAGA Period.

27. “Released Parties” means Defendant and all of its parent, subsidiary, affiliated, and related companies and entities, as well as its/their officers, directors, investors, owners, shareholders, employees, partners, members, agents, and attorneys, and any entities or partnerships with which they are affiliated, past or present.

28. “Settlement” means the disposition of the Action affected by this Agreement and the Judgment.

II. RECITALS

1. On January 31, 2022, in her LWDA Letter, Plaintiff provided written notice to the LWDA and Defendant asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, and 512.

2. On February 3, 2022, Plaintiff filed a class action complaint against Defendant in the Superior Court of California, County of San Francisco, Case No. CGC-22-597986, alleging

that Defendant failed to pay meal and rest period premiums and sick pay at the regular rate of pay, pay all wages due at termination, and provide compliant wage statements to Plaintiff and other employees (the “Class Action”).

3. On April 6, 2022, Plaintiff filed a representative action complaint against Defendant in the Superior Court of California, County of San Francisco, Case No. CGC-22-599036, seeking penalties pursuant to the Private Attorneys General Act (“PAGA”) for Defendant’s failure to pay meal and rest period premiums and sick pay at the regular rate of pay, pay all wages due at termination, and provide compliant wage statements to Plaintiff and other aggrieved employees (the “PAGA Action”). The representative action complaint in the PAGA Action is the operative Complaint. Defendant denies the allegations in the operative Complaint, denies any failure to comply with the laws identified in the operative Complaint, and denies any and all liability for the causes of action alleged.

4. On May 27, 2022, the Parties submitted a stipulation in the Class Action to dismiss Plaintiff’s class claims without prejudice.

5. On May 31, 2022, the Court in the Class Action granted an Order entering the Parties’ stipulation to dismiss Plaintiff’s putative class action claims without prejudice, submit Plaintiff’s individual Labor Code claims to arbitration, and stay the class claims pending arbitration.

6. On October 11, 2022, the Court in the PAGA Action granted Defendant’s motion to compel Plaintiff’s individual Labor Code claims to arbitration and stayed Plaintiff’s representative claims pending arbitration.

7. On November 2, 2022, Plaintiff initiated Arbitration with JAMS for her individual Labor Code claims (“Individual Claims”), JAMS Ref. No. 5100000731.

8. On January 24, 2024, the Parties participated in a mediation before mediator Jeffrey P. Fuchsman after undertaking an investigation and exchange of information and documents pertaining to Plaintiff and the Aggrieved Employees. The Parties did not resolve their dispute that day and continued to engage in resolution discussions. The Parties ultimately agreed to fully and finally resolve the Action and the Released Claims as to Plaintiff, the State of California, and the Aggrieved Employees.

9. The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

III. OPERATIVE TERMS OF THE AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Notwithstanding the foregoing, this Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation, or enforcement of the settlement or any orders or judgments of the Court entered in connection therewith. The Parties

have entered into this Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Agreement, the Settlement, the Parties' willingness to settle the Action, and any related Court documents or orders are not and may not be cited or admitted as evidence of liability and will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement). The Parties agree that representative treatment is for purposes of settlement only.

2. **Gross Settlement Amount.** Defendant agrees to pay Two Hundred Thirty Thousand Dollars (\$230,000.00) as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

a. **Escalator Provision.** The Gross Settlement Amount was calculated with and premised on the understanding that there are approximately 4,332 pay periods during which Aggrieved Employees received non-discretionary remuneration and meal or rest period premiums or paid sick leave, for the period of January 1, 2021, through January 24, 2024. Should the actual number of applicable pay periods worked by the Aggrieved Employees exceed 5,010 by April 23, 2024, or the Court's final approval of this Agreement, whichever is sooner, then the Gross Settlement Amount shall be increased by the same number of percentage points by which the actual number of pay periods that exceeds 5,010 (e.g., a 2% increase above 5,010 shall result in a 2% increase in the Gross Settlement Amount).

3. **Net Settlement Amount.** The Parties agree that the Net Settlement Amount shall be distributed to the LWDA and Aggrieved Employees as follows: 75% allocated as the LWDA Payment and 25% allocated as the Employee Payments.

a. The Administrator will calculate each Employee Payment by dividing the Employee Payments amount by the total number of Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by each Aggrieved Employee's number of Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Employee Payment.

b. The Administrator will report the Employee Payments on IRS 1099 Forms.

4. **Attorneys' Fees and Litigation Costs.** Defendant will not oppose Plaintiff's request for an award of attorneys' fees in the amount up to one-third (1/3) of the Gross Settlement Amount ("Attorneys' Fees"), including any escalated amount based on an increase in the total number of Pay Periods as described in Paragraph III.2.a, above, and litigation costs and expenses incurred in prosecuting this Action in the amount up to Twenty Thousand Dollars (\$20,000.00) ("Attorneys' Expenses") to PAGA Counsel. Based on the non-escalated Gross Settlement Amount of \$230,000.00, the Attorneys' Fees are \$76,666.67. In the event the Court approves Attorneys' Fees and Attorneys' Expenses in amounts less than those requested, the Administrator will allocate the remainder to the Net Settlement Amount.

Released Parties shall have no liability to PAGA Counsel or any other PAGA Counsel arising from any claim to any portion of the Attorneys' Fees and/or Attorneys' Expenses. The Administrator will pay the Attorneys' Fees and Attorneys' Expenses using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Attorneys' Expenses and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

5. **Plaintiff's Service Payment.** Defendant will not oppose Plaintiff's request for a Service Payment to Plaintiff of not more than Five Thousand Dollars (\$5,000.00) in addition to any Employee Payment Plaintiff is entitled to receive as an Aggrieved Employee. If the Court approves a Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Service Payment.

6. **Administration Costs.** Defendant will not oppose Plaintiff's request for payment in the amount up to (and not to exceed) Five Thousand Nine Hundred Fifty Dollars (\$6,650.00) to the Administrator for administering the settlement. In the event the Court approves a payment of less than \$6,650.00 for Administration Costs, the difference will be a part of the Net Settlement Amount. Administration Costs will be reported on an IRS Form 1099 issued to the Administrator.

7. **Released Claims.** Upon the Effective Date, Plaintiff, Aggrieved Employees, and the State of California release the Released Parties from all Released Claims defined in Paragraph I.26, above, during the PAGA Period. This release of claims only covers those civil penalties which are recoverable under PAGA, and does not otherwise cover individual, underlying claims or causes of action that Aggrieved Employees may have under the law against Released Parties for violations of the California Labor Code.

8. **Release by PAGA Counsel.** PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors, and assigns the Released Parties from all claims for attorneys' fees and costs incurred in connection with the Action and the facts stated in the Complaint and LWDA Letter.

9. **Representations by Plaintiff.**

a. Plaintiff represents and warrants that she has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Agreement.

b. Plaintiff acknowledges that she has read this Agreement, that she fully understands her rights, privileges, and duties under the Agreement, and enters into this Agreement freely and voluntarily. Plaintiff further acknowledges that she has had the opportunity to consult with her attorneys to explain the terms of this Agreement and the consequences of signing this Agreement.

10. **Limited Disclosure and No Publicity.** Except as provided below, to the extent necessary to effectuate the settlement or as required by the PAGA, a court of law, or legal process,

neither Plaintiff nor PAGA Counsel will publicize the terms of this Agreement or issue a press release, hold a press conference, publish information about the settlement, or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court.

11. **Motion for Approval of Settlement.** Plaintiff shall prepare and file an application or motion for approval of this Settlement. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699(f)(2), including: (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3(a)), Operative Complaint (Labor Code section 2699(l)(1)), this Agreement (Labor Code section 2699(l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

12. **Declaration re Distribution of Payments.** The Administrator will provide the Parties with a declaration confirming that distribution of payments has been completed in accordance with the Agreement and the Court’s orders within ten (10) calendar days of Defendant providing to the Administrator the Gross Settlement Amount.

13. **Distribution.** The Administrator will provide the Parties with a declaration confirming that distribution of payments has been completed in accordance with the Agreement and the Court’s orders within ten (10) calendar days of Defendant providing to the Administrator the Gross Settlement Amount.

IV. **ADMINISTRATION OF SETTLEMENT**

1. **Administrator.** The Parties have mutually selected Phoenix Settlement Administrators to handle the administration of this settlement, subject to approval by the Court, and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

a. **Employer Identification Number.** The Administrator shall have and use its own Employer Identification Number for the purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

b. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

c. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

2. **Deposit and Distribution of Gross Settlement Amount.**

a. Aggrieved Employees. As of the date of the mediation of this matter, Defendant estimated there were 540 Aggrieved Employees who worked approximately 4,332 applicable pay periods during the period of January 1, 2021, through January 24, 2024.

b. Aggrieved Employee Data. Within ten (10) calendar days of the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

c. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than thirty (30) calendar days after the Effective Date, for administration and distribution in accordance with this Settlement Agreement and the Court's orders.

d. Payments from the Gross Settlement Amount. Within ten (10) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Employee Payments, the LWDA Payment, Plaintiff's Service Payment, and Attorneys' Fees and Attorneys' Expenses. The Administrator will also issue payment of the Administration Costs to itself during this period.

i. The Administrator will issue checks for the Employee Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid under the cover letter, substantially in the form attached hereto as "**Exhibit 1**" ("Cover Letter"), to each of the Aggrieved Employees identified in the Aggrieved Employee Data. In addition to mailing notice to the Aggrieved Employees, the Administrator shall email an email version of the Notice of Settlement, which shall substantially conform to "**Exhibit 2,**" to those Aggrieved Employees whose email addresses are available to Defendant or the Administrator, within ten (10) business days after Defendant's remittance to the Administrator of the Gross Settlement Amount, as set forth in Paragraph IV.2.c of this Agreement. The face of each check

shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

ii. The Administrator will establish a toll-free number for Aggrieved Employees to call the Administrator with any questions regarding the Settlement, together with such other tasks as the Parties may mutually agree or the Court may order the Administrator to perform. The Administrator shall establish the toll-free number as soon as practicable after the Court approves the Settlement, and no later than twenty-one (21) days after the Court enters its order approving the Settlement.

iii. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost, misplaced, or requested by the Aggrieved Employee prior to the void date.

iv. For any Aggrieved Employee whose Employee Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the following *cy pres* recipient: Legal Aid at Work.

v. The payment of Employee Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

V. MISCELLANEOUS PROVISIONS

1. **No Impact on Employee Benefit Plans.** Neither the Agreement nor any amounts paid to Plaintiff, any Aggrieved Employee, or the LWDA under the settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Defendant, if any. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies, or bonus programs, if any. The payments made under the terms of this Agreement shall not be applied retroactively, currently, or on a going-forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any Defendant's benefit plan, policy, or bonus program, if any. Defendant retains the right, if necessary, to modify the language of its benefit plans, policies, and bonus programs, if any, to effect this intent, and to make clear that any amounts paid pursuant to this Agreement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies, and bonus programs, if any,

for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Agreement. Nothing in this section constitutes or shall be construed as an admission or acknowledgment that any such plan(s), policy(s), and/or bonus program(s) exist and/or are offered by Defendant.

2. **Tax Consequences.** Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

3. **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

4. **Cooperation.** The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the Court for resolution.

5. **No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

6. **Governing Law.** All terms and conditions of this Agreement and its exhibits shall be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

7. **Entire Agreement.** Upon execution, this Agreement and any and all exhibits attached hereto, as well as the Confidential Settlement Agreement relating to Plaintiff's Individual Claims in arbitration entered into by the Parties, constitutes the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

8. **Judgment and Continued Jurisdiction.** The Parties agree that this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6, and the Court, after entry of Judgment and to the fullest extent of the law, shall retain jurisdiction over this Action, the Parties, the Settlement and the Aggrieved Employees solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters that are permitted by law.

a. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, including the Attorneys' Fees and Attorneys' Expenses, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

b. Enforcement of Agreement. In the event that either Party brings an action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred, including expert costs (if any).

9. Amendment or Modification. This Agreement, and all parts of it, including any and all exhibits attached to same, may be amended or modified, changed, or waived only by an express written instrument, signed by all Parties or their representatives, subject to approval by the Court.

10. Authorization to Enter into Binding Agreement. Defendant represents and warrants that the undersigned has the authority to act on behalf of Defendant and to bind Defendant to the terms of this Agreement. Plaintiff represents and warrants that she has the capacity to act on her own behalf and on behalf of all who might claim through her to bind her to the terms and conditions of this Agreement. Counsel for all Parties represent and warrant that they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this 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 settlement and/or mediation privileges and/or confidentiality provisions that otherwise might apply under federal or state law.

11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the Administrator discharges its obligation to pay out all settlement funds, Plaintiff and PAGA Counsel shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all settlement funds, Defendant makes

a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

13. **Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of each of the Parties.

14. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

15. **Calendar Days.** Unless otherwise noted, all references to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal or state legal holiday, such date or deadline shall be on the first business day thereafter.

16. **Notice.** All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Larry W. Lee and Christine S. Lee
Diversity Law Group, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071

Edward W. Choi
Law Offices of Choi & Associates, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071

William L. Marder
Polaris Law Group
501 San Benito Street, Suite 200
Hollister, CA 95023

To Defendant:

Mollie M. Burks and Annette L. Rose
Gordon Rees Scully Mansukhani, LLP
275 Battery Street, Suite 2000
San Francisco, CA 94111

17. **Execution and Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties will exchange between

themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

19. **Severability**. If any term or provision of this Agreement is held to be invalid or unenforceable, provided that the essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable, the remaining portions of this Agreement will continue to be valid, and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

20. **No Waiver**. No waiver of any condition or covenant contained in this 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.

21. **Cooperation and Execution of Necessary Documents**. The Parties have cooperated in the drafting and preparing of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to implement 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.

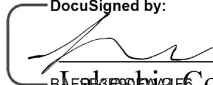
22. **Stay of Litigation**. The Parties agree that upon the execution of this Agreement litigation of the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement, that pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Agreement, accepts and agrees to the provisions contained in this Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 7/8/2024

PLAINTIFF LAKESHIA COOK-FARRAR

DocuSigned by:



Lakeshia Cook-Farrar

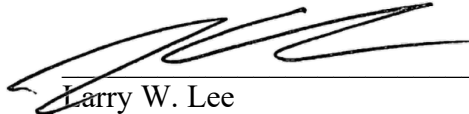
DEFENDANT THE REALREAL, INC.

Dated: _____

By: _____
Its: _____

DIVERSITY LAW GROUP, P.C.
LAW OFFICES OF CHOI & ASSOCIATES

Dated: July 8, 2024 _____



Larry W. Lee
Edward W. Choi
Attorneys for Plaintiff Lakeshia Cook-Farrar

GORDON REES SCULLY MANSUKHANI, LLP

Dated: _____

Mollie M. Burks
Annette L. Rose
Attorneys for Defendant The RealReal, Inc.

DEFENDANT THE REALREAL, INC.

Dated: July 10, 2024



By: Todd Suko

Its: Chief Legal Officer and Secretary

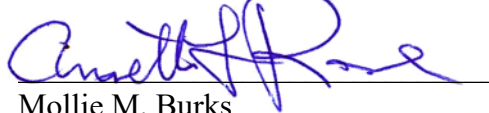
DIVERSITY LAW GROUP, P.C.
LAW OFFICES OF CHOI & ASSOCIATES

Dated: _____

Larry W. Lee
Edward W. Choi
Attorneys for Plaintiff Lakeshia Cook-Farrar

GORDON REES SCULLY MANSUKHANI, LLP

Dated: July 10, 2024



Mollie M. Burks

Annette L. Rose

Attorneys for Defendant The RealReal, Inc.

EXHIBIT 1

2D

<<Mail ID>>

<<FIRSTMILASTNAME1>>
 <<FIRSTMILASTNAME2>>
 <<FIRSTMILASTNAME3>>
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 <<ADDRESS2>>
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 <<CITY>> <<ST>> <<ZIPCODE>>
 <<COUNTRY>>

CHECK DATE: <<MONTH ##, ####>>
 CHECK NUMBER: <<#####>>
 CHECK AMOUNT: <<\$###,###.##>>
 TRACKING NUMBER: <<XXXXXX>>

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

LAKESHIA COOK-FARRAR, as an
 individual and on behalf of all others similarly
 situated,

Plaintiff,

vs.

THE REALREAL, INC., a Delaware
 corporation; and DOES 1 through 50,
 inclusive,

Defendants.

CASE NO. CGC-22-599036

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT (CALIFORNIA LABOR CODE § 2698, *ET SEQ.*) SETTLEMENT AWARD

Notice is hereby given that a Private Attorneys General Act (“PAGA”) settlement award, pursuant to California Labor Code § 2698, *et seq.*, has been approved by the Court, in connection with your employment with Defendant The RealReal, Inc. (the “Company”), in the lawsuit filed by Plaintiff Lakeshia Cook-Farrar (“Plaintiff”) against the Company in the San Francisco County Superior Court, entitled *Cook-Farrar v. The RealReal, Inc.*, Case No. CGC-22-599036 (the “Lawsuit”). PAGA is a statute that permits an alleged “aggrieved employee” to bring a civil lawsuit to enforce the Labor Code on behalf of the State of California and other employees.

A. PURPOSE OF THIS NOTICE

This Notice is being sent to you because you have been identified as a current or former non-exempt employee who worked for the Company in the State of California who received non-discretionary remuneration and concurrently received rest or meal period premiums or paid sick leave from January 31, 2021, through [date Motion to Approve order is entered] (“PAGA Settlement Member”), who is entitled to your portion of this PAGA settlement award. Receipt of this Notice means that you are entitled to your share in the proceeds from the PAGA settlement award. Your share of the PAGA award proceeds is enclosed herewith. This settlement check shall remain valid until _____.

B. DESCRIPTION OF THE LAWSUIT AND SETTLEMENT

Plaintiff filed the Lawsuit on April 6, 2022. The Lawsuit alleges a cause of action for violation of the Private Attorneys General Act (“PAGA”), based on violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 512, 1174, 1174(3), 1174.5, 1199, and 1199.5, and the applicable Wage Orders of the Industrial Welfare Commission. The Company denies all liability or wrongdoing. After conducting informal discovery and investigation, the Parties attended a mediation. Following the mediation, the Parties agreed to a settlement to avoid further dispute and the costs of litigation.

Specifically, the Parties agreed to a settlement of \$230,000.00 in order to resolve the PAGA claims, of which \$5,000.00 will be paid to Plaintiff as a service award for her efforts in prosecuting the claims on behalf of other PAGA Settlement Members and the State of California, up to \$76,666.67 will be paid to Plaintiff’s attorneys as fees and up to \$20,000.00 will be paid as litigation costs, and \$5,950.00 will be paid for the costs of settlement administration. After deduction of Plaintiff’s service award, attorneys’ fees and costs, and settlement administration costs, the State of California will receive 75 percent of the remaining amount, and the PAGA Settlement Members will receive the other 25 percent, all of which are being paid as civil penalties pursuant to the PAGA. There are approximately 540 employees who will each receive a portion of the settlement.

Each PAGA Settlement Member will receive a pro rata share of the civil penalties. Each PAGA Settlement Member’s individual share will be based upon the number of qualifying pay periods he or she or they performed work as a non-exempt employee of the Company in California from January 31, 2021, through [date Motion to Approve order is entered], divided by the total number of pay periods worked by all PAGA Settlement Members during the same time period.

The Settlement resolves all PAGA claims asserted in the Lawsuit and no further action is required on your part. You should cash your check by [180 DAYS AFTER ISSUANCE], after which the check will be void and you will no longer be able to share in the settlement. Per the Court’s final judgment in this case, effective upon complete payment of the settlement amount by the Company, all PAGA Settlement Members covered by the Settlement have released any and all claims for civil penalties under the PAGA that were set forth, or could have been set forth based on the facts alleged in the operative complaint. The settlement releases claims for civil penalties under PAGA predicated on alleged violations of Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 512, 1174, 1174(3), 1174.5, 1199, and 1199.5 and the applicable IWC Wage Orders from January 31, 2021, through [date Motion to Approval order is entered]. This means that you are not able to pursue a PAGA lawsuit against the Company based on such claims that were raised in this Lawsuit that occurred during this time period. Please note that you are bound by the settlement and release of claims based on the Court’s final judgment whether or not you cash or deposit the enclosed check. If you have any questions or would like more information about the settlement or this Lawsuit, you may contact the Settlement Administrator, [NAME] at [TOLL-FREE NUMBER]. You may also access documents regarding the Lawsuit on the Court’s online docket, which is available here:

<https://webapps.sftc.org/captcha/captcha.dll?referrer=https://webapps.sftc.org/ci/CaseInfo.dll?> You may use the case number, CGC-22-599036, to look up information regarding the Lawsuit.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.

EXHIBIT 2

EMAIL NOTICE OF SETTLEMENT

Notice is hereby given that a Private Attorneys General Act (“PAGA”) settlement award, pursuant to California Labor Code § 2698, *et seq.*, has been approved by the Court, in connection with your employment with Defendant The RealReal, Inc. (the “Company”), in the lawsuit filed by Plaintiff Lakeshia Cook-Farrar (“Plaintiff”) against the Company in the San Francisco County Superior Court, entitled *Cook-Farrar v. The RealReal, Inc.*, Case No. CGC-22-599036 (the “Lawsuit”). PAGA is a statute that permits an alleged “aggrieved employee” to bring a civil lawsuit to enforce the Labor Code on behalf of the State of California and other employees.

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