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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

Coordination Proceeding Special Title
(Rule 3.550)

TARGET WAGE AND HOUR CASES

Included Actions:

Medina et al. v. Target Corporation
San Bernardino Superior Court, Case No.
CIVSB2209126

Torres v. Target Corporation
Sacramento Superior Court, Case No. 34-
2022-00319715

Judicial Council Coordination Proceeding Case
No.: JCCP 5259

Assigned for All Purposes To:
Hon. Wilfred J. Schneider, Jr.
Dept.: S-32

**DECLARATION OF JAMES R. HAWKINS
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: July 3, 2024
Time: 8:30 a.m.
Place: Department S-32

Complaint Filed: September 22, 2022
Trial Date: None

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Attorneys for Plaintiffs

1 I, James Hawkins, declare as follows:

2 1. I am an attorney, duly licensed to practice before all the Courts of the State of California
3 and I am the principal of James Hawkins, APLC, counsel of record for Plaintiffs. I have personal
4 knowledge of the facts set forth below, and if called to testify regarding them, I could and would
5 do so competently.

6 2. I submit this declaration in support of Plaintiffs' Motion for Preliminary Approval of Class
7 Action and PAGA Settlement (the "Preliminary Approval Motion").

8 3. Attached hereto as **Exhibit 1** is a true and correct copy of the Class Action and PAGA
9 Settlement (the "Settlement" or "Settlement Agreement"). Attached as **Exhibit A** to the
10 Settlement Agreement is the Notice of Pendency of a Class Action Settlement (the "Class Notice")
11 that the Parties propose to send to Class Members.

12 4. Defendant does not oppose the Motion for Preliminary Approval.

13 5. As required by the Private Attorneys General Act of 2004 ("PAGA"), on the same date
14 this motion was filed with the Court, my office submitted an executed Settlement Agreement to
15 the California Labor and Workforce Development Agency ("LWDA"). A true and correct copy
16 of the confirmation of submission of the Settlement Agreement to the LWDA is attached hereto
17 as **Exhibit 2** and is incorporated herein by reference.

18 **PROCEDURAL HISTORY**

19 6. On February 23, 2022, Plaintiff Gustavo Medina filed a class action complaint in
20 San Bernardino Superior Court, Case No. CIVSB2204117, alleging the following causes of
21 action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Owed; (3) Failure to
22 Provide Meal Periods; (4) Failure to Authorize or Permit Rest Periods; (5) Failure to Timely
23 Pay Wages Owed Upon Separation from Employment; (6) Knowing and Intentional Failure to
24 Comply with Itemized Wage Statement Provisions; and (7) Violation of California Business
25 and Professions Code §§17200, et seq. (the "*Medina* Class Action"). Plaintiff Medina served
26 both the LWDA and Defendant with notice of his claims on February 22, 2022.

27 7. The *Medina* Class Action was removed to the United States District Court for
28 the Central District of California on May 11, 2022 as Central District, Case No. 5:22-cv-

00805-JVS-SP.

8. On May 2, 2022, as a proxy for the State of California, Plaintiff Medina filed a PAGA representative action as San Bernadino Superior Court Case No. CIVSB2209126 which sought PAGA penalties for Labor Code violations including (1) failure to pay all wages owed including minimum wages; (2) failure to accurately calculate and pay overtime wages; (3) failure to provide meal periods; (4) failure to pay compensation for meal periods that were not lawfully provided; (5) failure to authorize and permit rest periods; (6) failure to pay compensation for rest periods that were not lawfully authorized and permitted; (7) failure to timely pay all owed wages during employment; (8) failure to timely pay wages owed upon separation from employment; (9) failure to furnish accurate, itemized wage statements; and (10) unlawful deductions from wages (the “*Medina* PAGA Action”).

9. On June 13, 2022, Plaintiff Medina filed an amended complaint to add additional allegations (including failure to pay sick leave in violation of Labor Code 246 and unlawful background checks in violation Labor Code section 1024.5), clarify the claims and add a second plaintiff Janira Perez.

10. On March 17, 2022, Plaintiff Alicia Torres filed a related class action complaint in Sacramento County Superior Court entitled *Torres v. Target Corporation*, Case No34-2022-00316991 (“the *Torres* Class Action”). *Torres* was removed to the United States District Court for the Eastern District of California, Case No. 2:22-at-00604 on June 10, 2022.

11. Pursuant to a stipulation between Defendant and Plaintiff Torres, venue of the *Torres* Class Action was transferred to the Central District of California on July 26, 2022.

12. On May 11, 2022, Plaintiff Torres filed an action against Defendant in the Sacramento County Superior Court seeking civil penalties pursuant to PAGA for alleged Labor Code violations.

13. On September 28, 2022, Plaintiff Angel Carter filed a lawsuit against Defendant in the San Bernardino County Superior Court, Case No. CIVSB2221510. The Complaint alleged class action claims for: (1) unfair competition in violation of California Business & Professions Code section 17200 et seq.; (2) failure to pay minimum wages; (3) failure to pay overtime

wages; (4) failure to provide lawful meal periods; (5) failure to authorize and permit rest periods; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify necessary business expenses; (8) waiting time penalties; and (9) failure to pay sick pay wages.

14. On September 30, 2022, Plaintiff Zachary Lomely filed a lawsuit against Defendant in the Kern County Superior Court, Case No. BCV-22-102580. The Complaint alleged class action claims for: (1) unfair competition in violation of California Business & Professions Code section 17200 et seq.; (2) failure to pay minimum wages; (3) failure to pay overtime wages; (4) failure to provide lawful meal periods; (5) failure to authorize and permit rest periods; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify necessary business expenses; (8) waiting time penalties; and (9) failure to pay sick pay wages. On November 30, 2022, Defendant removed the *Lomely* action to the United States District Court for the Eastern District of California, and the case was assigned Case No. 1:22-cv-01541-ADA-CDB.

15. On December 27, 2022, the United States District Court for the Central District of California issued an order permitting the filing of a consolidated class action complaint, consolidating the pending *Medina* and *Torres* class actions, adding Plaintiffs Carter and Lomely, and staying the consolidated class action pending the Parties' mediation.

16. On January 5, 2023, Plaintiff Joaldi Gonzalez filed a class action lawsuit against Defendant in the Kern County Superior Court, Case No. BCV-23-100057, alleging class action claims for: (1) meal period violations; (2) rest period violations; (3) wage statement violations; (4) waiting time penalties; and (5) unfair competition in violation of California Business & Professions Code section 17200 et seq.

17. Based upon the petition for coordination filed by Defendant, the *Torres* PAGA Action and the *Medina* PAGA Action were coordinated in JCCP5259 in San Bernardino Superior Court on or about January 9, 2023.

18. On February 14, 2023, the *Medina* Class Action and *Torres* Class Action were consolidated in the Central District of California, Case No. 5:22-cv-00805-JGB (SHKx).

19. In filing the Consolidated Class Action Complaint, Plaintiffs Medina, Perez, and

Torres added additional representatives (Zachary Lomely, Angel Carter, Denisa Cardenas, Brian Mena, and Jimmy Perez) and claims to the Action.

20. On June 7, 2023, Plaintiffs filed an Amended Consolidated Complaint to name additional representative Joaldi Gonzalez and claims to the Action. Plaintiffs filed a first amended consolidated class action complaint in the United States District Court for the Central District of California against Defendant, alleging: (1) unfair competition in violation of California Business & Professions Code section 17200 et seq.; (2) minimum wage violations; (3) overtime wage violations; (4) meal period violations; (5) rest period violations; (6) wage statement violations; (7) failure to reimburse necessary business expenses; (8) failure to provide wages when due; (9) sick pay violations; (10) discrimination and retaliation; and (11) wrongful termination in violation of public policy.

21. The separate class actions filed by Plaintiffs Lomely, Carter, and Gonzalez, were dismissed without prejudice on February 16, 2023, June 30, 2023, and June 20, 2023, respectively.

22. In connection with the Settlement, the Parties filed a stipulation for leave for the filing of a Second Amended Consolidated Complaint which effectively consolidates the consolidated class action lawsuit currently pending in the United States District Court for the Central District of California entitled *Gustavo Medina, et al. v. Target Corporation*, Case No. 5:22-cv-00805-JGB (SHKx) (the “Class Action”) with the the coordinated California Private Attorneys General Act lawsuits currently in the San Bernardino County Superior Court entitled Target Wage and Hour Cases, Judicial Council Coordination Proceeding No. 5259 (the “PAGA Action”) and which asserts all claims which have been investigated and released in the Settlement. An amended LWDA letter was also sent to the LWDA to ensure that the agency received notice of the claims which are released in the context of the Settlement of this Action

INVESTIGATION AND MEDIATION

23. Prior to filing each of the lawsuits and the amendments, Class Counsel conducted a thorough investigation of the facts and circumstances underlying the potential claims, including an in-depth review of Plaintiffs' employment files, as well as their payroll and timekeeping records. This required, among other things, numerous interviews with Plaintiffs, analysis of documents and other information provided by Plaintiffs, investigation into the viability of class treatment and representative treatment of the potential claims, and research of the applicable law. After conducting their initial investigation, Class Counsel determined that Plaintiffs' claims were well suited for class adjudication based on what appeared to be a common course of conduct affecting a similarly situated group of employees.

24. After filing the lawsuit, Class Counsel conducted a thorough investigation including: (1) conducting extensive informal and formal discovery, including a Rule 26(f) conference and initial disclosures; (2) reviewing and analyzing thousands of timekeeping and payroll records, Defendants' employee handbooks, Plaintiffs' offer letters, certain pay stubs, forms and acknowledgments, memoranda, Plaintiffs' personnel files, training materials, schedules, roster data, and relevant policies and procedures; (3) reviewing class size data and cross checking data points; (4) researching the applicable law and potential defenses; (5) interviewing Class Members regarding their experience and the claims asserted; (6) conferences between counsel regarding the claims and defenses; and (7) analyzing and calculating Defendant's potential liability with the existence of an expert.

25. After analyzing the relevant documents and data, the Parties determined that there was a high degree of risk for both sides and elected to mediate Plaintiffs' claims and explore the possibility of settlement.

26. Prior to mediation, Defendants produced a large volume of documents and data concerning the putative class members. Plaintiffs were provided with Plaintiffs' personnel records, time records, and payroll records, employee handbooks, policy documents, and job descriptions, as well as a 10% sampling including more than 2,200 Class Members' timekeeping and payroll data. Class Counsel reviewed the data produced with an expert.

27. In addition, Defendants provided class and PAGA group information, including the

1 number of putative Class Members and Aggrieved Employees during the Class Period and PAGA
2 Period, respectively, the number of workweeks worked by Class Members during the Class
3 Period, the number of pay periods worked by Aggrieved Employees during the PAGA Period,
4 and shift data including number of meal period eligible shifts.

5 28. Counsel for the Parties investigated the law as applied to the facts discovered regarding
6 the alleged claims of the Class Members and potential defenses thereto, and the damages and
7 penalties claimed by the Class Members. The Parties conducted their own evaluations of the
8 potential recoveries based on the claims alleged in the Action.

9 29. To facilitate a productive mediation, Class Counsel prepared a comprehensive mediation
10 brief outlining relevant factual and legal issues, providing a detailed analysis of the timekeeping
11 and payroll records, and presenting a complete breakdown of the liability exposure for Defendants
12 if Plaintiffs succeeded on each of their claims at trial.

13 30. On November 1, 2023, the Parties engaged in a full-day mediation with the experienced
14 wage and hour mediator, Gig Kyriacou. Mr. Kyriacou helped to manage the Parties' expectations
15 and provided a useful, neutral analysis of the issues and risks to both sides. Although the Parties
16 were unable to resolve the dispute at the mediation session, the Parties continued discussions and
17 negotiations with the assistance of Mediator Kyriacou. With the aid of a mediator's proposal, the
18 Parties ultimately negotiated a complete settlement of Plaintiffs' claims with Mr. Kyriacou's
19 guidance. At all times, the Parties' negotiations were adversarial and non-collusive.

20 31. The Settlement was the product of arm's length bargaining by the Parties with the
21 assistance of Mediator Kyriacou. The information exchanged between the Parties allowed them
22 to assess the merits of the claims and defenses, and to reach a compromise on the issues.

23 32. At all times, the negotiations leading to the mediator's evaluation and proposal, and
24 eventually to the long-form Settlement Agreement, have been adversarial, non-collusive,
25 conducted at arm's length, and supported by a knowledgeable mediator.

26 33. Based on an analysis of documents and class data produced by Defendant—including
27 Defendant's California labor policies and procedures manuals and a 10% sampling of more than
28 2,200 Class Members' time and pay records—Class Counsel was able to realistically assess the

1 value of Plaintiffs' claims and intelligently engage defense counsel in settlement discussions that
2 culminated in the proposed settlement now before the Court. Plaintiffs and Class Counsel
3 recognized that increases in expenses and the length of proceedings would be a necessary and
4 undesirable consequence of continued litigation against Defendant through trial and through any
5 appeals. Plaintiffs and Class Counsel also have considered the uncertainty and risk of further
6 litigation, the sharply contested issues involved, the risk of an adverse outcome, and the
7 difficulties and delays inherent in such complex litigation, as well as the benefits to be received
8 by the Class Members. Plaintiffs and Class Counsel have conducted extensive settlement
9 negotiations, including the above-mentioned mediation and through the long-form Settlement
10 Agreement. Based on the foregoing, Plaintiffs and Class Counsel believe the Settlement set forth
11 in this Settlement is a fair, adequate, and reasonable settlement, and it is in the best interests of
12 the Class Members.

13 34. Although a settlement has been reached, Defendant denies any and all liability or
14 wrongdoing of any sort with regard to the claims and Defendant maintains that for any purpose
15 other than settlement, this Action is not appropriate for class action treatment. Defendant denies
16 all allegations asserted in the operative complaint, and all claims made by Plaintiffs. Defendant
17 asserts that they have no liability for any Plaintiffs' or any Class Member's claims under any
18 statute, wage order, regulation, common law, or equitable theory. However, because of the
19 substantial expense of defending against the Action, the length of time necessary to resolve the
20 issues presented herein, the inconvenience involved, and the disruption to its normal business
21 operations, Defendant has concluded that it is in their best interest to accept the terms of the
22 Settlement. Defendant denies each of the allegations and claims asserted against it in the Action,
23 and denies that the claims are proper for representative treatment. Nevertheless, Defendant
24 desires to settle the Action for the purpose of avoiding the burden, expense, and uncertainty of
25 continuing litigation and for the purpose of putting to rest the controversies.

26 35. While Plaintiffs believe in the strength of their allegations and that their claims are
27 appropriate for class certification, Plaintiffs and Class Counsel have balanced our evaluation of
28 the validity and merit of the asserted claims against potential problems of proof, the legal

standards governing litigation of the class claims against potential problems of proof, the legal standards governing litigation of the class claims, the uncertainty of obtaining and maintaining class certification through trial, the potential for appeals, the expense and burden associated with prolonged litigation, the various defenses asserted by Defendants.

36. Based on my evaluation, I believe that the terms set forth in the Settlement are fair, adequate, and reasonable and in the best interest of the Class, including Plaintiffs.

THE TERMS OF THE SETTLEMENT

37. The proposed Class consists of all individuals employed by Target at one or more Target distribution centers in the State of California in non-exempt positions at any time during the Class Period from March 21, 2019, through and including December 10, 2023, or when the aggregate workweeks amount to 1,590,887, whichever occurs first. (“Class Members”). (Ex. 1, Settlement Agreement (“Settlement”), ¶¶ 1.2, 1.8.) Based on Defendant’s records, Target employed approximately 24,528 distribution center employees in California from March 21, 2019 through approximately December 10, 2023. Plaintiffs worked in Target’s distribution center facilities during the Class Period.

38. Subject to Court approval, Defendants will pay a Gross Settlement Amount of \$6,450,000 for the Settlement of the Action. This is the non-reversionary amount that Defendant is obligated to pay under this Settlement Agreement in order to settle the Action, subject to the Court’s approval of the Settlement. (Ex. 1, Settlement Amount, ¶ 1.17.) The employer’s share of payroll taxes on the wage component of the Class Member Payments shall not be paid from the Gross Settlement Amount, and Defendant will fund such taxes in addition to the Gross Settlement Amount. (Ex. 1, Settlement Amount, ¶ 3.5.1.)

39. Subject to Court approval, the Gross Settlement Amount includes: (1) automatic payments to all Participating Class Members—meaning, all Class Members except those who submit valid Requests for Exclusion—from the Net Settlement Amount; (2) \$2,128,500.00 in Class Counsel Fees Award (i.e., one-third of the common fund) and up to \$80,000 in Class Counsel Costs Award; (3) Settlement Administration Costs of approximately \$85,000; (4) a \$129,000 PAGA Distribution Amount (payment to the LWDA of \$96,750 and a \$32,250.00

1 payment to PAGA Affected Employees); and (5) Class Representative Service Awards of
2 \$10,000.00 to each Plaintiff, for their service on behalf of the Class, the risks they took in
3 bringing their representative claims, and for Complete and General Release provided to the
4 Released Parties. (Ex. 1, Settlement, ¶¶ 1.18, 1.25, 1.26, 1.35.)

5 40. The Net Settlement Amount (“NSA”) is the amount to be paid to Participating Class
6 Members as Class Member Payments after deducting the Court approved payments for: PAGA
7 Affected Employee Payments, the PAGA LWDA Payment, Class Representative Service
8 Awards, Class Counsel Fees Award, Class Counsel Costs Award, and the Settlement
9 Administration Costs. (Ex. 1, Settlement, ¶¶ 1.18.)

10 41. Based on the following requested amounts, the NSA is estimated to be \$3,887,500 (Ex 1,
11 Settlement, ¶1.18.):

- 12 a. Class Representative Service Awards of up to \$10,000 for each named Plaintiff
- 13 (\$140,000 total);
- 14 b. Class Counsel Fees Award of up to \$2,128,500.00;
- 15 c. Class Counsel Costs Award of up to \$80,000;
- 16 d. Settlement Administration Costs of up to \$85,000;
- 17 e. PAGA Distribution Amount of up to \$129,000.00

18 42. Participating Class Members will receive a Class Member Payment. Each Class
19 Member Payment shall be calculated by dividing a Participating Class Member’s individual
20 workweeks worked for Defendant in a non-exempt position at one or more distribution centers
21 in California during the Class Period by the total of all Participating Class Members’
22 workweeks worked for Defendant in a non-exempt position at one or more distribution centers
23 in California during the Class Period (all according to Defendant’s business records) and
24 multiplying this result by the Net Settlement Amount. The Class Member Payments will be
25 allocated: 20% wages subject to deduction for employee-side employment taxes and
26 withholdings, and IRS Form W-2 reporting; and 80% as penalties, interest, and reimbursement
27 of expenses, and will be subject to IRS Form 1099 reporting. (Ex. 1, Settlement, ¶ 3.5.1.6.)
28

1 43. The Settlement provides for a \$129,000 PAGA Distribution Amount (payment to
2 the LWDA of \$96,750 and a \$32,250.00 payment to PAGA Affected Employees). The PAGA
3 Affected Employees Payment will be allocated to all PAGA Affected Employees on a
4 proportional basis based on the number of weeks each worked for Defendant in a non-exempt
5 position at one or more Target distribution centers in California during the PAGA Period. the
6 PAGA Affected Employee Payment will be distributed to all PAGA Affected Employees in full.
7 (*Id.* at ¶ 1.22-1.23, 3.5.1.5.2.)

8 44. All Class Members will receive notice of the Settlement and are not required to
9 submit a claim form for their share of the Net Settlement Amount. Class Members shall have
10 until the Response Deadline (60 days after mailing) to object to the Settlement or Request
11 Exclusion. (Ex. 1, Settlement Agreement, ¶ 3.6.8-3.6.9.) Within twenty-one (21) calendar days
12 after receiving the Employee List from Defendant, the Administrator will mail a Class Notice to
13 all Class Members via regular First-Class U.S. Mail. (*Id.* ¶ 3.6.5.) Prior to mailing, the
14 Administrator will perform a search based on the National Change of Address Database for
15 information to update and correct the Employee List based on any known or identifiable address
16 changes. (*Id.*) The Administrator will also attempt to obtain valid mailing addresses on Class
17 Notices returned as undeliverable in accordance with the terms of the Settlement. (*Id.* ¶ 3.6.6.)

18 45. In order for any Class Member to validly exclude themselves from the Class and this
19 Settlement, a written request for exclusion containing all the required information must be filled
20 out and timely sent to the Settlement Administrator, postmarked by no later than the Response
21 Deadline (60 days after the date the Administrator mails the Notice.) (*Id.* ¶ 3.6.8.1.) A Class
22 Member who requests to be excluded from the Class in writing will not be deemed a Settlement
23 Class Member for any purpose, will not receive an Individual Class Payment, and will not be
24 subject to the terms of the Settlement. (*Id.*)

25 46. In accordance with the terms of the Settlement, the entire NSA will be disbursed to
26 Participating Class Members—that is, all Class Members who do not submit timely and valid
27 Requests for Exclusion. (*Id.* ¶¶ 1.17, 1.18, 3.5.1.6.)

1 47. In order for any Class Member to object to the Settlement, or any term of the Settlement,
2 the Class Member making the objection must not submit a request for exclusion, and must, by
3 not later than 60 days after the Notice was initially mailed to Class Members, submit the
4 Objection to the Court and Class Counsel, along with all supporting papers, in accordance with
5 the terms of the Notice and by the Response Deadline. (*Id.* at ¶ 3.6.9.)

6 48. To the extent that the Class Member Payment and PAGA Affected Employment
7 Payment checks are undeliverable, or are uncashed 180 days after the date listed on the check
8 (“Void Date”), the amount of those checks shall be transmitted to Legal Aid at Work within
9 fourteen calendar days of the Void Date. (*Id.* ¶3.7.9.)

10 49. Each Class Member Payment shall be allocated as follows: 20% as wages (to be reported
11 on an IRS Form W2); and 80% as interest and statutory penalties (to be reported on an IRS
12 Form 1099.) (*Id.* ¶3.7.8.)

13 50. The Parties have agreed to have Apex Class Action LLC named as the Settlement
14 Administrator. (*Id.* ¶ 1.38.) The Settlement Administration Expenses are estimated not to exceed
15 \$85,000.00. (*Id.* ¶ 1.37.) The Settlement Administrator shall be responsible for, *inter alia*,
16 establishing a toll-free telephone number; establishing a website which will have links to the
17 Notice of Settlement, the Settlement Agreement, Judgment, and motions for approval of the
18 Settlement and for attorneys’ fees and costs; establishing a Post Office Box for receipt of Class
19 Member communications; preparing, printing, and mailing the Notice of Settlement (in English
20 and Spanish) to Class Members; receiving and reviewing Requests for Exclusion and/or Notices
21 of Objections, if any, submitted by Class Members; providing weekly status reports to Defense
22 Counsel and Class Counsel, which shall include the status of mailings to Class Members
23 (including the total number of returned, undelivered, and re-mailed Notices of Settlement) and
24 the total number of any responses, Notices of Objections, and Requests for Exclusion received
25 from Class Members (including the total number of Notices of Objection and Requests for
26 Exclusion that are deficient, late, or otherwise invalid); providing a due diligence declaration for
27 submission to the Court prior to the Final Approval Hearing; mailing the Service Awards to
28 Plaintiffs, the Class Counsel Fees Award and Class Counsel Costs Award to Class Counsel, the

1 PAGA LWDA Payment to the LWDA, the PAGA Affected Employee Payments to PAGA
2 Affected Employees, and the Class Member Payments to Participating Class Members; printing
3 and providing Participating Class Members, PAGA Affected Employees, Plaintiffs, and Class
4 Counsel with IRS Form 1099 statements as required under applicable law; providing a due
5 diligence declaration for submission to the Court upon the completion of the administration of
6 the Settlement; and for such other tasks as the Parties mutually agree or the Court orders.

7 51. After the Judgment is final and Defendants have fully funded the Gross Settlement and
8 separately paid all employer payroll taxes, Participating Class Members will be bound by the
9 following release:

10 Plaintiffs – on behalf of themselves and Participating Class Members – fully and
11 irrevocably release the Released Parties from the Class Claims, as defined in
12 Paragraph 1.3, in exchange for the consideration provided by this Settlement
13 Agreement (“Released Class Claims”). All Released Class Claims are released for
14 the Class Period. Plaintiff and Participating Class Members may discover facts in
15 addition to or different from those they now know or believe to be true with respect
16 to the subject matter of the Released Class Claims but, upon the Effective Date,
17 shall be deemed to have, and by operation of the Final Approval Order and
Judgment shall have, fully, finally, and forever settled and released any and all of
the Released Class Claims. It is the intent of the Parties that the Final Approval
Order and Judgment entered by the Court pursuant to this Agreement shall have full
res judicata effect and be final and binding upon Participating Class Members
regarding the Released Class Claims.

18 52. The Released Class Claims are defined as:

19 [A]ny and all claims, rights, demands, and liabilities of every nature and description,
20 whether known or unknown, suspected or unsuspected, arising under federal, state, or local
21 law, that were asserted or that could have been asserted based on the facts alleged in the
22 Second Amended Consolidated Class Action and PAGA Complaint, that arose during the
23 Class Period, including but not limited to: unfair competition in violation of California
24 Business & Professions Code section 17200, et seq.; failure to pay for all hours worked
25 including due to rounding of time punches, off-the-clock work, time spent in security
26 screenings (including but not limited to bag and other security checks), time spent in
27 COVID screenings (including but not limited to temperature checks and symptom
28 questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to
pay minimum wages in violation of California Labor Code sections 1194, 1197, and 1197.1
including due to rounding of time punches, off-the-clock work, time spent in security
screenings (including but not limited to bag and other security checks), time spent in
COVID screenings (including but not limited to temperature checks and symptom
questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to
accurately pay all wages based on the regular rate of pay by failing to include incentive pay
based on employee performance in the regular rate calculation; failure to pay overtime
wages in violation of California Labor Code section 510 and the applicable IWC Wage

Order including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, controlled meal and rest periods, and failure to accurately calculate the regular rate of pay; failure to provide meal periods and to pay meal period premiums at the correct regular rate of pay in violation of California Labor Code section 512 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted meal periods; failure to provide rest periods and to pay rest period premiums at the correct regular rate of pay in violation of California Labor Code section 226.7 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted rest periods; failure to pay sick pay wages at the correct regular rate of pay in violation of California Labor Code sections 201-204, 223, and 246; failure to pay reporting time pay wages when due or at the correct regular rate of pay; unlawful deductions from wages in violation of in violation of California Labor Code section 221; failure to provide accurate wage statements in violation of California Labor Code section 226; failure to reimburse business expenses in violation of California Labor Code section 2802; failure to pay wages when due in violation of California Labor Code sections 201-204; attorneys' fees and costs incurred to prosecute the Action on behalf of Class Members; and any other derivative remedies, penalties, and interest available under the law based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint. The release of Class Claims will run through the Class Period. Except as set forth in this Agreement, the Class Members who do not opt out of the Settlement do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

(Ex. 1, Settlement, ¶ 1.3.)

53. In addition, after the Judgment is final and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Aggrieved Employees will be bound by the following release:

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs – on behalf of themselves, the State of California, and PAGA Affected Employees – fully and irrevocably release the Released Parties from the PAGA Claims, as defined in Paragraph 1.24, in exchange for the consideration provided by this Settlement Agreement (“Released PAGA Claims”). All Released PAGA Claims are released for the PAGA Period. Plaintiffs, the State of California, and PAGA Affected Employees may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released PAGA Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all of the Released PAGA Claims. It is the intent of the Parties that the Final Approval Order and Judgment entered by the Court shall have full res judicata effect and be final and binding upon the State of California and PAGA Affected Employees regarding the Released PAGA Claims.

(Ex. 1, Settlement, ¶ 3.5.3.)

The “Released PAGA Claims” means:

any and all claims, rights, demands, and liabilities of every nature and description, whether known or unknown, for civil penalties that were asserted or that could have been asserted based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint that arose during the PAGA Period, including, but not limited to, claims for civil penalties for alleged violations of California Labor Code sections 201-204, 204b, 204.1, 204.2, 204.11, 205, 205.5, 210, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 246, 510, 512, 516, 558, 1024.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1197.5, 1198, and 2802, violations of California Code of Regulations, Title 8, Section 11000, et seq., and violations of the applicable IWC Wage Order(s), and by incorporation any and all of the alleged conduct included in the defined Class Claims. The release of PAGA claims will run through PAGA Period.

(Ex. 1, Settlement, ¶ 1.24.)

THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

54. Class Counsel are experienced wage and hour class action attorneys. We have represented, mediated, tried, and settled numerous class actions in wage and hour litigation and have knowledge of the strengths and weaknesses of the parties' respective positions sufficient to evaluate the fairness of the proposed settlement herein.

55. Class Counsel and Plaintiffs understand the uncertain and risky nature of the class certification process as well as the potential merits of both legal and factual defenses expected to be raised by the Defendants. Based upon the uncertainty associated with Defendants' asserted defenses, the risk in certifying a class, the possibility of Defendants prevailing on potentially dispositive motions, and a potential trial, Class Counsel and the Plaintiffs believe the Gross Settlement Amount to settle all Class Claims and PAGA Claims in the Actions is fair, reasonable, and adequate under the circumstances and will provide Class Members meaningful compensatory relief without any reversion to Defendants. The Settlement affords the Class Members prompt and substantial relief, while avoiding significant legal and factual obstacles that otherwise may have prevented the Class Members from obtaining any recovery at all. Indeed, the outcome of class certification, trial, and any attendant appeals, is inherently uncertain. Throughout this litigation and the settlement process, Defendants have denied and continue to deny any liability or wrongdoing of any kind associated with Plaintiffs' claims alleged in the Actions. Defendants have also produced evidence which they believe supports their defenses, such that recovery is uncertain.

1 56. Defendants have also consistently denied the propriety of class certification, except for
2 the exclusive purpose of settling the Action. With this in mind, the Parties have concluded that
3 the risks and future expenses involved in continuing the Action will be substantial and have
4 chosen to eliminate any further litigation costs, attorneys' fees, and uncertainty in connection
5 with the Action. In particular, given the heavily disputed nature of the case—both factual and
6 legal grounds—it is expected that substantial expenses would be incurred in determining issues
7 concerning formal discovery, litigating any class certification or decertification motion and
8 appeals, bringing potentially dispositive motions, and in connection with any trial or appeals
9 after trial. Without admitting or conceding any liability or damages, Defendants has entered into
10 the Settlement to resolve this litigation fully, finally, and forever; to bar further litigation on
11 these legal and factual issues under the terms and conditions set forth in the Settlement; and in
12 order to avoid the burden, expense, and uncertainty associated with litigation.

13 **CLASS COUNSEL'S EVALUATION OF THE CLAIMS**

14 57. Plaintiffs alleged that Defendants (1) failed to pay minimum wages; (2) failed to pay
15 overtime owed; (3) failed to provide lawful meal periods; (4) failed to authorize and permit rest
16 periods; (5) failed to provide accurate itemized wage statements; (6) failed to timely pay all
17 wages owed upon separation from employment; (7) failed to reimburse required expenses; (8)
18 failed to pay sick pay wages; (9) failed to pay reporting time wages; (10) violated California
19 Business & Professions Code section 17200, et seq; and (11) civil penalties under PAGA.

20 58. Class Counsel estimated that maximum total liability for all claims if they were entirely
21 successful at trial, certification were granted and maintained, Defendant did not prevail on any
22 defenses, and all penalties sought were awarded, was approximately \$329.6 million. This
23 estimate was based on the following information: 23,649 class members (15,326 former and
24 8,714 current employees), 18,576 Aggrieved Employees, 1,446,261 workweeks during the Class
25 Period, 798,351 pay periods during the PAGA Period, \$21.98 average rate of pay.

- 26 a. Off-the Clock Work (unpaid walking time wages): 34,202 hours (assumes 6 minutes
27 per shift for Locations 553 and 3840, 0 minutes for 3899 and 8 minutes per shift for
28 other Locations) x \$21.98 per hour = \$751,759.96

- b. Off-the Clock Work: 4,675,819 shifts x 8 minutes per shift (waiting time, COVID checks, security checks, controlled time, pre and post shift work) x \$21.98 per hour = \$13,703,266.90
- c. Unpaid Reporting Time (calculated for shifts under 4 hours): 206,178 hours x \$21.98 = \$4,531,792.44
- d. Unpaid Meal Period Premiums: 1,446,261 workweeks x 1 violation per week x \$21.98 hourly rate = \$31,788,816.80 - \$94,316.18 meal period premiums paid = \$31,694,500.60
- e. Unpaid Rest Period Premiums: 1,446,261 workweeks x 1 violation per week x \$21.98 hourly rate = \$31,788,816.80 - \$7,736.96 rest period premiums paid = \$31,781,079.80
- f. Failure to Timely Pay Final Wages: 10,627 former employees in relevant period x \$236.25 average daily pay x 30 days = \$75,318,862.50.
- g. Failure to Reimburse: 215,579 months x \$5.00 per month = \$1,077,895
- h. Failure to Provide Accurate Itemized Wage Statements: \$74,304,000 (226 penalty is \$50 initial/\$100 subsequent with \$4,000 employee maximum)
- i. PAGA Penalties: 965,025 PAGA pay periods x \$100 = \$96,502,500 (max penalties for all employees for all pay periods with stacking is approximately \$483.5 million)

59. Plaintiffs alleged that Class Members were required to work substantial time off the clock as a result of unpaid controlled time/walking time, waiting in line to clock in, participating in COVID checks and questionnaires, security checks, rounded time punches, and pre and post shift work. Defendant argued that it has robust training policies its written timekeeping policies were legally compliant and required employees to record all hours worked, and expressly required that employees not to perform any work off the clock. Defendant further contended that it paid for all controlled time and paid for walking time in accordance with its written policy that Defendant pays team members starting 3-4 minutes before their start-ups are scheduled to begin to account for the time spent walking through the warehouse to their designated time clocks. Defendant also produced evidence that it paid for temperature screenings and COVID

1 checks during the relevant time period, and that off-the-clock security checks did not occur
2 during the Class Period.

3 60. Plaintiffs further alleged that as a result of Defendant's scheduling and staffing practices,
4 and as a result of the unpaid walking time, meal and rest periods were frequently short as well.
5 The time records produced by Defendant revealed that the average meal length was
6 approximately 30.8 minutes and 50% of all meals were exactly 30 minutes and 95% were 32
7 minutes or less. Plaintiffs argued that given the approximate 3-4 minutes of walking time on
8 each side of the meal period, meal periods were frequently short and that premiums were owed.
9 Defendant argued that, consistent with their written policy, Class Members were trained to clock
10 out for meal periods at the time clock nearest to their break area (not their designated time clock
11 in their work area) and produced evidence that premiums were automatically paid by their
12 systems and that to the extent any meal periods were interrupted or otherwise not provided,
13 Class Members were trained on how to request applicable meal period premiums. With regard
14 to rest periods, Defendant contended that it provided rest periods of fifteen minutes every four
15 hours or major fraction thereof, and that Class Members were free to leave the premises during
16 their paid rest periods. Defendant's written policy also directed Class Members to stop working
17 and turn off all equipment (including walkies) during breaks

18 61. Plaintiffs further alleged that Defendant failed to include all non-discretionary sums in
19 the regular rate, such that overtime, meal period premiums, rest period premiums and sick pay
20 were underpaid. Defendant vehemently denied this allegation, argued that its practices always
21 complied with the law, and produced evidence that all non-discretionary sums were included in
22 the regular rate, and that any sums paid that were omitted were discretionary and/or otherwise
23 excludable.

24 62. Plaintiffs alleged that Defendant failed to pay reporting time pay on shifts when Class
25 Members were required to report to work but were furnished with less than half of the Class
26 Member's usual or scheduled work day. Plaintiffs also argued that at home calls received by
27 Class Members triggered reporting time pay requirements. Defendant argued that Class
28 Members generally did not receive at-home work related calls and could not have performed

1 work from home because the Class Members were distribution/warehouse employees, so there
2 are no functions which could be done remotely. In addition, Defendant argued that it had a
3 legally compliant reporting time pay policy and that it paid reporting time as necessary. It also
4 argued that Plaintiffs could not determine whether reporting time pay requirements were
5 triggered simply by looking at the length of the shift, as there was no way to determine why the
6 employee worked less than four hours.

7 63. Plaintiffs alleged that Class Members were required to incur expenses associated with
8 cellular phone usage in connection with their job duties. Defendant argued that it provided all
9 equipment and items necessary for employees to perform their job duties. Defendant also
10 contended that Class Members generally did not receive at-home work related calls and could
11 not have performed work from home because the Class Members were distribution/warehouse
12 employees, so there are no functions which could be done remotely. Defendant further argued
13 that to the extent employees incurred any expenses in the course of performing their job duties,
14 employees were made aware of procedures for seeking reimbursements and that Defendant
15 maintained a legally compliant reimbursement mechanism.

16 64. Plaintiffs also sought wage statement penalties related to the violations set forth above
17 and with regard to the reporting of deductions and payments on the wage statements. Defendant
18 contended they complied with all wage statement requirements, and all information on the wage
19 statements was accurate and reflected the amount of money paid to employees. Defendant
20 contended that Plaintiffs could not demonstrate that any violation (to the extent any existed
21 which they denied) was intentional or willful. Defendant also contended penalties were not
22 available for certain derivative violations. Defendant also contended that no Class Members
23 suffered injury because of any alleged violations.

24 65. Plaintiffs also sought waiting time penalties on both a direct and derivative basis.
25 Defendant asserted that because the underlying claims failed, the waiting time claim similarly
26 failed and affirmatively contended that employees could not recover waiting time penalties
27 because all wages were lawfully paid and any failure to pay all wages at the time of termination
28

1 was not willful and would be undermined by Defendant's copious written policies and
2 procedures to ensure that all hours worked were properly paid.

3 66. Class certification was far from certain given the strength of Defendant's defenses and
4 the current state of the law regarding certification and establishing common questions of fact,
5 including the decision by the California Supreme Court in *Brinker Restaurant Corp. v. Superior*
6 *Court*, 53 Cal. 4th 1004 (2012). As a result, the considerable risk that Defendant could defeat
7 certification, defeat the representative claims, and prevail on its defenses, thus defeating any and
8 all recovery to the class, warranted a compromise of the class claims and resulted in the parties
9 arriving at the terms of their proposed Settlement.

10 67. As set forth herein, Defendant has denied all allegations and argued that its policies and
11 procedures were legally compliant at all times. Moreover, Defendant contested certification on
12 the grounds that individualized issues predominated as each class member's experience was
13 different including but not limited the reasons *why* a Class Member may not have taken a meal
14 or rest period. Defendant argued that its timekeeping, meal, and rest period policies were
15 compliant, that it permitted its employees lawful meal and rest periods, and that Plaintiffs'
16 waiting time claim was derivative of his other claims. Defendants have denied and continue to
17 deny all of Plaintiffs' allegations and any liability.

18 68. While Plaintiffs believe in the strength of the allegation, the outcome was far from
19 certain. As such, Class Counsel determined an appropriate range of recovery for settlement
20 purposes by offsetting Defendants' maximum theoretical liability by: (i) the strength of the
21 defenses to the merits of Plaintiffs' claims; (ii) the risk of class certification being denied or not
22 maintained; (iii) the risk of losing on any of a number of dispositive motions that could have
23 been brought between certification and trial (e.g., motions to decertify the class, motions for
24 summary judgment, and/or motions in limine) that might have eliminated all or some of
25 Plaintiffs' claims, or barred evidence and testimony in support of the claims; (iv) the risk of
26 losing at trial; (v) the chances of a favorable verdict being reversed on appeal; and (vi) the
27 difficulties attendant to collecting on a judgment (collectively, the "Discount Factors"). Based
28

upon these Discount Factors, Class Counsel determined that the realistic exposure for claims was approximately \$27.6 million if the matter were to proceed to trial.

- a. Off-the Clock Work (unpaid walking time wages): 34,202 hours (assumes 6 minutes per shift for Locations 553 and 3840, 0 minutes for 3899 and 8 minutes per shift for other Locations) x \$21.98 per hour = \$751,759.96 x .25 (likelihood of certification and success on merits) = \$187,939.99 in unpaid wages
- b. Off-the Clock Work: 4,675,819 shifts x 8 minutes per shift (waiting time, COVID checks, security checks, controlled time, pre and post shift work) x \$21.98 per hour = \$13,703,266.90 x .1 (likelihood of certification and success on merits)= \$1,370,326.69 in unpaid wages.
- c. Unpaid Reporting Time (calculated for shifts under 4 hours): 206,178 hours x \$21.98 = \$4,531,792.44 x .1 (likelihood of certification and success on merits) = \$453,179.24 in unpaid reporting time wages.
- d. Unpaid Meal Period Premiums: 1,446,261 workweeks x 1 violation per week x \$21.98 hourly rate = \$31,788,816.80 - \$94,316.18 meal period premiums paid = \$31,694,500.60 x .25 (likelihood of certification and success on merits) = \$7,923,625.00 in unpaid meal period premiums.
- e. Unpaid Rest Period Premiums: 1,446,261 workweeks x 1 violation per week x \$21.98 hourly rate = \$31,788,816.80 - \$7,736.96 rest period premiums paid = \$31,781,079.80 x .05 (likelihood of certification and success on merits)= \$ 1,589.053.99 in unpaid rest period premiums.
- f. Failure to Timely Pay Final Wages: 10,627 former employees in relevant period x \$236.25 average daily pay x 30 days = \$75,318,862.50 x .05 (likelihood of certification and success on merits) = \$3,765,943.13 in waiting time penalties.
- g. Failure to Reimburse: 215,579 months x \$5.00 per month = \$1,077,895 x .1 (likelihood of certification and success on merits) = \$107,789.50 in unreimbursed expenses.

1 h. Failure to Provide Accurate Itemized Wage Statements: \$74,304,000 (226 penalty is
2 \$50 initial/\$100 subsequent with \$4,000 employee maximum) x .1 (likelihood of
3 certification and success on merits) = \$7,430,400.00 in wage statement penalties.

4 i. PAGA Penalties: 965,025 PAGA pay periods x \$ 5.00 = \$4,825,125.00

5 69. The negotiated settlement of \$6,450,000.00 is approximately 23% of the realistic
6 liability. Accordingly, I respectfully submit that this settlement amount is well within the
7 ballpark of reasonableness, and that the settlement is fair, reasonable, and adequate.

8 70. This case also has the potential to impose enormous litigation costs on all of the parties,
9 as Defendant is expected to continue challenging Plaintiffs' allegations and to increase the pace
10 of their investigation and opposition. Although it is difficult to foresee the ultimate result of a
11 trial, we anticipate an expensive, complex, and time-consuming process. We foresee the
12 possibility of a lengthy and costly appeal regardless of the outcome of trial, given the unsettled
13 legal landscape governing this case. In order to succeed on the merits, Class Members would
14 also need to prevail on numerous hotly disputed legal and factual issues. Some of these issues
15 include the ability of the proposed Class Representatives to advance the interests of all Class
16 Members and assert claims which are representative of the entire class. Plaintiffs would need to
17 continue to tenaciously litigate this case through intense additional discovery, investigation, and
18 motion practice pertaining to manageability, class certification and possible summary judgment
19 issues, based on Defendant's aggressive posturing and vigorous dispute of liability and
20 damages. Given these realities, it is highly likely that the future expense of this litigation, and its
21 duration if the settlement is not approved, would be significant. Thus, the circumstances of this
22 Action weigh heavily in favor of approval of this Settlement.

23 71. The proposed Class Representatives Gustavo Medina, Janira Perez, and Sergio Garcia,
24 provided extensive supporting documents and knowledge in assisting counsel in developing
25 information necessary to litigate and settle this case.¹ Notably, Mr. Medina was the first plaintiff
26 to bring an action against Defendant which ultimately gave rise to this resolution. Plaintiffs also

27
28 ¹ I am unaware of any conflicts of any representative with the Class and I do not
believe that any of the representatives have any interests adverse to the Class.

1 conducted extensive record review and consultation with counsel to assist in evaluating and
2 proving their claims, provided information and documents that were vital to Class Counsels'
3 prosecution of this matter, responded to discovery, and dedicated invaluable effort required to
4 advance this matter to resolution. They also assisted counsel in preparing for mediation and
5 made themselves available during mediation to answer any questions that arose during the
6 course of the mediation. They have been extensively involved in the litigation of the action
7 since its inception, devoting significant time and efforts and taking on the burdens that
8 accompany the position of class representative, including potential adverse effects on future
9 employment opportunities.

10 72. The Settlement provides for Class Representatives Service Payments of up to \$10,000 to
11 each Plaintiff, totaling \$140,000. (Ex. 1, Settlement Agreement. ¶1.35.) In addition to their
12 service here, the primary consideration for this payment is Plaintiffs' general releases of their
13 individual claims against Defendant and the Released Parties, which are significantly broader in
14 scope than the limited release by other participating class members. (Id. ¶ 3.5.4.) Further, the
15 purpose of this payment is to compensate Plaintiffs for their services and efforts to prosecute
16 this action, and the risk and potential consequences they assumed by virtue of serving as Class
17 Representatives and Plaintiffs. Each Class Representative service payment is a very small
18 portion (.15%) of the Gross Settlement Amount. Collectively, the proposed Class
19 Representatives service payments are still a small portion of the Gross Settlement Amount
20 (approximately 2%), and little in comparison to the Net Settlement Amount guaranteed to be
21 paid to the Settlement Class. The service awards are fair and justified as part of the Settlement.
22 Plaintiffs are not receiving preferential treatment, and all Class Members will receive
23 compensation consistent with their proportional share through the efforts of Plaintiffs in the
24 context of this suit. Plaintiffs submit declarations with this motion and will provide a declaration
25 regarding their efforts at the time of final approval.

26 73. Commonality: Class Certification, as requested by the parties for the purposes of the
27 Settlement only, should be granted because Plaintiffs allege that the proposed Class Members'
28 claims all stem from the same alleged conduct. Plaintiffs allege that Defendants (1) failed to pay

1 minimum wages; (2) failed to pay overtime owed; (3) failed to provide lawful meal periods; (4)
2 failed to authorize and permit rest periods; (5) failed to provide accurate itemized wage
3 statements; (6) failed to timely pay all wages owed upon separation from employment; (7) failed
4 to reimburse required expenses; (8) failed to pay sick pay wages; (9) failed to pay reporting time
5 wages; and (10) violated California Business & Professions Code section 17200, *et seq.* The
6 nature and types of claims available to the Class Members are identical and arise out of
7 application of alleged uniform policies and procedures. For purposes of the Settlement, the main
8 individualized differences between Class Members relate to the amount of compensation each
9 Class Member would be entitled to receive based upon workweeks worked. This Action seeks
10 recovery of unpaid wages and penalties pursuant to the California Labor Code, California
11 Industrial Welfare Commission (“IWC”) Wage Orders, and Section 17200 of the Business and
12 Profession Code on behalf of Plaintiffs and the rest of the Class Members, who all share claims
13 arising out of the same policies and practices. In addition, Defendants’ primary defense that its
14 policies were facially lawful and lawful as applied are common to all members of the Class.
15 Under these circumstances, the commonality requirement for certification for settlement
16 purposes is satisfied.

17 74. Typicality: The typicality requirement is met, as the proposed Class Representatives and
18 the Class Members have claimed that Defendants violated California law by the above-specified
19 conduct. Under these specific circumstances, the typicality requirement for class certification for
20 settlement purposes is satisfied because the Class Representatives and the proposed Class
21 Members all claim that Defendants committed similar violations based upon similar conduct,
22 policies and practice and they seek the same remedies. Plaintiffs contend, and Defendants do not
23 dispute for settlement purposes, that their claims are typical of the claims of the Settlement
24 Class because they arise from the same factual basis and are based upon the same legal theories
25 as those applicable to the Class Members.

26 75. Adequacy and Numerosity: The adequacy requirement is also satisfied. There are no
27 conflicts of interest between the Class Representatives and the Class Members. Additionally, the
28 Class Representatives and our firm have vigorously prosecuted this action on behalf of the Class

1 Members and have represented the proposed Class's interests in obtaining documents and
2 information related to the claims in litigation, in settlement negotiations, and at mediation. We
3 are seasoned class action attorneys who regularly litigate wage and hour claims through
4 certification and on the merits, and have considerable experience settling wage and hour class
5 actions. Our firm is well-versed in handling complex wage and hour class action litigations such
6 as this one and submits that the class size of approximately 24,528 Class Members is
7 sufficiently numerous to warrant conditional class certification. Class Counsel have kept in
8 regular contact with Plaintiffs, and believe this settlement is fair to both Plaintiffs and Class
9 Members. I am unaware of any interests of the Class Representatives which are adverse or
10 antagonistic to the interests of the Class.

11 76. Superiority: Common questions of law and fact predominate over individual questions,
12 and class-wide treatment of this dispute is superior to individual litigation. Plaintiffs allege that
13 the Class in this case is sufficiently cohesive, since all Class Members share a common nucleus
14 of facts and potential legal remedies, and because all of the Class Members and the Class
15 Representatives seek unpaid wages, penalties, and interest from Defendants for the allegations
16 described herein. Plaintiffs allege that common questions predominate over individual
17 questions, and the Class Members' potential legal remedies are identical. The alternative
18 method of resolution is individual claims for lesser amounts of damages; however, individual
19 cases would be uneconomical for potential plaintiffs because the cost of litigation dwarfs their
20 potential recovery. While there are many Class Members, many of the Class Members' claims
21 would be too small to justify individual litigation. Further, more than 24,000 separate lawsuits
22 would be an unnecessary drain on judicial resources and could result in conflicting obligations
23 being imposed upon Defendants. Therefore, class treatment is the preferred method of
24 resolution.

25 77. Ascertainability: The proposed Class is ascertainable because all of the Class Members
26 worked for Defendant as employees and can be identified through Defendants' employee and
27 personnel files and payroll records. Indeed, Defendant has already identified from their records
28 approximately 24,528 current and former hourly non-exempt employees comprising the

1 potential Class, which the Parties respectfully request the Court preliminarily certify for
2 settlement purposes. Finally, for the purpose of settlement only, Plaintiffs and Defendants have
3 stipulated to certification of the class.

4 78. The plan for providing notice of the proposed Settlement to the Class will entail the
5 Administrator mailing the Class Notice to all known and reasonably ascertainable Class
6 Members based on Defendants' business records by USPS first class mail. The Class Notice is
7 consistent with notices approved by numerous federal and state courts and is believed to be the
8 best notice practicable under the circumstances of this case.

9 79. The Class Notice also fulfills the neutrality requirement. It summarizes the proceedings
10 to date along with the terms and conditions of the Settlement in an informative and coherent
11 manner, and is accurate, objective, and understandable to Class Members, as is required under
12 prevailing precedent. The Class Notice clearly states the Settlement does not constitute an
13 admission of liability by Defendants and recognizes the Court has not ruled on the merits. It also
14 states the final settlement approval decision has yet to be made. Accordingly, the Class Notice
15 complies with the standards of fairness, completeness and neutrality required of a settlement
16 class notice.

17 CLASS COUNSEL'S EXPERIENCE

18 80. I have a great deal of experience in wage and hour class action litigation. I have been
19 certified and approved as class counsel in many other wage/hour class actions, and I am
20 currently litigating numerous others before this Court and others. Although not an all-inclusive
21 list, over the years I have prosecuted the following class action matters as lead and/or co-lead
22 counsel, all of which implicated similar law and facts to those associated with this Action:

23 a. ***Mojica v. Compass Group, Inc., et. al.*** USDC Central District, Case No. 8:13-cv-01754.
24 Wage and Hour Class Action case seeking past wages for meal and rest break violations for
25 production workers in the State of California. Plaintiffs' Counsel preliminarily appointed as
26 Class Counsel. Case settled. Final approval granted, and funds fully disbursed.

27 b. ***Dao v. 3M Company, et al.*** USDC, CENTRAL DISTRICT, Case No. CV-08-04554.
28 Wage and Hour Class Action case seeking past wages for "off the clock," overtime and meal

1 and rest break violations for production workers in the State of California. Plaintiffs' Counsel
2 appointed as Lead Counsel. Case settled, Final Approval granted, no objections and funds fully
3 distributed.

4 c. **Ortiz v. Kmart**, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW. Wage
5 and Hour Class Action case seeking past wages for meal and rest period violations for retail
6 employees in the State of California. Plaintiffs' counsel appointed co-lead counsel. Case settled,
7 Final Approval granted, no objections and funds fully distributed.

8 d. **Morgan v. Aramark Campus, LLC**, USDC, CENTRAL DISTRICT, Case No. SACV08-
9 00412. Wage and Hour Class Action case seeking past wages for meal and rest period violations
10 for retail employees in the State of California. Plaintiffs' Counsel appointed as Lead Counsel.
11 Case settled, Final Approval granted, no objections and funds fully distributed.

12 e. **West v Iron Mountain Information Management, Inc., et. al.**; Los Angeles County
13 Superior Court, Case No. BC393709. Wage and Hour Class Action seeking past wages for
14 overtime, meal, and rest break violations for driver employees in the State of California.
15 Stipulation for "binding arbitration." Arbitration Award for Plaintiffs Class. Arbitration Award
16 confirmed. Plaintiffs' counsel lead trial counsel and class counsel.

17 f. **Gonzalez v. Superior Industries International, Inc., et al.**, Los Angeles County Superior
18 Court, Case No. BC 357912. Wage and Hour Class Action seeking past wages for overtime,
19 meal, and rest breaks violations for production employees in the State of California. Plaintiffs'
20 counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and
21 funds fully distributed.

22 g. **Acosta v. Fleetwood Travel Trailers of California, Inc., et al.**, Riverside County
23 Superior Court, Case No. RIC 440630. Wage and Hour Class Action seeking past wages for
24 overtime, meal, and rest break violations for production employees in the State of California.
25 Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final Approval granted, no
26 objections and funds fully distributed.

27 h. **Walker v. Sharkeez, et al.**, Orange County Superior Court, Case No. 05CC00293. Wage
28 and Hour Class Action seeking past wages for unlawful deductions, meal, and rest break

violations for restaurant employees in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled. Final Approval granted and funds fully distributed.

i. ***Padron v. Universal Protection Service, et al***, Orange County Superior Court, Case No. 05CC00013. Wage and Hour Class Action seeking past wages for overtime, meal, and rest break violations for security officers in the State of California. Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

j. ***Martinez v. Securitas Security Services USA, et al.***, Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460. Wage and Hour Class Action seeking past wages for meal and rest break violations for security officers employed by Defendants in the State of California. Plaintiffs' counsel and co-counsel. Case settled, Final Approval granted and funds fully distributed.

k. ***Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.***, Riverside Superior Court, Case No. RIC 420909. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for housekeepers employed by Defendants in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

l. ***Ruiz, et al. v. Unisource Worldwide, Inc., et al.***, USDC, CENTRAL DISTRICT, Case No. CV09-05848. Wage and Hour Class Action seeking past wages for meal and rest period violations for non-exempt employees employed by Defendants in the state of California. Case settled. Awaiting Preliminary Approval hearing. Plaintiffs have petitioned the Court for Lead Counsel.

m. ***Herrador v. Culligan International Company, et al.***, USDC, CENTRAL DISTRICT, Case No. SACV 08-680. Wage and Hour Class Action seeking past wages for field and branch employees of Defendants in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled and awaiting Final Approval.

n. ***Defries v. Domain Restaurants, et al.***, Orange County Superior Court, Case No. 05CC00128. Wage and Hour Class Action seeking past wages for restaurant employees of

Defendants in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

o. **Denton v. BLB Enterprises, Inc., et al.**, Orange County Superior Court, Case No. 07CC01292. Wage and Hour Class Action seeking unpaid overtime, meal and rest break violations for security guards employed by Defendants in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

p. **Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.**, Los Angeles Superior Court, Case No. BC411477. Wage and Hour Class Action seeking unpaid meal and rest break violations for production employees employed by Defendants in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

q. **McMurray v. Dave and Busters, Inc., et al.**, Orange County Superior Court, Case No. 06CC00099. Wage and Hour Class Action seeking past wages for meal and rest break violations for restaurant employees employed by Defendants in the State of California. Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

r. **Osuna v. DFG Restaurants, Inc., et al.**, Los Angeles Superior Court, Case No. BC 330145. Wage and Hour Class Action seeking past wages of overtime for misclassification of managers employed by Defendant, DBA Carl's Jrs. in the State of California. Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

s. **Burns v. Gymboree Operations, Inc., et al.**, San Francisco Superior Court, Case No. CGC-07-461612. Wage and Hour Class Action seeking past wages for meal and rest break violations for retail employees employed by Defendants in the State of California. Plaintiffs' counsel appointed lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

1 t. **Willems v. Diedrich Coffee, Inc., et al.**, Orange County Superior Court, Case No.
2 07CC00015. Wage and Hour Class Action seeking past wages of overtime for misclassification
3 of managers employed by Defendants in the State of California. Plaintiffs' counsel appointed
4 lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

5 u. **Davila, et al. v. Beckman Coulter, Inc., et al.**, Orange County Superior Court, Case No.
6 07CC01347. Wage and Hour Class Action seeking past wages for overtime, meal and rest break
7 violations for production workers employed by Defendants in the State of California. Plaintiffs'
8 counsel appointed lead counsel. Case settled, Final Approval granted, no objections and funds
9 fully distributed.

10 v. **Perez v. Naked Juice Company of Glendora, Inc.**, Los Angeles Superior Court, Case
11 No. BC387088. Wage and Hour Class Action seeking past wages for overtime, meal and rest
12 period violations for production employees employed by Defendants in the State of California.
13 Plaintiff's counsel appointed as lead counsel. Case settled. Final Approval granted, no
14 objections and funds fully distributed.

15 w. **Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour**
16 **Cases**, Los Angeles Superior Court, Case No. JCCP 4545. Wage and Hour Class Action seeking
17 past wages for overtime, meal and rest period violations for security guards employed by
18 Defendants in the State of California. Certification granted. Plaintiffs' counsel appointed as co-
19 lead counsel. Writ taken. Court stays action pending Appellate Court ruling. Court lifts stay.

20 x. **Placencia v. Amcor Packaging Distribution, Inc.**, Orange County Superior Court, Case
21 No. 30-2013-00694012-CU-OE-CXC. Wage and Hour Class Action seeking past wages for
22 overtime, meal and rest period violations, and penalties on behalf of non-exempt production,
23 maintenance, shipping, and receiving employees employed by Defendants in California.
24 Plaintiff's counsel appointed as lead counsel. Case settled. Final Approval granted, no
25 objections and funds fully distributed.

26 y. **Trani v. Lisi Aerospace, et al.**, Los Angeles Superior Court, Case No. BC495527. Wage
27 and Hour Class Action seeking past wages for overtime, meal and rest period violations, and
28 penalties on behalf of non-exempt manufacturing employees employed by Defendants in

1 California. Plaintiff's counsel appointed as lead counsel. Case settled. Final Approval granted,
2 no objections and funds fully distributed.

3 **z. *Galvan v. Goodwin Co.***, Orange County Superior Court, Case No. 30-2013-00637062-
4 CU-OE-CXC, Wage and Hour Class Action seeking past wages for meal period violations, and
5 non-compliant wage statements on behalf of non-exempt production employees employed by
6 Defendants in California. Plaintiff's counsel appointed as lead counsel. Case settled. Final
7 Approval granted, no objections and funds fully distributed.

8 **aa. *Reyes v. Bristol Fiberlite***, Orange County Superior Court, Case No. 30-2013-00653425-
9 CU-OE-CXC. Wage and Hour Class Action seeking past wages for overtime, meal and rest
10 period violations, inaccurate wage statements, and penalties on behalf of non-exempt employees
11 employed by Defendants in California. Plaintiff's counsel appointed as lead counsel. Case
12 settled. Final Approval granted, no objections and distribution of funds pending.

13 **bb. *Gutierrez v. HMT Tank, USDC Central Dist.***, Case No. CV14-1967-CAS(MAN)
14 Wage and Hour Class Action seeking past wages for meal and rest period violations, failure to
15 indemnify necessary expenses, inaccurate wage statements, and penalties on behalf of non-
16 exempt employees working in positions related to servicing, refabricating, and repairing storage
17 tanks employed by Defendants in California. Plaintiff's counsel appointed as lead counsel. Case
18 settled. Final Approval granted, no objections and funds fully distributed.

19 **cc. *Williams v. Il Fornaio America Corp.***, Sacramento County, Case No. 34-2011-
20 0009616. Wage and Hour Class Action seeking past wages for overtime, meal and rest period
21 violations, reimbursements, and penalties on behalf of non-exempt restaurant employees
22 employed by Defendants in California. Plaintiff's counsel appointed as lead counsel. Case
23 settled. Final Approval granted, and funds fully distributed.

24 **dd. *Aguilar v. 7-Eleven, Inc.***, Orange County, Case No. 30-2009-002687141-CU-OE-CXC.
25 Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations,
26 and penalties on behalf of non-exempt retail clerks employed by Defendants in California.
27 Plaintiff's counsel appointed as lead counsel. Case settled. Final Approval granted, no
28 objections and funds fully distributed.

1 **ee. *Madrigal v. Huntington Beach Market Broiler, Inc.***, Orange County, Case No. 30-
2 2012-00611260. Wage and Hour Class Action seeking past wages for overtime, meal and rest
3 period violations, reimbursements, and penalties on behalf of non-exempt employees employed
4 by Defendants in California. Plaintiff’s counsel appointed as lead counsel. Case settled. Final
5 Approval granted, no objections and funds fully distributed.

6 **ff. *Vang v. Jazz Semiconductor, Inc.***, Orange County, Case no. 30-2011-00460278. Wage
7 and Hour Class Action seeking past wages for overtime, meal and rest period violations,
8 reimbursements, and penalties on behalf of non-exempt production workers employed by
9 Defendants in California. Plaintiff’s counsel appointed as lead counsel. Case settled. Final
10 Approval granted, no objections and funds fully distributed.

11 81. In sum, my firm has been the lead or co-lead counsel in hundreds of cases since its
12 inception. We have recovered hundreds of millions of dollars for employees in the State of
13 California and millions for the State as well through PAGA.

14 82. Our firm has served as class counsel in a number of significant wage and hour
15 settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest wage
16 and hour class action settlement in California history at \$130,000,000. During this case, plaintiffs
17 appealed a decertification order. This case involved several appeals. The appellate record amassed
18 an extensive appellate record comprising a 23-volume joint appendix, a three-volume reporters’
19 transcript, five briefs, four letter briefs, two motions for judicial notice, a motion to augment the
20 record, and several additional letters informing the appellate court of new legal authority issued
21 after *Dukes*. The matter was argued to and submitted by the Court of Appeal on September 15,
22 2016, and on November 21, 2016, the decertification order was reversed, and the case was
23 remanded for further proceedings. (*Lubin v. The Wackenhut Corporation* (“*Lubin*”), 5 Cal. App.
24 5th 960 (2016)). Wackenhut filed a petition for review of the Court of Appeal decision to the
25 California Supreme Court. The Supreme Court denied Wackenhut’s petition for review of *Lubin*.
26 The Court of Appeal issued remittitur on April 10, 2017. Eventually through more litigation, the
27 parties were able to secure the \$130 million settlement that was approved on October 21, 2019,
28 by Judge Highberger in the Los Angeles Superior Court.

1 83. Additionally, in early 2020, our firm served as lead counsel in a class action jury
2 trial in the Central District of California involving the class and PAGA representative claims of
3 over 23,000 employees which successfully resolved in the midst of trial for \$8,500,000.

4 84. Our firm has settled many high-stakes class and representative actions. Hawkins’
5 settlements have directly compensated hundreds of thousands of California workers and
6 consumers. Hawkins’ actions have also forced employers to modify their policies for the benefit
7 of employees including changing the compensation structure for certain employees and changing
8 practices to ensure that workers will be able to take timely rest and meal breaks. A leader in
9 prosecuting class and PAGA enforcement actions, Hawkins has secured millions of dollars for
10 workers and in civil penalties for the State of California.

11 85. Based on our experience, demonstrated competence, resources to prosecute the
12 claims at issue and reputation among our colleagues in the both the defense and plaintiffs’ bar, I
13 respectfully submit our firm’s experience in the field of wage and hour cases provides us the
14 ability to prosecute claims swiftly and often times without the need for protracted litigation as
15 here. Although, as demonstrated in the Wackenhut cases, we do not give up fighting for class
16 members when challenged and necessary. As such, we respectfully subject that we are adequate
17 Class Counsel.

18 86. It is my opinion that this Settlement is fair, reasonable, and adequate, and in the
19 best interest of the Class. The Settlement is a good result by any measure, particularly so
20 considering Defendants’ formidable arguments against liability and damages. In light of these
21 issues, and the fact that the Settlement was the product of protracted, contentious, and arm’s-
22 length negotiations between highly experienced counsel with the assistance of a well-respected
23 neutral third-party mediator, I believe that the Settlement should be preliminarily approved.

24 **CLASS COUNSEL FEES AND LITIGATION EXPENSES PAYMENT**

25 87. Class Counsel seeks an award of \$2,128,500 in attorneys’ fees, which represents one-
26 third of the Gross Settlement Amount. (*Id.* ¶3.5.1.2.) Given the extensive efforts of counsel,
27 one-third of the Gross Settlement Amount is respectfully believed to be a reasonable award.
28 Class Counsel has borne the entire risk and cost of this litigation on a pure contingency basis.

1 The legal issues raised in this case were complex and drew significantly upon the experience of
2 Class Counsel. The proposed attorneys' fees accurately reflect the legal marketplace and are
3 within the range of customarily approved fees by California courts.

4 88. Despite the complexity of the case, Class Counsel has, through our investment of
5 substantial effort and resources, secured an outstanding settlement on behalf of the Class
6 Members. The issues and arguments Class Counsel has encountered and overcome in arriving at
7 the parties' negotiated settlement terms were also many and complex and required skillful
8 advocacy that can arise only out of experience, professional perspective, and success. Plaintiffs
9 would have faced substantial legal and factual obstacles in demonstrating that Class certification
10 was appropriate and that they would prevail on the merits in light of Defendants' asserted
11 defenses. Still, Class Counsel has negotiated a substantial settlement on behalf of the Class for
12 such claims. Plaintiffs would have also been required to establish a significant amount of
13 witness testimony, pattern and practice evidence, statistical evidence, sampling evidence, expert
14 testimony, and other evidence in order to evaluate and present arguments at both class
15 certification and trial. Defendants have vigorously challenged the claims pled in the operative
16 complaint, contested liability, the amount of claimed damages, and the propriety of Class
17 Certification, and would have continued to do so through trial. Accordingly, Class Counsel
18 believes the Settlement to be fair, reasonable, and adequate and that it is in the best interest of
19 the Class Members. The fairness and adequacy of the Settlement is confirmed by all known
20 facts and circumstances, including the risk of significant delay and uncertainty associated with
21 litigation, the various defenses asserted by Defendant, and numerous potential appellate issues.

22 89. Plaintiffs and Class Counsel respectfully submit the fees and costs provision of the
23 Settlement is fair and reasonable both when cross-checked under the lodestar and common fund
24 method. The total billable hours that our firm (and the other firms in this invested and will
25 invest in prosecuting this action and the related actions which gave rise to the Settlement, should
26 this Honorable Court approve the settlement, is substantial. I respectfully submit that our fees
27 and costs request is fair and reasonable because our office has expended substantial time and
28 effort in achieving the proposed Settlement, including the following tasks: investigating the

1 factual and legal basis of the action; analyzing documents provided by Plaintiffs, including time
2 and payroll documents and policy documents; conferences with Plaintiffs; witness interviews;
3 investigating Defendants' organization and structure from publicly available information;
4 preparing the complaints and pursuing two separate actions; preparing a discovery plan and
5 Rule 26 report; appearing at case management and status conferences; preparing and reviewing
6 formal and informal document and data discovery requests; engaging in meet and confer efforts
7 regarding formal and informal discovery; reviewing and analyzing thousands of pages of
8 documents, including policy documents and a significant volume of time and payroll data;
9 conversations with defense counsel regarding the claims alleged in this action, and the
10 information needed for analysis; working with an expert and preparing complex damages
11 analysis and extrapolation of damages to the entire Class; preparing for and attending a full day
12 of mediation; negotiating and finalizing a Settlement with Defendants' Counsel following
13 mediation; soliciting proposals from Administrators; and drafting the preliminary approval
14 motion and supporting papers. As such, I respectfully submit that a lodestar cross-check will
15 support the reasonableness of the requested fees, and a low multiplier, if any, need be applied to
16 reach the requested fee allocation.

17 90. I submit that the requested attorneys' fees of one-third the Gross Settlement Amount that
18 Class Counsel has obtained on behalf of the Class Members is fair and reasonable, as are the
19 hourly rates at which our attorneys bill. The fee request (at final approval) will be supported by
20 a detailed explanation of the qualifications of each timekeeper, and their corresponding hourly
21 rate, along with an explanation of the amount of time performed on the various tasks performed
22 on behalf of Plaintiffs and the Class Members.

23 91. The Settlement that Class Counsel has negotiated on behalf of the Class confronts
24 exceedingly difficult and individualized issues which make certification and proof of merits
25 challenging and work intensive. I and our firm's attorneys and paralegals have secured this
26 Settlement through persistent advocacy of the class claims, which has applied legal nuances and
27 negotiation techniques to achieve a very favorable result for the Class Members. Other attorneys
28 without our experience and comprehensive knowledge and perspective in connection with

1 complex employment litigation would not have been able to achieve such superior settlement
2 terms on behalf of the Class and would not have been able to do so in the time in which we
3 accomplished settlement. I believe the requested amount in attorneys' fees under the Settlement
4 is a reasonable allocation given the excellent result we have secured for the Class Members. I,
5 therefore, respectfully request the Court approve the allocated attorneys' fees under the parties'
6 Settlement. Defendants and its counsel do not oppose the requested fee allocation.

7 92. In serving as Plaintiffs' counsel and Class Counsel in this matter, Class Counsel will also
8 seek reimbursement for the out-of-pocket costs up to \$80,000. (Id. ¶ 3.5.1.3.) Any sums not
9 awarded will be available for distribution to the Class as part of the Net Settlement Amount.
10 Class Counsel will provide the Court with a detailed summary of the total costs at the time of
11 the Final Approval Motion. I believe that all of these fees and costs are reasonable and
12 necessarily incurred in litigating this matter and in pursuit of the settlement.

13 I declare under penalty of perjury under the laws of the State of California that the
14 foregoing is true and correct. Executed on June 4, 2024, at Irvine, California.

15
16 
17 _____
18 James R. Hawkins
19
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27
28

EXHIBIT 1

1 **BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP**

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12 *Attorneys for Defendant Target Corporation*

13 *[Additional Counsel on Next Page]*

14
15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

16 **COUNTY OF SAN BERNARDINO**

17 Coordination Proceeding Special Title (Rule
3.550)

Judicial Council Coordination Proceeding Case
No.: JCCP 5259

18 **TARGET WAGE AND HOUR CASES**

19 **STIPULATION REGARDING CLASS AND**
20 **PRIVATE ATTORNEYS GENERAL ACT**
21 **SETTLEMENT AND RELEASE**

22 Included Actions:

23 *Medina et al. v. Target Corporation*

24 *Torres v. Target Corporation*

Assigned for All Purposes To:

Hon. Wilfred J. Schneider, Jr.

Dept.: S-32

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Attorneys for Plaintiffs

1 IT IS HEREBY STIPULATED by Plaintiffs Gustavo Medina, Janira Perez, Sergio
2 Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy
3 Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco
4 (collectively, "Plaintiffs") on behalf of themselves and each of the Class Members (as defined
5 below), the State of California, and PAGA Affected Employees (as defined below), on the one
6 hand, and Defendant Target Corporation ("Target" or "Defendant"), on the other hand, and
7 subject to the approval of the Court, that the Action (as defined below) is hereby compromised
8 and settled pursuant to the terms and conditions set forth below:

9 **1. DEFINITIONS.**

10 Unless otherwise defined, capitalized terms used in this Settlement Agreement shall have
11 the meanings set forth below:

12 1.1 "**Action**" means: (a) the coordinated California Private Attorneys General Act
13 lawsuits currently in the San Bernardino County Superior Court entitled *Target Wage and Hour*
14 *Cases*, Judicial Council Coordination Proceeding No. 5259 (the "PAGA Action"); and (b) the
15 consolidated class action lawsuit currently pending in the United States District Court for the
16 Central District of California entitled *Gustavo Medina, et al. v. Target Corporation*, Case No.
17 5:22-cv-00805-JGB (SHKx) (the "Class Action").

18 1.2 "**Class**" or "**Class Members**" means all individuals employed by Target at one or
19 more Target distribution centers in the State of California in non-exempt positions at any time
20 during the Class Period (as defined below).

21 1.3 "**Class Claims**" means any and all claims, rights, demands, and liabilities of every
22 nature and description, whether known or unknown, suspected or unsuspected, arising under
23 federal, state, or local law, that were asserted or that could have been asserted based on the facts
24 alleged in the Second Amended Consolidated Class Action and PAGA Complaint, that arose
25 during the Class Period, including but not limited to: unfair competition in violation of California
26 Business & Professions Code section 17200, et seq.; failure to pay for all hours worked including
27 due to rounding of time punches, off-the-clock work, time spent in security screenings (including
28 but not limited to bag and other security checks), time spent in COVID screenings (including but

not limited to temperature checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to pay minimum wages in violation of California Labor Code sections 1194, 1197, and 1197.1 including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to accurately pay all wages based on the regular rate of pay by failing to include incentive pay based on employee performance in the regular rate calculation; failure to pay overtime wages in violation of California Labor Code section 510 and the applicable IWC Wage Order including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, controlled meal and rest periods, and failure to accurately calculate the regular rate of pay; failure to provide meal periods and to pay meal period premiums at the correct regular rate of pay in violation of California Labor Code section 512 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted meal periods; failure to provide rest periods and to pay rest period premiums at the correct regular rate of pay in violation of California Labor Code section 226.7 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted rest periods; failure to pay sick pay wages at the correct regular rate of pay in violation of California Labor Code sections 201-204, 223, and 246; failure to pay reporting time pay wages when due or at the correct regular rate of pay; unlawful deductions from wages in violation of in violation of California Labor Code section 221; failure to provide accurate wage statements in violation of California Labor Code section 226; failure to reimburse business expenses in violation of California Labor Code section 2802; failure to pay wages when due in violation of California Labor Code sections 201-204; attorneys' fees and costs incurred to prosecute the Action on behalf of Class Members; and any other derivative remedies, penalties, and interest available under the law based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint. The release of Class Claims will run₄ through the Class Period. Except as set forth in

1 this Agreement, the Class Members who do not opt out of the Settlement do not release any other
2 claims, including claims for vested benefits, wrongful termination, violation of the Fair
3 Employment and Housing Act, unemployment insurance, disability, social security, workers'
4 compensation, or claims based on facts occurring outside the Class Period.

5 1.4 **“Class Counsel”** means Blumenthal Nordrehaug Bhowmik De Blouw LLP, James
6 Hawkins APLC, and Haines Law Group, APC.

7 1.5 **“Class Counsel Costs Award”** means such litigation costs as the Court may
8 award to Class Counsel for the costs they have incurred and will incur in the investigation,
9 litigation, and resolution of the Action, and in administration of the Settlement, and which shall
10 not exceed Eighty Thousand Dollars and Zero Cents (\$80,000.00).

11 1.6 **“Class Counsel Fees Award”** means such attorney’s fees as the Court may award
12 to Class Counsel for the services they have rendered and will render to the Class and PAGA
13 Affected Employees in the Action, and which shall not exceed Two Million One Hundred
14 Twenty-Eight Thousand Five Hundred Dollars and Zero Cents (\$2,128,500.00)).

15 1.7 **“Class Member Payment”** means the payment made to resolve the Class Claims
16 which shall be paid to each Participating Class Member on a proportional basis based on the
17 number of weeks each worked for Defendant in a non-exempt position at one or more Target
18 distribution centers in California during the Class Period, which shall be payable from the Gross
19 Settlement Amount.

20 1.8 **“Class Period”** means the period from March 21, 2019, through and including
21 December 10, 2023, or when the aggregate workweeks amount to 1,590,887, whichever occurs
22 first.

23 1.9 **“Court”** means the Superior Court of California, County of San Bernardino.

24 1.10 **“Defendant”** means Target Corporation.

25 1.11 **“Defense Counsel”** means Julie Dunne and Matthew Riley of DLA Piper LLP
26 (US).

27 1.12 **“Effective Date”** means the date by which this Settlement is finally approved as
28 provided herein and the Court’s Final Approval Order and Judgment become binding and no

1 longer subject to appeal. For purposes of this Settlement Agreement, the Final Approval Order
2 and Judgment become binding and no longer subject to appeal upon the later of: (a) the day after
3 the last day by which a notice of appeal to the California Court of Appeal of the Final Approval
4 Order and Judgment and/or of an order denying any motion to intervene may be timely filed, and
5 none is filed; (b) if such an appeal is filed, and the appeal is resolved through any order affirming
6 the Final Approval Order and Judgment, the day after the last date for filing a request for further
7 review of the California Court of Appeal's decision passes and no further review is requested;
8 (c) if an appeal is filed and there is a final disposition by the California Court of Appeal affirming
9 the Final Approval Order and Judgment and further review of the California Court of Appeal's
10 decision is requested, the day after the request for review is denied with prejudice and/or no
11 further review of the decision can be requested; or (d) if review is accepted, the day after the
12 California Supreme Court affirms the Settlement. The Effective Date cannot occur, and
13 Defendant will not be obligated to fund this Settlement, until and unless there is no possibility of
14 any appeal that could potentially prevent the Final Approval Order and Judgment from becoming
15 binding.

16 1.13 **"Employee List"** means information regarding Class Members and PAGA
17 Affected Employees that Defendant will compile in good faith from its records and provide to the
18 Settlement Administrator. The Employee List shall be provided in a confidential Microsoft Excel
19 spreadsheet and shall include, for each Class Member and PAGA Affected Employee: full name,
20 last known address, last known telephone number, social security number, whether the employee
21 is a Class Member, whether the employee is a PAGA Affected Employee, the number of weeks
22 worked for Defendant in a non-exempt position at one or more Target distribution centers in
23 California during the Class Period, and the number of pay periods worked for Defendant in a non-
24 exempt position at one or more Target distribution centers in California during the PAGA Period.

25 1.14 **"Final Approval" or "Final Approval Order and Judgment"** means the Court's
26 entry of an order finally approving this Settlement and entering final judgment based thereon,
27 which shall be substantially in the form attached hereto as **Exhibit C**.

28 ////

1 1.15 **“Final Approval Hearing”** means the hearing held to determine whether the
2 Court will enter a Final Approval Order and Judgment.

3 1.16 **“LWDA”** means the California Labor and Workforce Development Agency.

4 1.17 **“Gross Settlement Amount”** means Six Million Four Hundred Fifty Thousand
5 Dollars and Zero Cents (\$6,450,000.00), which is the non-reversionary amount that Defendant is
6 obligated to pay under this Settlement Agreement in order to settle the Action, subject to the
7 Court’s approval of the Settlement.

8 1.18 **“Net Settlement Amount”** means what remains of the Gross Settlement Amount
9 after deductions are made for the Service Awards, the Class Counsel Fees Award, the Class
10 Counsel Costs Award, the Settlement Administration Costs, and the PAGA Distribution Amount.
11 Assuming the Service Awards are \$10,000 for each named Plaintiff (\$140,000 total), the Class
12 Counsel Fees Award is \$2,128,500.00, the Class Counsel Costs Award is \$80,000, the Settlement
13 Administration Costs are \$85,000, and the PAGA Distribution Amount is \$129,000.00, the Net
14 Settlement Amount is estimated to be Three Million Eight Hundred Eighty-Seven Thousand Five
15 Hundred Dollars and Zero Cents (\$3,887,500).

16 1.19 **“Notice of Objection”** means a written request by a Class Member to object to
17 this Settlement, which must be completed and mailed to the Settlement Administrator in the
18 manner set forth in this Settlement Agreement and the Notice of Settlement.

19 1.20 **“Notice of Settlement”** means the Notice of Pendency of a Class Action
20 Settlement that will be mailed to Class Members to apprise them of this Settlement, which shall
21 be substantially in the form attached hereto as **Exhibit A**.

22 1.21 **“PAGA”** means the Private Attorneys General Act of 2004, California Labor
23 Code section 2698 *et seq.*

24 1.22 **“PAGA Affected Employees”** means all individuals employed by Target at one
25 or more of its California distribution centers in the State of California in non-exempt positions at
26 any time during the PAGA Period (as defined below).

27 1.23 **“PAGA Affected Employee Payment”** means the twenty-five percent (25%) of
28 the PAGA Distribution Amount that shall be paid to PAGA Affected Employees. The PAGA

1 Affected Employee Payment shall be in the amount of Thirty-Two Thousand Two Hundred Fifty
2 Dollars and Zero Cents (\$32,250.00). The PAGA Affected Employee Payment shall be
3 distributed to PAGA Affected Employees on a proportional basis based on the number of pay
4 periods each worked for Defendant in a non-exempt position at one or more Target distribution
5 centers in California during the PAGA Period.

6 1.24 **“PAGA Claims”** means any and all claims, rights, demands, and liabilities of
7 every nature and description, whether known or unknown, for civil penalties that were asserted or
8 that could have been asserted based on the facts alleged in the Second Amended Consolidated
9 Class Action and PAGA Complaint that arose during the PAGA Period, including, but not limited
10 to, claims for civil penalties for alleged violations of California Labor Code sections 201-204,
11 204b, 204.1, 204.2, 204.11, 205, 205.5, 210, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7,
12 246, 510, 512, 516, 558, 1024.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1,
13 1197.5, 1198, and 2802, violations of California Code of Regulations, Title 8, Section 11000, et
14 seq., and violations of the applicable IWC Wage Order(s), and by incorporation any and all of the
15 alleged conduct included in the defined Class Claims. The release of PAGA claims will run
16 through PAGA Period.

17 1.25 **“PAGA Distribution Amount”** means the portion of the Gross Settlement
18 Amount that is allocated to resolve the PAGA Claims. The PAGA Distribution Amount shall be
19 One Hundred Twenty-Nine Thousand Dollars and Zero Cents (\$129,000.00).

20 1.26 **“PAGA LWDA Payment”** means the seventy-five percent (75%) of the PAGA
21 Distribution Amount that shall be paid to the LWDA. Assuming the Court approves a PAGA
22 Distribution Amount of \$129,000, the PAGA LWDA Payment shall be Ninety-Six Thousand
23 Seven Hundred Fifty Dollars and Zero Cents (\$96,750.00).

24 1.27 **“PAGA Period”** means the period from February 22, 2021, through and including
25 December 10, 2023, or when the aggregate workweeks in the Class Period amount to 1,590,887,
26 whichever occurs first.

27 1.28 **“Participating Class Members”** means all Class Members who do not submit a
28 timely Request for Exclusion (*i.e.*, opt-out) of the Settlement.

1.29 **“Parties”** means Plaintiffs and Defendant and **“Party”** means either Plaintiffs or Defendant.

1.30 **“Plaintiffs”** means Gustavo Medina, Janira Perez, Sergio Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco.

1.31 **“Preliminary Approval”** or **“Preliminary Approval Order”** means the Court’s entry of an order preliminarily approving this Settlement, which shall be substantially in the form attached hereto as **Exhibit B**.

1.32 **“Released Parties”** means: Defendant Target Corporation and its subsidiaries, affiliates, and/or parent companies; employee benefit plans sponsored or maintained by any of the foregoing; their attorneys, and their respective successors and predecessors in interest; all of their respective officers, directors, managers, employees, administrators, fiduciaries, trustees, beneficiaries, and agents; and each of their past, present, and future officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers, and reinsurers.

1.33 **“Request for Exclusion”** means a written request by a Class Member to exclude himself/herself from the class action aspects of the Settlement, which must be completed and mailed in the manner set forth in this Settlement Agreement and the Notice of Settlement.

1.34 **“Response Deadline”** means the date sixty (60) calendar days after the Settlement Administrator mails the Notice of Settlement to Class Members and by which Class Members may postmark Requests for Exclusion or Notices of Objection to the Settlement.

1.35 **“Service Award”** means the amount the Court awards to each of the Plaintiffs for their efforts in litigating this case, obtaining the benefits of the Settlement, and providing a Complete and General Release to the Released Parties. Defendant will not oppose Plaintiffs’ application for a Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) each. The Service Awards shall be paid from the Gross Settlement Amount.

1.36 **“Settlement”** or **“Settlement Agreement”** means this Stipulation Regarding Class and Private Attorneys General Act Settlement and Release.

1.37 “**Settlement Administration Costs**” means the amount the Court awards the Settlement Administrator for administering this Settlement, which may not exceed Eighty-Five Thousand Dollars and Zero Cents (\$85,000.00). The Settlement Administration Costs shall be paid from the Gross Settlement Amount.

1.38 “**Settlement Administrator**” means Apex Class Action LLC.

1.39 “**Settlement Fund Account**” means the bank account established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid, as set forth herein.

1.40 “**Void Date**” means the date by which any checks issued to Class Members and PAGA Affected Employees shall become void and which shall be the 181st day after mailing.

1.41 “**1542 Waiver**” means an express waiver, to the fullest extent permitted by law, of the provisions, rights, and benefits of California Civil Code section 1542, which states: “A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

2. RECITALS.

2.1 Procedural History.

2.1.1 Class Actions.

2.1.1.1 On February 23, 2022, Plaintiff Gustavo Medina filed a lawsuit against Defendant in the San Bernardino County Superior Court, Case No. CIVSB2204117. The Complaint alleged class action claims for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages; (6) failure to provide accurate itemized wage statements; and (7) unfair competition in violation of California Business & Professions Code section 17200 *et seq.* On May 11, 2022, Defendant removed the *Medina* action to the United States District Court for the Central District of California, and the case was assigned Case No. 5:22-cv-00805-JGB (SHKx). On June 15, 2022, Plaintiff Medina filed a First Amended Complaint which added a second named plaintiff, Janira Perez.

1 2.1.1.2 On March 17, 2022, Plaintiff Alicia Torres filed a lawsuit
2 against Defendant in the Sacramento County Superior Court, Case No. 34-2022-00316991. The
3 Complaint alleged class action claims for: (1) unfair competition in violation of California
4 Business & Professions Code section 17200 *et seq.*; (2) failure to pay minimum wages; (3) failure
5 to pay overtime wages; (4) failure to provide lawful meal periods; (5) failure to authorize and
6 permit rest periods; (6) failure to furnish accurate itemized wage statements; (7) failure to
7 indemnify necessary business expenses; (8) waiting time penalties; (9) discrimination and
8 retaliation; and (10) wrongful termination in violation of public policy. On June 10, 2022,
9 Defendant removed the *Torres* action to the United States District Court for the Eastern District
10 of California, and the case was assigned Case No. 2:22-cv-01017-KJN. Pursuant to stipulation, on
11 July 21, 2022, the court transferred the *Torres* action to the United States District Court for the
12 Central District of California, and the case was assigned Case No. 2:22-cv-05084-JGB (SHKx).

13 2.1.1.3 On September 28, 2022, Plaintiff Angel Carter filed a
14 lawsuit against Defendant in the San Bernardino County Superior Court, Case No.
15 CIVSB2221510. The Complaint alleged class action claims for: (1) unfair competition in
16 violation of California Business & Professions Code section 17200 *et seq.*; (2) failure to pay
17 minimum wages; (3) failure to pay overtime wages; (4) failure to provide lawful meal periods; (5)
18 failure to authorize and permit rest periods; (6) failure to furnish accurate itemized wage
19 statements; (7) failure to indemnify necessary business expenses; (8) waiting time penalties; and
20 (9) failure to pay sick pay wages.

21 2.1.1.4 On September 30, 2022, Plaintiff Zachary Lomely filed a
22 lawsuit against Defendant in the Kern County Superior Court, Case No. BCV-22-102580. The
23 Complaint alleged class action claims for: (1) unfair competition in violation of California
24 Business & Professions Code section 17200 *et seq.*; (2) failure to pay minimum wages; (3) failure
25 to pay overtime wages; (4) failure to provide lawful meal periods; (5) failure to authorize and
26 permit rest periods; (6) failure to furnish accurate itemized wage statements; (7) failure to
27 indemnify necessary business expenses; (8) waiting time penalties; and (9) failure to pay sick pay
28 wages. On November 30, 2022, Defendant removed the *Lomely* action to the United States

District Court for the Eastern District of California, and the case was assigned Case No. 1:22-cv-01541-ADA-CDB.

2.1.1.5 On December 27, 2022, the United States District Court for the Central District of California issued an order permitting the filing of a consolidated class action complaint, consolidating the pending *Medina* and *Torres* class actions, adding Plaintiffs Carter and Lomely, and staying the consolidated class action pending the Parties' mediation. Plaintiffs Medina, Janira Perez, Torres, Lomely, Carter, Cardenas, Mena, and Jimmy Perez filed the consolidated class action complaint in the United States District Court for the Central District of California on February 14, 2023.

2.1.1.6. On January 5, 2023, Plaintiff Joaldi Gonzalez filed a class action lawsuit against Defendant in the Kern County Superior Court, Case No. BCV-23-100057, alleging class action claims for: (1) meal period violations; (2) rest period violations; (3) wage statement violations; (4) waiting time penalties; and (5) unfair competition in violation of California Business & Professions Code section 17200 *et seq.*

2.1.1.7 On June 7, 2023, Plaintiffs filed a first amended consolidated class action complaint in the United States District Court for the Central District of California against Defendant, alleging: (1) unfair competition in violation of California Business & Professions Code section 17200 *et seq.*; (2) minimum wage violations; (3) overtime wage violations; (4) meal period violations; (5) rest period violations; (6) wage statement violations; (7) failure to reimburse necessary business expenses; (8) failure to provide wages when due; (9) sick pay violations; (10) discrimination and retaliation; and (11) wrongful termination in violation of public policy.

2.1.1.8 The separate class actions filed by Plaintiffs Lomely, Carter, and Gonzalez, were dismissed without prejudice on February 16, 2023, June 30, 2023, and June 20, 2023, respectively.

2.1.2 PAGA Actions

2.1.2.1 On May 2, 2022, Plaintiff Medina filed a second, separate lawsuit against Defendant in the San Bernardino County Superior Court, Case No.

1 CIVSB2209126, alleging a single cause of action for civil penalties under PAGA. On June 17,
2 2022, Plaintiff Medina filed an amended PAGA complaint to add Plaintiff Janira Perez as a
3 named plaintiff.

4 2.1.2.2. On May 11, 2022, Plaintiff Torres filed a second, separate
5 lawsuit against Defendant in the Sacramento County Superior Court, Case No. 34-2022-
6 00319715, alleging a single cause of action for civil penalties under PAGA.

7 2.1.2.3 On January 9, 2023, the Court granted Defendant's
8 unopposed petition to coordinate the *Medina* and *Torres* PAGA actions. The actions were
9 coordinated in the San Bernardino County Superior Court and designated as Judicial Council
10 Coordination Proceeding Case No. JCCP 5259.

11 2.2 **Discovery And Investigation.** In addition to the litigation outlined above, the
12 Parties have diligently engaged in formal and informal discovery to investigate the Class Claims
13 and PAGA Claims alleged in the Action. Specifically, Plaintiffs Medina and Janira Perez and
14 Defendant participated in a Rule 26(f) meeting of counsel and filed a Joint Rule 26(f) Report.
15 Plaintiffs Medina and Janira Perez and Defendant served their Initial Disclosures pursuant to
16 Federal Rule of Civil Procedure 26. Plaintiffs Medina and Janira Perez served a Request for
17 Production of Documents on Defendant, seeking 21 categories of documents, to which Defendant
18 responded. Plaintiffs Medina and Janira Perez also served 21 interrogatories on Defendant, to
19 which Defendant responded. Defendant served a Request for Production of Documents on both
20 Plaintiffs Medina and Janira Perez, to which both plaintiffs responded. In addition, Defendant
21 informally produced information regarding the number of current and former putative class
22 members and allegedly-aggrieved employees, relevant policy documents, a sampling of more
23 than 2,200 Class Members' timekeeping and payroll data, the number of workweeks worked by
24 putative class members during the Class Period, and the number of pay periods worked by
25 allegedly-aggrieved employees during the PAGA Period.

26 2.3 **Class Members' Claims.** Plaintiffs, on behalf of the Class Members, have
27 claimed and continue to claim that the Class Claims alleged in the Action have merit and give rise
28 to liability on the part of Defendant. This Settlement Agreement is a compromise of such disputed

1 Class Claims.

2 2.4 **PAGA Affected Employees' Claims.** Plaintiffs, on behalf of themselves, the State
3 of California, and all PAGA Affected Employees, have claimed and continue to claim that the
4 PAGA Claims alleged in the Action have merit and give rise to liability on the part of Defendant.
5 This Settlement Agreement is a compromise of such disputed PAGA Claims.

6 2.5 **Defendant's Defenses – No Admission Of Liability.** Defendant has contended
7 and continues to contend that the Class Claims and PAGA Claims have no merit and do not give
8 rise to liability. Defendant specifically denies all of the allegations in the Action. Defendant
9 further denies the allegations that Class Members and PAGA Affected Employees were harmed
10 by the conduct alleged in the Action. This Settlement Agreement is a compromise of such
11 disputed Class Claims and PAGA Claims. Nothing contained in this Settlement Agreement, no
12 documents referred to herein, and no action taken to carry out this Settlement Agreement may be
13 construed or used as an admission by or against Defendant or any of the Released Parties of any
14 fault, wrongdoing, or liability whatsoever.

15 2.6 **Benefits Of Settlement To Class Members And PAGA Affected Employees.**
16 Plaintiffs and Class Counsel recognize the expense and length of continued proceedings
17 necessary to litigate their disputes through trial and any possible appeals. Plaintiffs have also
18 considered the uncertainty and risk of the outcome of further litigation, as well as the difficulties
19 and delays inherent in such litigation. Plaintiffs and Class Counsel are likewise aware of the
20 burdens of proof necessary to establish liability for the Class Claims and PAGA Claims asserted
21 in the Action, both generally and in response to Defendant's defenses thereto, and the difficulties
22 in establishing damages and penalties for Class Members, and entitlement to civil penalties on
23 behalf of PAGA Affected Employees. Plaintiffs and Class Counsel have also considered
24 Defendant's agreement to enter into a settlement that confers substantial relief upon Class
25 Members and PAGA Affected Employees. Based on the foregoing, Plaintiffs and Class Counsel
26 have determined that the Settlement set forth in this Settlement Agreement is a fair, reasonable,
27 and adequate settlement and is in the best interests of Class Members and PAGA Affected
28 Employees.

1 2.7 **Defendant's Reasons For Settlement.** Defendant has concluded that any further
2 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
3 Defendant's time, energy, and resources have been and, unless this Settlement is made, will
4 continue to be devoted to the defense of the Class Claims and PAGA Claims asserted by
5 Plaintiffs on behalf of Class Members and PAGA Affected Employees. Defendant has also
6 considered the risks of further litigation in reaching its decision to enter into this Settlement.
7 Although Defendant strongly disputes Plaintiffs' Class Claims and PAGA Claims and contends it
8 is not liable for any of the Class Claims or PAGA Claims alleged by Plaintiffs in the Action,
9 Defendant has nonetheless agreed to settle in the manner and upon the terms set forth in this
10 Settlement Agreement to put to rest the Class Claims and PAGA Claims set forth in the Action
11 and avoid further protracted litigation. Defendant agrees that the Settlement set forth in this
12 Settlement Agreement is fair, reasonable, and adequate.

13 2.8 **Stay and Amendment.** As a material term of this Settlement, the Parties agree to:
14 (a) stipulate to stay the consolidated class action pending in the United States District Court for
15 the Central District of California (i.e., the Class Action) (b) stipulate to Plaintiffs' filing of a
16 Second Amended Consolidated Class Action and PAGA Complaint ("SAC") in the Superior
17 Court for the County of San Bernardino; and (c) seek approval of the Settlement in the Court.

18 **3. SETTLEMENT TERMS.**

19 3.1 **Conditional Nature Of Stipulation For Certification.** Solely for the purposes of
20 this Settlement, the Parties stipulate and agree to the certification of the Class Claims asserted in
21 the Action on behalf of Class Members. Should for whatever reason the Settlement not become
22 effective, the fact that the Parties were willing to stipulate to certification of the Class Claims
23 asserted in the Action on behalf of the Class Members as part of the Settlement shall have no
24 bearing on, and shall not be admissible in connection with, the issue of whether the Class Claims
25 should be certified on behalf of the Class Members in a non-settlement context in the Action or in
26 any other lawsuit. Defendant expressly reserves its right to oppose claim or class certification in
27 the Action or any other action should this Settlement not become effective.

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1 3.2 **Appointment Of Class Representatives.** Solely for the purposes of this
2 Settlement, the Parties stipulate and agree that Plaintiffs Gustavo Medina, Janira Perez, Sergio
3 Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy
4 Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco shall
5 be appointed as representatives for the Class.

6 3.3 **Appointment Of Class Counsel.** Solely for the purposes of this Settlement, the
7 Parties stipulate and agree that the law firms of Haines Law Group, APC, James Hawkins APLC,
8 and Blumenthal Nordrehaug Bhowmik De Blouw LLP shall be appointed as Class Counsel for
9 the Class.

10 3.4 **Appointment Of Settlement Administrator.** Solely for the purposes of this
11 Settlement, the Parties stipulate and agree that Apex Class Action LLC shall be retained to serve
12 as the Settlement Administrator. The Settlement Administrator shall be responsible for:
13 establishing a toll-free telephone number; establishing a website which will have links to the
14 Notice of Settlement, the Settlement Agreement, Judgment, and motions for approval of the
15 Settlement and for attorneys' fees and costs; establishing a Post Office Box for receipt of Class
16 Member communications; preparing, printing, and mailing the Notice of Settlement (in English
17 and Spanish) to Class Members; receiving and reviewing Requests for Exclusion and/or Notices
18 of Objections, if any, submitted by Class Members; providing weekly status reports to Defense
19 Counsel and Class Counsel, which shall include the status of mailings to Class Members
20 (including the total number of returned, undelivered, and re-mailed Notices of Settlement) and the
21 total number of any responses, Notices of Objections, and Requests for Exclusion received from
22 Class Members (including the total number of Notices of Objection and Requests for Exclusion
23 that are deficient, late, or otherwise invalid); providing a due diligence declaration for submission
24 to the Court prior to the Final Approval Hearing; mailing the Service Awards to Plaintiffs, the
25 Class Counsel Fees Award and Class Counsel Costs Award to Class Counsel, the PAGA LWDA
26 Payment to the LWDA, the PAGA Affected Employee Payments to PAGA Affected Employees,
27 and the Class Member Payments to Participating Class Members; printing and providing
28 Participating Class Members, PAGA Affected Employees, Plaintiffs, and Class Counsel with IRS

1 Form 1099 statements as required under applicable law; providing a due diligence declaration for
2 submission to the Court upon the completion of the administration of the Settlement; and for such
3 other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall
4 keep the Parties timely apprised of the performance of all Settlement Administrator
5 responsibilities. Any legally mandated tax reports, tax forms, tax filings, or other tax documents
6 required by administration of this Settlement Agreement shall be prepared by the Settlement
7 Administrator. Any expenses incurred in connection with such preparation shall be a Settlement
8 Administration Cost. The Parties agree to cooperate in the Settlement administration process and
9 to make all reasonable efforts to control and minimize Settlement Administration Costs. The
10 Parties each represent that they do not have any financial interest in the Settlement Administrator
11 or otherwise have a relationship with the Settlement Administrator that could create a conflict of
12 interest.

13 3.5 **Consideration.**

14 3.5.1 Gross Settlement Amount. Provided that the Court approves the Settlement
15 and the Effective Date occurs, Defendant will pay the Gross Settlement Amount, which is the
16 sum of Six Million Four Hundred Fifty Thousand Dollars and Zero Cents (\$6,450,000.00). The
17 Gross Settlement Amount represents the gross monetary payment Defendant shall be required to
18 make to or for the benefit of Plaintiffs, Participating Class Members, PAGA Affected Employees,
19 and the State of California for the Settlement of the Action. The Gross Settlement Amount shall
20 be used to pay the Service Awards, the Class Counsel Fees Award, the Class Counsel Costs
21 Award, Settlement Administration Costs, the PAGA LWDA Payment, all PAGA Affected
22 Employee Payments, and all Class Member Payments. The employer's share of payroll taxes on
23 the wage component of the Class Member Payments shall not be paid from the Gross Settlement
24 Amount, and Defendant will fund such taxes in addition to the Gross Settlement Amount.

25 3.5.1.1 Plaintiffs' Service Awards. In recognition of Plaintiffs' time and
26 effort in prosecuting the Action on behalf of the Class, PAGA Affected Employees, and the State
27 of California, and as consideration for their Complete and General Release to the Released
28 Parties, Defendant agrees not to oppose Plaintiffs' application for Service Awards in the amount

1 of Ten Thousand Dollars and Zero Cents (\$10,000.00) each. The Service Awards are subject to
2 the Court's approval and will be paid only from the Gross Settlement Amount. In the event that
3 the Court awards less than the full amount requested for the Service Awards, the un-awarded
4 amount will be added to the Net Settlement Amount. This Settlement is not contingent upon the
5 Court awarding Plaintiffs any particular amount in a service award. Plaintiffs shall not have the
6 right to object to or revoke this Settlement if the Court does not approve any or all of the
7 requested Service Awards.

8 3.5.1.2 Class Counsel Fees Award. In full satisfaction of all claims
9 Plaintiffs may have for attorneys' fees arising out of the Action, Defendant agrees not to oppose
10 Plaintiffs' application for a Class Counsel Fees Award not to exceed one-third of the Gross
11 Settlement Amount (estimated to be Two Million One Hundred Twenty-Eight Thousand Five
12 Hundred Dollars and Zero Cents (\$2,128,500)). Class Counsel agree that, regardless of lodestar,
13 the Class Counsel Fees Award will be divided between Class Counsel as follows: fifty-one
14 percent (51%) to James Hawkins APLC, thirty-four percent (34%) to Blumenthal Nordrehaug
15 Bhowmik De Blouw LLP, and fifteen percent (15%) to Haines Law Group, APC. The Class
16 Counsel Fees Award is not increased solely by reason of Class Counsel's agreement to divide the
17 Class Counsel Fees Award. The Class Counsel Fees Award is subject to the Court's approval and
18 will be paid only from the Gross Settlement Amount. In the event that the Court awards less than
19 the full amount requested for the Class Counsel Fees Award, the un-awarded amount will be
20 added to the Net Settlement Amount. This Settlement is not contingent upon the Court awarding
21 Class Counsel any particular amount in attorneys' fees or any particular allocation of attorneys'
22 fees. Neither Plaintiffs nor Class Counsel shall have the right to object to, revoke, or appeal this
23 Settlement if the Court does not approve any or all of the requested Class Counsel Fees Award or
24 approve any particular allocation of attorneys' fees between Class Counsel.

25 3.5.1.3 Class Counsel Costs Award. In full satisfaction of all claims
26 Plaintiffs may have for litigation costs and expenses arising out of the Action, Defendant agrees
27 not to oppose Plaintiffs' application for a Class Counsel Costs Award not to exceed Eighty
28 Thousand Dollars and Zero Cents (\$80,000.00). The Class Counsel Costs Award is subject to the

1 Court's approval and will be paid only from the Gross Settlement Amount. In the event that the
2 Court awards less than the full amount requested for the Class Counsel Costs Award, the un-
3 awarded amount will be added to the Net Settlement Amount. This Settlement is not contingent
4 upon the Court awarding Class Counsel any particular amount in litigation costs and expenses.
5 Plaintiffs shall not have the right to object to or revoke this Settlement if the Court does not
6 approve any or all of the requested Class Counsel Costs Award.

7 3.5.1.4 Settlement Administration Costs. The Parties agree the Settlement
8 Administrator shall be paid from the Gross Settlement Amount for third-party administration fees
9 that are necessary to administer the Settlement up to maximum payment of Eighty-Five Thousand
10 Dollars and Zero Cents (\$85,000.00). The Settlement Administration Costs to be paid to the
11 Settlement Administrator are subject to the Court's approval and will be paid only from the Gross
12 Settlement Amount. In the event that the Court awards less than the full amount set aside for
13 Settlement Administration Costs, the un-awarded amount will be added to the Net Settlement
14 Amount.

15 3.5.1.5 PAGA Distribution Amount. The Parties agree that One Hundred
16 Twenty-Nine Thousand Dollars and Zero Cents (\$129,000.00) of the Gross Settlement Amount
17 shall be allocated to resolve the PAGA Claims. The PAGA Distribution Amount shall be paid
18 from the Gross Settlement Amount to resolve all claims for civil penalties under the PAGA for
19 the PAGA Claims alleged in the Action. In the event the Court awards less than the full PAGA
20 Distribution Amount, the un-awarded amount will be added to the Net Settlement Amount. The
21 PAGA Distribution Amount shall be allocated as follows:

22 3.5.1.5.1 PAGA LWDA Payment. Seventy-five percent (75%)
23 of the PAGA Distribution Amount approved by the Court shall be paid to the LWDA.

24 3.5.1.5.2 PAGA Affected Employee Payments. Twenty-five
25 percent (25%) of the PAGA Distribution Amount approved by the Court shall be paid to PAGA
26 Affected Employees. The PAGA Affected Employee Payments will be allocated 100% as
27 penalties and interest and will be subject to IRS Form 1099 reporting.

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1 3.5.1.6 Class Member Payments. Defendant shall pay each Participating
2 Class Member a Class Member Payment. The Class Member Payments are made to resolve the
3 Class Claims. The Class Member Payments shall be payable from the Gross Settlement Amount.
4 Each Class Member Payment shall be calculated by dividing a Participating Class Member's
5 individual workweeks worked for Defendant in a non-exempt position at one or more distribution
6 centers in California during the Class Period by the total of all Participating Class Members'
7 workweeks worked for Defendant in a non-exempt position at one or more distribution centers in
8 California during the Class Period (all according to Defendant's business records) and
9 multiplying this result by the Net Settlement Amount. The Class Member Payments will be
10 allocated: 20% wages subject to deduction for employee-side employment taxes and
11 withholdings, and IRS Form W-2 reporting; and 80% as penalties, interest, and reimbursement of
12 expenses, and will be subject to IRS Form 1099 reporting.

13 3.5.2 Released Class Claims. Upon the Effective Date and full funding of the
14 Gross Settlement Amount, Plaintiffs – on behalf of themselves and Participating Class Members
15 – fully and irrevocably release the Released Parties from the Class Claims, as defined in
16 Paragraph 1.3, in exchange for the consideration provided by this Settlement Agreement
17 (“Released Class Claims”). All Released Class Claims are released for the Class Period. Plaintiff
18 and Participating Class Members may discover facts in addition to or different from those they
19 now know or believe to be true with respect to the subject matter of the Released Class Claims
20 but, upon the Effective Date, shall be deemed to have, and by operation of the Final Approval
21 Order and Judgment shall have, fully, finally, and forever settled and released any and all of the
22 Released Class Claims. It is the intent of the Parties that the Final Approval Order and Judgment
23 entered by the Court pursuant to this Agreement shall have full *res judicata* effect and be final
24 and binding upon Participating Class Members regarding the Released Class Claims.

25 3.5.3 Released PAGA Claims. Upon the Effective Date and full funding of the
26 Gross Settlement Amount, Plaintiffs – on behalf of themselves, the State of California, and
27 PAGA Affected Employees – fully and irrevocably release the Released Parties from the PAGA
28 Claims, as defined in Paragraph 1.24, in exchange for the consideration provided by this

1 Settlement Agreement (“Released PAGA Claims”). All Released PAGA Claims are released for
2 the PAGA Period. Plaintiffs, the State of California, and PAGA Affected Employees may
3 discover facts in addition to or different from those they now know or believe to be true with
4 respect to the subject matter of the Released PAGA Claims, but upon the Effective Date, shall be
5 deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully,
6 finally, and forever settled and released any and all of the Released PAGA Claims. It is the intent
7 of the Parties that the Final Approval Order and Judgment entered by the Court shall have full *res*
8 *judicata* effect and be final and binding upon the State of California and PAGA Affected
9 Employees regarding the Released PAGA Claims.

10 3.5.4 Plaintiffs’ Complete And General Release. In consideration for the
11 promises and payments set forth in this Settlement Agreement and upon full funding of the Gross
12 Settlement Amount, to which Plaintiffs are otherwise not entitled, Plaintiffs agree to completely,
13 irrevocably, unconditionally, and generally release the Released Parties from any and all charges,
14 complaints, claims, causes of action, debts, sums of money, controversies, agreements, promises,
15 damages, and liabilities of any kind or nature whatsoever, both at law and equity, known or
16 unknown, suspected or unsuspected, arising from conduct occurring on or before the date of
17 Plaintiffs’ execution of this Settlement Agreement, related to the Plaintiffs’ employment with
18 Defendant and/or the Action, including but not limited to any rights or claims arising under the
19 California Constitution; the California Labor Code; the California Business & Professions Code;
20 the California Code of Regulations; the California Fair Employment and Housing Act; the Fair
21 Labor Standards Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities
22 Act; federal and state family leave statutes; and any and all other federal, state, and local laws,
23 statutes, executive orders, regulations, and common law, including contract, employment, and tort
24 law. This Complete and General Release includes a 1542 Waiver. Plaintiffs may discover facts in
25 addition to or different from those they now know or believe to be true with respect to the subject
26 matter of the Complete and General Release, but upon the Effective Date, shall be deemed to
27 have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and
28 forever settled and released any and all of the claims covered by the Complete and General

1 Release accruing through the date(s) Plaintiffs sign the Settlement Agreement. Plaintiffs agree
2 and understand that Defendant and Plaintiffs have had a bona fide dispute regarding, inter alia,
3 wages owed.

4 3.6 **Settlement Administration Procedures.**

5 3.6.1 Settlement Approval And Implementation Procedures. As part of this
6 Settlement, the Parties agree to the following procedures for obtaining the Court's Preliminary
7 Approval of the Settlement, notifying Class Members of the Settlement, obtaining the Court's
8 Final Approval of the Settlement, and disbursing payments under the Settlement.

9 3.6.2 Preliminary Approval And Certification. As soon as practicable after
10 execution of this Settlement Agreement and the filing of the SAC, Plaintiffs will submit this
11 Settlement Agreement to the Court for Preliminary Approval. Plaintiffs' submission will include
12 this Settlement Agreement, including **Exhibits A-D**, and any motions, memoranda, and evidence
13 as may be necessary for the Court to determine that this Settlement Agreement is fair, reasonable,
14 and adequate for purposes of Preliminary Approval. Defendant agrees not to oppose Plaintiffs'
15 motion for a Preliminary Approval Order unless the motion is inconsistent with the terms set forth
16 in this Settlement Agreement.

17 3.6.3 LWDA Notice. Pursuant to California Labor Code section 2699(*I*), Class
18 Counsel will provide a copy of this Settlement Agreement to the LWDA concurrently with the
19 filing of the motion for Preliminary Approval. Class Counsel will also file a declaration in
20 support of the motion for Preliminary Approval confirming that they have submitted the
21 Settlement Agreement to the LWDA in compliance with California Labor Code section 2699(*I*).
22 The Parties intend to and believe that the notice pursuant to the procedures described in this
23 paragraph comply with the requirements of PAGA, and the Parties will request that the Court
24 adjudicate the validity of the notice to the LWDA in the motion for final approval of the
25 Settlement.

26 3.6.4 Employee List. No more than fifteen (15) calendar days after entry of the
27 Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the
28 Employee List for purposes of mailing the Notice of Settlement to Class Members. Because

1 employees' sensitive personal information is included in the Employee List, the Settlement
2 Administrator shall maintain the Employee List securely in accordance with the Information
3 Security and Services Agreement attached hereto as **Exhibit D**. Access to such Employee List
4 shall be limited to employees of the Settlement Administrator with a need to use the Employee
5 List for administration of the Settlement.

6 3.6.5 Notice By First Class U.S. Mail. Upon receipt of the Employee List, the
7 Settlement Administrator will conduct a national change of address search and a skip trace for the
8 most current address of all former employee Class Members and will update such former
9 employees' addresses as necessary. Twenty-one (21) calendar days after receipt of the Employee
10 List, the Settlement Administrator shall mail the Notice of Settlement to all Class Members by
11 First Class U.S. Mail. The address identified by the Settlement Administrator as the current
12 mailing address shall be presumed to be the best mailing address for each Class Member.

13 3.6.6 Undeliverable Notices. Any Notice of Settlement returned to the
14 Settlement Administrator as non-deliverable shall be re-mailed to the forwarding address affixed
15 thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable
16 efforts to obtain an updated mailing address. If an updated address is identified, the Settlement
17 Administrator shall re-mail the Notice of Settlement to the Class Member within seven (7)
18 calendar days of the date of the return of the Notice of Settlement. The remailing of a Class
19 Member's Notice of Settlement shall not extend the Response Deadline for that Class Member. If,
20 for any reason, a Class Member's individual Notice of Settlement is returned as non-deliverable,
21 no valid forwarding address is provided, and the Settlement Administrator is unable to locate a
22 valid address before settlement checks are mailed, the Settlement Administrator will not mail
23 such individual's Class Member Payment or PAGA Affected Employee Payment, if any. If,
24 however, a Class Member provides a valid mailing address at least thirty (30) calendar days
25 before the Void Date, the Settlement Administrator shall mail that Class Member's settlement
26 check to the address provided. Any such mailing shall not extend the Void Date. If no valid
27 address is provided, the Settlement Administrator will hold the monies associated with any
28 undeliverable payment(s) until the Void Date, at which time the funds shall be delivered to Legal

1 Aid at Work, pursuant to Paragraph 3.7.9.

2 3.6.7 Notice Satisfies Due Process. Compliance with the notice procedures
3 specified in this Settlement Agreement shall constitute due and sufficient notice to Class
4 Members of this Settlement and shall satisfy the requirements of due process. Nothing else shall
5 be required of, or done by, the Parties, Class Counsel, Defense Counsel, or the Settlement
6 Administrator to provide notice of the proposed Settlement. In the event the procedures in this
7 Settlement Agreement are followed and the intended recipient of a Notice of Settlement still does
8 not receive the Notice of Settlement, the intended recipient shall remain a Participating Class
9 Member and will be bound, upon the Effective Date, by all terms of the Settlement and any Final
10 Approval Order and Judgment entered by the Court.

11 3.6.8 Requests For Exclusion.

12 3.6.8.1 Class Members' Requests For Exclusion. The Notice of Settlement
13 shall state that Class Members who wish to exclude themselves from the class action aspects of
14 the Settlement must submit a written Request for Exclusion to the Settlement Administrator by
15 the Response Deadline. To be valid, the Request for Exclusion must: (a) contain the full name,
16 address, and last four digits of the social security number of the person requesting exclusion; (b)
17 be signed by the person requesting exclusion; and (c) state in substance: "I wish to exclude
18 myself from the Settlement in the *Target Wage and Hour Cases*, Superior Court of California,
19 County of San Bernardino, Case No. JCCP 5259." If the Request for Exclusion does not contain
20 the information listed in (a)-(c) or is not postmarked by the Response Deadline and returned to
21 the Settlement Administrator at the specified address, it will not be deemed a timely and valid
22 Request for Exclusion. The date of the postmark on the return mailing envelope shall be the
23 exclusive means used to determine whether a Request for Exclusion has been timely submitted.
24 Any Class Member who submits a timely and valid Request for Exclusion will not be entitled to a
25 Class Member Payment and will not be bound by the release of the Released Class Claims. Any
26 Class Member who submits a timely and valid Request for Exclusion will not have any right to
27 object to, appeal, or comment on the Settlement. Class Members who do not submit a timely and
28 valid Request for Exclusion on or before the Response Deadline shall be deemed Participating

1 Class Members and will be bound by all terms of the Settlement and the Final Approval Order
2 and Judgment entered in this Action. The Parties agree there is no statutory or other right for any
3 PAGA Affected Employee to opt out or otherwise exclude himself or herself from the PAGA
4 portion of the Settlement. Under no circumstances will a Class Member who has submitted a
5 timely and valid Request for Exclusion be considered to have opted out of the PAGA Distribution
6 Amount portion of the Settlement or the Released PAGA Claims.

7 3.6.8.2 Report of Requests For Exclusion. No later than fourteen (14)
8 calendar days after the Response Deadline, the Settlement Administrator shall provide:
9 (a) Defense Counsel with a complete list of all Class Members who have submitted timely and
10 valid Requests for Exclusion, including their name and social security number; and (b) Class
11 Counsel with a summary report that includes only the number of Requests for Exclusion received
12 by the Settlement Administrator from Class Members.

13 3.6.9 Notices of Objections. Class Members shall be given an opportunity to
14 object to the settlement of the Class Claims by submitting a Notice of Objection. The Notice of
15 Settlement shall state that Class Members who wish to object to the Settlement must submit a
16 written Notice of Objection to the Settlement Administrator by the Response Deadline. To be
17 valid, the Notice of Objection must: (a) contain the full name, address and last four digits of the
18 social security number of the Class Member; (b) state the case name and number, *Target Wage*
19 *and Hour Cases*, Superior Court of California, County of San Bernardino, Case No. JCCP 5259;
20 the basis for the objection; and whether the Class Member intends to appear at the Final Approval
21 Hearing; and (c) be signed by the Class Member. If the Notice of Objection does not contain the
22 information listed in (a)-(c) or is not mailed to the Settlement Administrator by the Response
23 Deadline, it will not be deemed a timely and valid Notice of Objection to this Settlement. The
24 date of the postmark on the service mailing envelope for the Settlement Administrator shall be the
25 exclusive means used to determine whether a Notice of Objection has been timely submitted to
26 the Settlement Administrator. Class Members will have a right to appear at the Final Approval
27 Hearing to have their objections heard by the Court.

28 ////

1 3.6.10 No Solicitation Of Exclusions Or Objections. The Parties agree to use their
2 best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their
3 counsel seek to solicit or otherwise encourage Class Members to submit a Request for Exclusion
4 from, or a Notice of Objection to, the Settlement or to appeal from the Court's Final Approval
5 Order and Judgment, including through the use of social media or electronic advertisement. Class
6 Counsel shall not represent Class Members with respect to any objections or appeals to this
7 Settlement.

8 3.6.11 Settlement Administrator Declaration In Support Of Final Approval. No
9 fewer than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator
10 shall provide the Parties with a statement detailing the actions taken by the Settlement
11 Administrator to administer the Settlement to date, along with all incurred and anticipated
12 Settlement Administration Costs.

13 3.6.12 Final Approval Hearing. No later than thirty (30) calendar days after the
14 Response Deadline, Plaintiffs shall submit the motion for final approval of this Settlement to the
15 Court. The Court shall hold the Final Approval Hearing where objections, if any, may be heard
16 and the Court shall determine whether the Settlement should be finally approved and, if so, the
17 amounts payable for: (a) Plaintiffs' Service Awards; (b) the Class Counsel Fees Award; (c) the
18 Class Counsel Costs Award; (d) the Settlement Administration Costs; (e) the PAGA LWDA
19 Payment; (f) the PAGA Affected Employee Payments; and (g) the Class Member Payments.

20 3.6.13 Entry Of Final Approval Order and Judgment. If the Court approves this
21 Settlement at or after the Final Approval Hearing, the Parties shall request that the Court enter a
22 Final Approval Order and Judgment, substantially in the form of **Exhibit C**. After issuing the
23 Final Approval Order and Judgment, the Court shall retain jurisdiction over the Parties to enforce
24 and implement the terms of the Final Approval Order and Judgment.

25 3.7.14 Dismissal of the Class Action. Within seven (7) days of the Effective Date,
26 the Parties shall file a stipulation to dismiss the Class Action without prejudice.

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1 3.7 **Funding And Allocation Of Settlement.**

2 3.7.1 Settlement Accounting. Prior to the Effective Date, the Settlement
3 Administrator will provide the Parties with an accounting of all anticipated payments from the
4 Settlement Fund Account as specified in this Settlement Agreement and approved by the Court,
5 including: (a) Plaintiffs' Service Award; (b) the Class Counsel Fees Award; (c) the Class Counsel
6 Costs Award; (d) the Settlement Administration Costs; (e) the PAGA LWDA Payment; (f) the
7 PAGA Affected Employee Payments; and (g) the Class Member Payments. Prior to the Effective
8 Date, the Settlement Administrator will also provide the Parties with the amount of employer-side
9 taxes on the wage component of the Class Member Payments.

10 3.7.2 Funding The Settlement. Within fourteen (14) calendar days after the
11 Effective Date, Defendant shall fund the Settlement by providing the Gross Settlement Amount to
12 the Settlement Administrator. The Settlement Administrator shall deposit the funds in the
13 Settlement Fund Account and will disburse the funds in the manner and at the times set forth in
14 this Settlement Agreement.

15 3.7.3 Payment of Service Awards. Within fourteen (14) calendar days following
16 the funding of the Gross Settlement Amount, the Settlement Administrator shall distribute from
17 the Settlement Fund Account the Service Awards to Plaintiffs. The Settlement Administrator shall
18 issue an IRS Form 1099 to Plaintiffs for their Service Awards. Plaintiffs shall be solely and
19 legally responsible for paying any and all applicable taxes on their respective Service Awards and
20 shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as
21 a result of the Service Awards. The Service Awards shall be in addition to Plaintiffs': (a) Class
22 Member Payment which they shall receive as a Participating Class Member; and (b) PAGA
23 Affected Employee Payment which they shall receive as a PAGA Affected Employee.

24 3.7.4 Payment of Class Counsel Fees Award And Class Counsel Costs Award.
25 Within fourteen (14) calendar days following the funding of the Gross Settlement Amount, the
26 Settlement Administrator shall distribute from the Settlement Fund Account the Class Counsel
27 Fees Award and Class Counsel Costs Award to Class Counsel. The Settlement Administrator
28 shall issue an IRS Form 1099 to each Class Counsel for the payments made pursuant to this

1 paragraph. Neither Class Counsel nor any other current or past counsel for Plaintiffs shall be
2 permitted to petition the Court for, or to accept, any additional payments for attorneys' fees, costs,
3 interest, or any other amount from Defendant except as specified above. Defendant's payment of
4 the Class Counsel Fees Award and Class Counsel Costs Award shall constitute full satisfaction of
5 the obligation to pay any amounts to any person, attorney, or law firm, including but not limited
6 to attorneys' fees, expenses, or costs in the Action incurred by any other attorney or law firm
7 which any of them may claim to have incurred on behalf of Plaintiffs, Class Members, the State
8 of California, and/or PAGA Affected Employees. The Parties further agree that the Class Counsel
9 Fees Award and Class Counsel Costs Award shall be for all attorneys' fees, expenses, and costs,
10 present and future, incurred in the Action by all attorneys working on behalf of the Plaintiffs,
11 Class Members, the State of California, and/or PAGA Affected Employees.

12 3.7.5 Payment of Settlement Administration Costs. Within fourteen (14) calendar
13 days following the funding of the Gross Settlement Amount, the Settlement Administrator shall
14 pay from the Settlement Fund Account the Court-approved Settlement Administration Costs.

15 3.7.6 Payment of PAGA LWDA Payment. Within fourteen (14) calendar days
16 following the funding of the Gross Settlement Amount, the Settlement Administrator shall issue
17 from the Settlement Fund Account a check payable to the LWDA for the PAGA LWDA Payment
18 (*i.e.*, the LWDA's seventy-five percent (75%) share of the PAGA Distribution Amount).

19 3.7.7 Payment of PAGA Affected Employee Payments. Within fourteen (14)
20 calendar days following the funding of the Gross Settlement Amount, the Settlement
21 Administrator shall distribute from the Settlement Fund Account to PAGA Affected Employees
22 their portion of the collective twenty-five percent (25%) share of the PAGA Distribution Amount.
23 One hundred percent (100%) of each PAGA Affected Employee Payment shall be allocated to
24 miscellaneous income for which an IRS Form 1099 will issue, if required by law. The Parties
25 make no representations as to the tax treatment or legal effect of the PAGA Affected Employee
26 Payments, and PAGA Affected Employees are not relying on any statement or representation by
27 the Parties in this regard. PAGA Affected Employees will be solely responsible for the payment
28 of any taxes and penalties assessed on the PAGA Affected Employee Payments.

1 3.7.8 Payment of Class Member Payments. Within fourteen (14) calendar days
2 following the funding of the Gross Settlement Amount, the Settlement Administrator shall
3 distribute from the Settlement Fund Account the Class Member Payments to Participating Class
4 Members. Eighty percent (80%) of each Class Member Payment shall be allocated as penalties,
5 interest, and reimbursement of expenses, for which an IRS Form 1099 will issue, if required by
6 law. Twenty percent (20%) of each Class Member Payment shall be allocated as wages subject to
7 standard employee-side tax deductions and withholdings, for which an IRS Form W-2 will issue.
8 Defendant shall be solely responsible for the payment of the employer's share of payroll taxes on
9 all portions of Class Member Payments allocated as wages, which shall be paid separate and apart
10 from, and in addition to, the Gross Settlement Amount. The Parties make no representations as to
11 the tax treatment or legal effect of the Class Member Payments, and Participating Class Members
12 are not relying on any statement or representation by the Parties in this regard.

13 3.7.9 Void Date for Uncashed Checks. Any checks issued to Participating Class
14 Members or PAGA Affected Employees shall remain valid and negotiable for one hundred and
15 eighty (180) calendar days from the date of their issuance and then shall become void on the
16 181st day after mailing, *i.e.*, the Void Date. The Parties agree that any unclaimed funds in the
17 Settlement Fund Account as a result of the failure to cash Class Member Payment checks and
18 PAGA Affected Employee Payment checks by the Void Date shall be transmitted by the
19 Settlement Administrator within fourteen (14) calendar days of the Void Date to Legal aid at
20 Work.

21 3.8 **Miscellaneous.**

22 3.8.1 No Pending Or Future Lawsuits By Plaintiffs. Other than the Action,
23 Plaintiffs represent that they do not have any pending lawsuits, administrative complaints, or
24 charges against Defendant or any of the Released Parties in any local, state, or federal court or
25 administrative agency. Plaintiffs further acknowledge that all claims raised therein, if any, shall
26 be fully and finally extinguished by virtue of this Settlement Agreement and the Court's Final
27 Approval Order and Judgment (except for any claims that cannot, as a matter of law, be
28 extinguished by this Settlement).

1 3.8.2 No Effect On Employee Benefits. Amounts paid to Plaintiffs, Participating
2 Class Members, and PAGA Affected Employees pursuant to this Settlement Agreement do not
3 count as earnings or compensation for purposes of any benefits (e.g., 401(k) plans or retirement
4 plans) sponsored by Defendant.

5 3.8.3 Nullification Of Settlement Agreement. In the event: (a) the Court does not
6 enter the Preliminary Approval Order as provided herein; (b) the Court does not enter a Final
7 Approval Order and Judgment as provided herein; or (c) the Settlement does not become final for
8 any other reason, this Settlement Agreement shall be null and void and any order entered by the
9 Court in furtherance of this Settlement shall be treated as void from the beginning. In such case,
10 any funds to be awarded under this Settlement shall be returned to their respective statuses as of
11 the date and time immediately prior to the execution of this Settlement Agreement and the Parties
12 shall proceed in all respects as if this Settlement Agreement had not been executed, except that
13 any Settlement Administration Costs already incurred by the Settlement Administrator shall be
14 paid by the Parties in equal shares. In the event an appeal is filed from the Court's Final Approval
15 Order and Judgment or from an order denying any motion to intervene, or any other appellate
16 review is sought, the administration of the Settlement shall be stayed pending final resolution of
17 the appeal and Defendant will not be required to fund this Settlement until and unless the
18 Effective Date is reached.

19 3.8.4 Exhibits. The terms of this Settlement Agreement include the terms set
20 forth in the attached **Exhibits A-D**, which are incorporated by this reference as though fully set
21 forth herein. All **Exhibits A-D** to this Settlement Agreement are an integral part of the
22 Settlement.

23 3.8.5 Headings. The descriptive headings of any paragraphs or sections of this
24 Settlement Agreement are inserted for convenience only and do not constitute a part of this
25 Settlement Agreement.

26 3.8.6 Interim Stay Of Proceedings. The Parties agree to stay all proceedings in
27 the Action, except such proceedings necessary to implement and complete the Settlement,
28 pending the Final Approval Hearing to be conducted by the Court.

1 3.8.7 Amendment Or Modification. This Settlement Agreement may be amended
2 or modified only by a written instrument signed by all Parties or their successors-in-interest.

3 3.8.8 Entire Agreement. This Settlement Agreement and the attached **Exhibits**
4 **A-D** constitute the entire agreement among the Parties, and no oral or written representations,
5 warranties, or inducements have been made to any Party concerning this Settlement Agreement or
6 its **Exhibits A-D** other than the representations, warranties, and covenants contained and
7 memorialized in the Settlement Agreement and its **Exhibits A-D**.

8 3.8.9 Authorization To Enter Into Settlement Agreement. The person signing this
9 Settlement Agreement on behalf of Defendant represents and warrants that she or he is authorized
10 to sign this Settlement Agreement on behalf of Defendant. Plaintiffs represent and warrant that
11 they are authorized to sign this Settlement Agreement and that they have not assigned any claim
12 covered by this Settlement to a third party. The Parties and their counsel agree to cooperate with
13 each other fully and to use their best efforts to affect the implementation of the Settlement. Such
14 cooperation includes, but is not limited to, execution of such other documents and the taking of
15 such other actions as may be reasonably necessary to fulfill the terms of this Settlement. In the
16 event the Parties are unable to reach agreement on the form or content of any document needed to
17 implement the Settlement or on any supplemental provisions that may become necessary to
18 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
19 such disagreement.

20 3.8.10 Binding On Successors And Assigns. This Settlement Agreement shall be
21 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as
22 previously defined.

23 3.8.11 California Law Governs. All terms of this Settlement Agreement and the
24 **Exhibits A-D** hereto shall be governed by and interpreted according to the laws of the State of
25 California.

26 3.8.12 This Settlement Is Fair, Reasonable, And Adequate. The Parties believe
27 this Settlement is a fair, reasonable, and adequate settlement of the Action and have arrived at this
28 Settlement after lengthy, extensive arms-length negotiations, taking into account all relevant

factors, present and potential. This Settlement Agreement shall not be construed in favor of or against any of the Parties by reason of their participation in the drafting of this Settlement Agreement.

3.8.13 Publicity. Plaintiffs and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any inquiry from the press about this case, or otherwise publicize the Action, the facts of the Action, or the outcome of the Settlement. Plaintiffs and Class Counsel also agree not to publish the terms of the Settlement or any related information on their website(s), for advertising purposes, and/or in publication materials generally available to the public. This provision shall not prevent Class Counsel from referring to this Settlement in court-filed “adequacy of counsel” showings in other class and representative actions.

3.8.14 Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement Agreement shall be: (a) in writing; (b) deemed given on the third business day after mailing; and (c) sent via United States registered or certified mail, return receipt requested, addressed as follows:

TO PLAINTIFFS:

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP
Norman Blumenthal
norm@bamlawca.com
Kyle Nordrehaug
Kyle@bamlawca.com
2255 Calle Clara
La Jolla, CA 92037

Paul K. Haines
phaines@haineslawgroup.com
Fletcher W. Schmidt
fschmidt@haineslawgroup.com
Matthew K. Moen
mmoen@haineslawgroup.com
Haines Law Group, APC
2155 Campus Drive, Suite 180
El Segundo, California 90245

TO DEFENDANT:

DLA Piper LLP (US)
Julie Dunne
julie.dunne@us.dlapiper.com
Matthew Riley
matthew.riley@us.dlapiper.com
4365 Executive Drive, Suite 1100
San Diego, California 92121-2133

JAMES HAWKINS APLC
James R. Hawkins
james@jameshawkinsaplc.com
Christina M. Lucio
christina@jameshawkinsaplc.com
Mitchell J. Murray
mitchell@jameshawkinaplc.com
9880 Research Dr., Suite 200
Irvine, California 92618

3.8.15 Execution By Class Members. It is agreed that it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Notice of Settlement will therefore advise all Class Members of the binding nature of the Settlement and the Released Class Claims, which release shall have the same force and effect as if each Class Member executed this Settlement Agreement individually (excepting only those Class Members from the Class Member Payment who return a timely and valid Request for Exclusion).

3.8.16 Counterparts. This Settlement Agreement shall become effective upon its execution by all of the undersigned. Plaintiffs, Class Counsel, and Defendant may execute this Settlement Agreement in counterparts, which shall have the same force and effect as if each had signed the same instrument. Copies of the executed settlement agreement shall be effective for all purpose as though the signatures contained therein were original signatures. Electronic signature (e.g., Docu-signed signatures) shall be permitted to execute this Settlement Agreement.

Dated: 04/03/24

By:


Gustavo Medina (Apr 3, 2024 16:28 PDT)

GUSTAVO MEDINA
PLAINTIFF

Dated: 04/09/24

By:


Janira Perez (Apr 9, 2024 13:02 PDT)

JANIRA PEREZ
PLAINTIFF

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Dated: 04/03/24 _____

By:


Sergio Garcia (Apr 3, 2024 17:28 PDT)

SERGIO GARCIA
PLAINTIFF

Dated: _____

By:

ALICIA TORRES
PLAINTIFF

Dated: _____

By:

ZACHARY LOMELY
PLAINTIFF

Dated: _____

By:

ANGEL CARTER
PLAINTIFF

Dated: _____

By:

DENISE CARDENAS
PLAINTIFF

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Dated: _____

By:

SERGIO GARCIA
PLAINTIFF

Dated: Apr 10, 2024

By:

Alicia Torres
Alicia Torres (Apr 10, 2024 18:25 PDT)

ALICIA TORRES
PLAINTIFF

Dated: Apr 5, 2024

By:

Zach Lomely
Zach Lomely (Apr 5, 2024 10:58 PDT)

ZACHARY LOMELY
PLAINTIFF

Dated: Mar 29, 2024

By:

Angel Carter
Angel Carter (Mar 29, 2024 16:14 PDT)

ANGEL CARTER
PLAINTIFF

Dated: Apr 1, 2024

By:

Denise Cardenas
Denise Cardenas (Apr 1, 2024 11:54 PDT)

DENISE CARDENAS
PLAINTIFF

1 Dated: Mar 29, 2024

By:

2 
3 Brian Mena (Mar 29, 2024 17:49 PDT)

4 BRIAN MENA
5 PLAINTIFF

6 Dated: Apr 5, 2024

By:

7 
8 Jimmy Perez Jr (Apr 5, 2024 09:19 PDT)

9 JIMMY PEREZ
10 PLAINTIFF

11
12
13 Dated: Mar 29, 2024

By:

14 
15 Emily Porcho (Mar 29, 2024 17:57 MDT)

16 EMILY PORCHO
17 PLAINTIFF

18 Dated:

By:

19
20
21 SHEEMAL NARAYAN
22 PLAINTIFF

23 Dated: Apr 1, 2024

By:

24 
25 Juan Morales (Apr 1, 2024 09:57 PDT)

26 JUAN MORALES
27 PLAINTIFF

1 Dated: _____

By:

2

3

BRIAN MENA
PLAINTIFF

4

5

6 Dated: _____

By:

7

8

JIMMY PEREZ
PLAINTIFF

9

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13 Dated: _____

By:

14

15

EMILY PORCHO
PLAINTIFF

16

17

18 Dated: Apr 1, 2024

By:

19

20


Sheemal Narayan (Apr 1, 2024 11:49 PDT)

SHEEMAL NARAYAN
PLAINTIFF

21

22

23 Dated: _____

By:

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JUAN MORALES
PLAINTIFF

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1 Dated: 04/15/24
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By:

 Joaldi Gonzalez (Apr 15, 2024 21:11 PDT)

JOALDI GONZALEZ
PLAINTIFF

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By:

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MARTHA FRANCO
PLAINTIFF

Dated: _____

DEFENDANT TARGET CORPORATION

By:

Name:
Title:

Dated: _____

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP

By:

KYLE R. NORDREHAUG
Attorney for Plaintiffs

Dated: _____

JAMES HAWKINS APLC

By:

JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorney for Plaintiffs

1 Dated: _____

By:

2

3

JOALDI GONZALEZ
PLAINTIFF

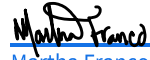
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5

6 Dated: 04/09/24

By:

7


Martha Franco (Apr 9, 2024 15:03 PDT)

8

MARTHA FRANCO
PLAINTIFF

9

10

11 Dated: _____

DEFENDANT TARGET CORPORATION

12

By:

13

14

Name:
Title:

15

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17 Dated: _____

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP

18

By:

19

20

KYLE R. NORDREHAUG
Attorney for Plaintiffs

21

22

23 Dated: _____

JAMES HAWKINS APLC

24

By:

25

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JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorney for Plaintiffs

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Dated: _____

By:

JOALDI GONZALEZ
PLAINTIFF

Dated: _____

By:

MARTHA FRANCO
PLAINTIFF

Dated: April 4, 2024

DEFENDANT TARGET CORPORATION

By:

Sandra Schlafge
Name: Sandra Schlafge
Title: Senior Director and Assistant General Counsel

Dated: _____

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP

By:

KYLE R. NORDREHAUG
Attorney for Plaintiffs

Dated: _____

JAMES HAWKINS APLC

By:

JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorney for Plaintiffs

1 Dated: _____

By:

2

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JOALDI GONZALEZ
PLAINTIFF

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By:

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MARTHA FRANCO
PLAINTIFF

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11 Dated: _____

DEFENDANT TARGET CORPORATION

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By:

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Name: _____
Title:

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17 Dated: 4/11/24

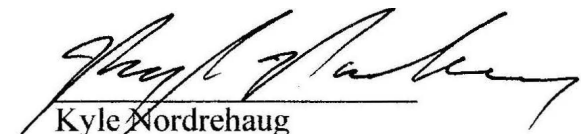
BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP

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By:

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Kyle Nordrehaug
Attorney for Plaintiffs

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23 Dated: _____

JAMES HAWKINS APLC

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By:

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26

JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorney for Plaintiffs

27

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1 Dated: _____

By:

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JOALDI GONZALEZ
PLAINTIFF

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By:

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MARTHA FRANCO
PLAINTIFF

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DEFENDANT TARGET CORPORATION

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Name: _____
Title:

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Dated: _____

BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP

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By:

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KYLE R. NORDREHAUG
Attorney for Plaintiffs

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Dated: 04/09/2024

JAMES HAWKINS APLC

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By:

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JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorney for Plaintiffs

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1 Dated: April 9, 2024

HAINES LAW GROUP, APC

By:

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5 PAUL K. HAINES
6 FLETCHER W. SCHMIDT
7 MATTHEW K. MOEN
Attorney for Plaintiffs

EXHIBIT A

NOTICE OF PENDENCY OF A CLASS ACTION SETTLEMENT

Gustavo Medina, et al. v. Target Corporation

San Bernardino County Superior Court, Case No. JCCP 5259

Hon. Wilfred J. Schneider, Jr., Department S-32

To all individuals employed by Target Corporation (“**Target**”) at one or more Target distribution centers in the State of California in non-exempt positions at any time during the period of March 21, 2019, through and including [REDACTED], 2023.

PLEASE READ THIS NOTICE CAREFULLY

IT MAY AFFECT YOUR LEGAL RIGHT TO MONEY IN CONNECTION WITH THE SETTLEMENT OF A CLASS ACTION LAWSUIT. AS DISCUSSED IN GREATER DETAIL BELOW IN SECTION F, YOUR OPTIONS INCLUDE:

1. DO NOTHING: If you do nothing in response to this Notice and the Court grants final approval of the Settlement, you will receive a Class Member Payment, you will be bound by the terms of the Settlement, and you will be deemed to have released the Released Class Claims against the Released Parties.

2. REQUEST EXCLUSION: If you do not wish to participate in the class action aspects of the Settlement, you must submit a Request for Exclusion which must be completed, dated, signed by you, and returned to the Settlement Administrator by mail postmarked by [REDACTED], 2024.

3. OBJECT: You may object to the Settlement of the Class Claims by mailing a Notice of Objection to the Settlement Administrator postmarked no later than [REDACTED], 2024. You will have a right to appear at the Final Approval Hearing to have your objections heard orally by the Court whether or not you submit a written objection. The Final Approval Hearing is scheduled for [REDACTED], 2024, at [REDACTED] :[REDACTED] .m., in Department S-32 at the Superior Court of California for the County of San Bernardino, San Bernardino District, 247 West Third Street, San Bernardino, California 92415.

A. WHAT IS THIS NOTICE ABOUT?

A settlement agreement (the “**Settlement**”) has been reached between Plaintiffs Gustavo Medina, Janira Perez, Sergio Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco (collectively, “**Plaintiffs**”) and Target in a lawsuit (the “**Action**”) pending in the Superior Court for the County of San Bernardino (the “**Court**”). Plaintiffs are pursuing the Action on a class action basis on behalf of themselves and all individuals who were employed by Target at one or more Target distribution centers in the State of California in non-exempt positions at any time during the period of March 21, 2019, through and including [REDACTED], 2023 (the “**Class Members**”). Plaintiffs are also seeking civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698 et seq. (“**PAGA**”), on behalf of themselves, the State of California, and all individuals who were employed by Target at one or more Target

distribution centers in the State of California in non-exempt positions at any time during the period of February 22, 2021, through and including [REDACTED], 2023 (the “PAGA Affected Employees”).

The Court has preliminarily approved the Settlement and conditionally certified a class of all Class Members for purposes of the Settlement only. You have received this notice because Target’s records indicate that you are a Class Member. This notice is designed to provide you with a brief description of the Action, inform you of the terms of the proposed Settlement, and discuss your rights and options in connection with the Settlement, including how you can participate in the Settlement, opt out of the Settlement, or object to the Settlement. Unless you submit a timely and valid Request for Exclusion, the Settlement will be binding upon you if and when it is approved by the Court.

B. WHAT IS THIS LAWSUIT ABOUT?

The Action is titled “*Target Wage and Hour Cases*,” designated as Judicial Council Coordination Proceeding No. 5259.

In the Action, Plaintiffs allege that Target engaged in unfair competition; failed to pay for all hours worked including due to rounding of time punches, off-the-clock work, and time spent in security screenings, time spent in COVID screenings and temperature checks, controlled walking time, and/or controlled meal and rest periods; failed to pay minimum wages including due to rounding of time punches, off-the-clock work, time spent in security screenings, time spent in COVID screenings and temperature checks, controlled walking time, and/or controlled meal and rest periods; failed to accurately pay all wages based on the regular rate of pay by failing to include incentive pay based on employee performance in the regular rate calculation; failed to pay overtime wages including due to rounding of time punches, off-the-clock work, time spent in security screenings, time spent in COVID screenings and temperature checks, controlled walking time, controlled meal and rest periods, and failure to accurately calculate the regular rate of pay; failed to provide meal periods and to pay meal period premiums at the correct regular rate of pay, including missed, late, short, controlled, and/or interrupted meal periods; failed to provide rest periods and to pay rest period premiums at the correct regular rate of pay, including missed, late, short, controlled, and/or interrupted rest periods; failed to pay sick pay wages at the correct regular rate of pay; failed to pay reporting time pay wages when due or at the correct regular rate of pay; unlawful deductions from wages; failed to provide accurate wage statements; failed to reimburse business expenses; and failed to pay wages during and at the end of employment. Plaintiffs seek recovery of damages, statutory penalties, interest, and restitution resulting from these alleged violations.

Plaintiffs also seek recovery of civil penalties under PAGA for these alleged violations.

Target denies all of Plaintiffs’ allegations. Specifically, Target contends, among other things, that its policies and practices do not violate the California Labor Code; a class could not be appropriately certified in the Action; and, if a class were certified, Plaintiffs’ claims fail as a matter of law.

After good-faith negotiations in which both sides recognized the substantial risk of an uncertain outcome in litigation, Plaintiffs and Target agreed to settle the Action pursuant to the terms and conditions of the Settlement. The Parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation.

The Settlement represents a compromise of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Target that Plaintiffs’ claims in the Action have merit or that Target has any liability to Plaintiffs or Class Members. On the contrary, Target denies any and all such liability.

C. SUMMARY OF THE SETTLEMENT PAYMENTS

1. **Gross Settlement Amount:** Target will pay \$6,450,000 as the Gross Settlement Amount. The Gross Settlement Amount will fund all payments to be made under the Settlement, which shall include all amounts paid for the Service Awards to Plaintiffs, the Class Counsel Fees Award, the Class Counsel Costs Award, the Settlement Administration Costs, the PAGA Distribution Amount to resolve Plaintiffs' claim for civil penalties, and the Class Member Payments to Participating Class Members.
2. **Plaintiffs' Service Award:** Plaintiffs will seek approval from the Court for a payment of \$10,000 each in recognition of their work in prosecuting the Action, in undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Action, and for the Complete and General Release that Plaintiffs are providing to Target and the Released Parties as part of the Settlement. If awarded by the Court, these Service Awards will be paid out of the Gross Settlement Amount.
3. **Class Counsel Fees Award:** The attorneys prosecuting the Action, Blumenthal Nordrehaug Bhowmik De Blouw LLP, James Hawkins APLC, and Haines Law Group, APC (collectively, "**Class Counsel**"), will request up to \$2,128,500 (representing 33% of the Gross Settlement Amount) for their attorneys' fees incurred in connection with their work in the Action. Target's payment of the Class Counsel Fees Award constitutes full and complete compensation for all legal fees of all attorneys representing Plaintiffs in the Action (including Blumenthal Nordrehaug Bhowmik De Blouw LLP, James Hawkins APLC, and Haines Law Group, APC) and all work done through the completion of the Action, whatever date that may be. Class Members are not required to pay Class Counsel for any other attorneys' fees under the Settlement. If awarded by the Court, the Class Counsel Fees Award will be paid out of the Gross Settlement Amount.
4. **Class Counsel Costs Award:** Class Counsel will also request up to \$80,000 for litigation costs and expenses incurred in connection with their work in the Action. Target's payment of the Class Counsel Costs Award constitutes full and complete compensation for all costs and expenses of all attorneys representing Plaintiffs in the Action (including Blumenthal Nordrehaug Bhowmik De Blouw LLP, James Hawkins APLC, and Haines Law Group, APC). Class Members are not required to pay Class Counsel for any costs or expenses under the Settlement. If awarded by the Court, the Class Counsel Costs Award will be paid out of the Gross Settlement Amount.
5. **Settlement Administration Costs:** The reasonable costs of administering the Settlement, up to a maximum of \$85,000, will be paid out of the Gross Settlement Amount. The Court has appointed Apex Class Action LLC to act as an independent Settlement Administrator for purposes of administering this Settlement.
6. **PAGA Distribution Amount:** \$129,000 of the Gross Settlement Amount has been allocated to PAGA civil penalties.
7. **Net Settlement Amount:** The Net Settlement Amount shall be what remains of the Gross Settlement Amount after deductions are made for the Plaintiffs' Service Awards, the Class Counsel Fees Award, the Class Counsel Costs Award, the Settlement Administration Costs, and the PAGA Distribution Amount. Assuming the Service Awards are \$10,000 each, the Class Counsel Fees Award is \$2,128,500, the Class Counsel Costs Award is \$80,000, the Settlement Administration Costs are \$85,000, and the PAGA Distribution Amount is \$129,000, then the Net Settlement Amount shall be \$3,887,500.

8. **Class Member Payments:** Target will pay the Net Settlement Amount to Participating Class Members based on the number of individual weekly pay periods each worked for Target in a non-exempt position at one or more distribution centers in California during the Class Period. Each Class Member Payment shall be calculated by dividing a Participating Class Member's individual weekly pay periods worked for Target in a non-exempt position at one or more distribution centers in California during the Class Period by the total of all Participating Class Members' weekly pay periods worked for Target in a non-exempt position at one or more distribution centers in California during the Class Period (all according to Target's business records), and multiplying this result by the Net Settlement Amount. The Class Member Payments will be allocated: 20% wages subject to deduction for employee-side employment taxes and withholdings, and IRS Form W-2 reporting; and 80% as penalties, interest, and reimbursement of expenses, and will be subject to IRS Form 1099 reporting.
9. The Service Awards, Class Counsel Fees Award, Class Counsel Costs Award, Settlement Administration Costs, PAGA Distribution Amount, and Class Member Payments will be paid after the Court enters a Final Approval Order and Judgment, all time to appeal or challenge the Final Approval Order and Judgment has lapsed, and the Final Approval Order and Judgment remains enforceable (*i.e.*, the "Effective Date").
10. If the Court does not grant final approval of the Settlement or if the Settlement does not become final and binding for any reason, then the Settlement will become null and void; if that occurs, neither Plaintiffs nor Target will have further obligations under the Settlement, including any obligation by Target to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Settlement. An award by the Court of a lesser amount than that sought by Plaintiffs and Class Counsel for the Service Awards, Class Counsel Fees Award, Class Counsel Costs Award, or Settlement Administration Costs will not render the Settlement null and void.

D. HOW MUCH WILL I RECEIVE IF I PARTICIPATE IN THE CLASS SETTLEMENT?

Target's records indicate that: (1) during the Class Period (*i.e.*, between March 21, 2019, through and including [REDACTED], 2023), you worked a total of [REDACTED] weekly pay periods for Target in a non-exempt position at one or more distribution centers in California. Based on this information, it is estimated that your Class Member Payment will be approximately \$[REDACTED].

Target's records indicate that: (1) during the PAGA Period (*i.e.*, between February 22, 2021, through and including [REDACTED], 2023), you worked a total of [REDACTED] weekly pay periods for Target in a non-exempt position at one or more distribution centers in California. Based on this information, it is estimated that your PAGA Affected Employee Payment will be approximately \$[REDACTED].

The actual amounts you will receive may be different and will depend on a number of factors.

Checks issued to Participating Class Members or PAGA Affected Employees shall remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance and then shall become void on the 181st day after mailing, *i.e.*, the Void Date. Any unclaimed funds as a result of the failure to cash Class Member Payment checks and PAGA Affected Employee Payment checks by the Void Date shall be transmitted by the Settlement Administrator to a cy pres charity, Legal Aid at Work.

E. WHAT CLAIMS ARE RELEASED?

If you do not request to be excluded from the class action aspects of the Settlement, you will be a Participating Class Member and be unable to sue, continue to sue, or be a part of any other lawsuit against the Released Parties regarding the “Released Class Claims” in this Settlement. “**Released Parties**” means Target and its subsidiaries, affiliates, and/or parent companies; employee benefit plans sponsored or maintained by any of the foregoing; their attorneys, and their respective successors and predecessors in interest; all of their respective officers, directors, managers, employees, administrators, fiduciaries, trustees, beneficiaries, and agents; and each of their past, present, and future officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers, and reinsurers. If you are a PAGA Affected Employee, you will still receive a PAGA Affected Employee Payment and be bound by the release of the PAGA Claims described below, even if you request to be excluded from the class action aspects of the Settlement. You cannot request exclusion from the PAGA portion of the Settlement.

Released Class Claims: Upon the Effective Date and Target’s funding of the Gross Settlement Amount, Plaintiffs – on behalf of themselves and Participating Class Members – will fully and irrevocably release the Released Parties from the Class Claims, as defined below, in exchange for the consideration provided by this Settlement.

“**Class Claims**” means any and all claims, rights, demands, and liabilities of every nature and description, whether known or unknown, suspected or unsuspected, arising under federal, state, or local law, that were asserted or that could have been asserted based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint, that arose during the Class Period, including but not limited to: unfair competition in violation of California Business & Professions Code section 17200, et seq.; failure to pay for all hours worked including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to pay minimum wages in violation of California Labor Code sections 1194, 1197, and 1197.1 including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest periods; failure to accurately pay all wages based on the regular rate of pay by failing to include incentive pay based on employee performance in the regular rate calculation; failure to pay overtime wages in violation of California Labor Code section 510 and the applicable IWC Wage Order including due to rounding of time punches, off-the-clock work, time spent in security screenings (including but not limited to bag and other security checks), time spent in COVID screenings (including but not limited to temperature checks and symptom questionnaires), controlled walking time, controlled meal and rest periods, and failure to accurately calculate the regular rate of pay; failure to provide meal periods and to pay meal period premiums at the correct regular rate of pay in violation of California Labor Code section 512 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted meal periods; failure to provide rest periods and to pay rest period premiums at the correct regular rate of pay in violation of California Labor Code section 226.7 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or interrupted rest periods; failure to pay sick pay wages at the correct regular rate of pay in violation of California Labor Code sections 201-204, 223, and 246; failure to pay reporting time pay wages when due or at the correct regular rate of pay; unlawful deductions from wages in violation of in violation of California Labor Code section 221; failure to provide accurate wage statements in violation of California Labor Code section 226; failure to reimburse business expenses in violation of California Labor Code section 2802; failure to pay wages when due in violation of California Labor Code sections 201-204; attorneys’ fees and costs incurred to prosecute the Action on behalf of Class Members;

and any other derivative remedies, penalties, and interest available under the law based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint.

Plaintiffs and Participating Class Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Class Claims, but upon Target's funding of the Gross Settlement Amount, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all of the Released Class Claims. It is the intent of the Parties that the Final Approval Order and Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Class Claims. **All Released Class Claims are released for the Class Period (March 21, 2019, through and including [REDACTED], 2023).**

Released PAGA Claims: Upon the Effective Date and Target's funding of the Gross Settlement Amount, Plaintiffs – on behalf of themselves, the State of California, and PAGA Affected Employees – will fully and irrevocably release the Released Parties from the PAGA Claims, as defined below, in exchange for the PAGA Distribution Amount provided by this Settlement.

“PAGA Claims” means any and all claims, rights, demands, and liabilities of every nature and description, whether known or unknown, for civil penalties that were asserted or that could have been asserted based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint that arose during the PAGA Period, including, but not limited to, claims for civil penalties for alleged violations of California Labor Code sections 201-204, 204b, 204.1, 204.2, 204.11, 205, 205.5, 210, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 246, 510, 512, 516, 558, 1024.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1197.5, 1198, and 2802, violations of California Code of Regulations, Title 8, Section 11000, et seq., and violations of the applicable IWC Wage Order(s).

Plaintiffs, the State of California, and PAGA Affected Employees may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released PAGA Claims, but upon Target's funding of the Gross Settlement Amount, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all of the Released PAGA Claims. It is the intent of the Parties that the Final Approval Order and Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon PAGA Affected Employees regarding the Released PAGA Claims. **All Released PAGA Claims are released for the PAGA Period (February 22, 2021, through and including [REDACTED], 2023).**

F. WHAT ARE MY RIGHTS AS A CLASS MEMBER?

1. **Participating in the Settlement:** You do not need to do anything to participate in this Settlement. Unless you submit a valid and timely Request for Exclusion from the class action aspects of the Settlement, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the Released Class Claims against the Released Parties described above. You will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses. If you are a PAGA Affected Employee, you will still receive a PAGA Affected Employee Payment and be bound by the release of the PAGA Claims described above, even if you request to be excluded from the class action aspect of the Settlement.

2. **Objecting to the Settlement:** You may object to the settlement of the Class Claims by mailing a written Notice of Objection to the Settlement Administrator postmarked no later than [redacted], 2024 (the “Response Deadline”).

MAIL YOUR OBJECTION TO:

[Settlement Administrator]

[Address of Settlement Administrator]

To be valid, any written objection must: (a) contain your full name, address and last four digits of your social security number; (b) state the case name and number, *Target Wage and Hour Cases*, Superior Court of California, County of San Bernardino, Case No. JCCP 5259; the basis for the objection; and whether you intend to appear at the Final Approval Hearing; and (c) be signed by you. If the Notice of Objection does not contain the information listed in (a)-(c) or is not mailed to the Settlement Administrator by the Response Deadline, it will not be deemed a timely and valid Notice of Objection. The date of the postmark on the service mailing envelope for the Settlement Administrator shall be the exclusive means used to determine whether a Notice of Objection has been timely served on the Settlement Administrator. You will have a right to appear at the Final Approval Hearing to have your objections heard orally by the Court whether or not you submit a written objection.

3. **Excluding Yourself from the Settlement:** If you do not wish to participate in the class action aspects of the Settlement, you must submit a Request for Exclusion which must be completed, dated, signed by you, and returned to the Settlement Administrator by mail postmarked by the Response Deadline. Any Request for Exclusion must: (a) contain your full name, address, and last four digits of your social security number; (b) be signed by you; and (c) state in substance: “I wish to exclude myself from the Settlement in the *Target Wage and Hour Cases*, Superior Court of California, County of San Bernardino, Case No. JCCP 5259.” If the Request for Exclusion does not contain the information listed in (a)-(c) or is not postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address, it will not be deemed a timely and valid Request for Exclusion. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. If you submit a timely and valid Request for Exclusion you will not be entitled to a Class Member Payment and will not be bound by the release of the Class Claims. If you submit a timely and valid Request for Exclusion you will not have any right to object to, appeal, or comment on the Settlement.

If you choose to submit a Request for Exclusion, send your Request for Exclusion to the Settlement Administrator at the following address:

[Settlement Administrator]

[Address of Settlement Administrator]

If you do not submit a timely and valid Request for Exclusion on or before the Response Deadline you shall be deemed a Participating Class Member and will be bound by all terms of the Settlement and the Final Approval Order and Judgment entered in this Action. There will be no retaliation or adverse action taken against any Class Member who participates in the Settlement or elects not to participate in the Settlement.

If you are a PAGA Affected Employee, you will still receive a PAGA Affected Employee Payment and be bound by the release of the PAGA Claims described above, even if you request to be excluded from the class action aspects of the Settlement.

G. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a Final Approval Hearing on [REDACTED], 2024, at [REDACTED] : [REDACTED] .m., in Department S-32 at the Superior Court of California for the County of San Bernardino, San Bernardino District, 247 West Third Street, San Bernardino, California 92415, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Plaintiffs' Service Awards, Class Counsel Fees Award, Class Counsel Costs Award, PAGA Distribution Amount, and Settlement Administration Costs.

The Final Approval Hearing may be postponed without further notice to Class Members. **It is not necessary for you to appear at this hearing, but you may appear at the hearing and be heard.** Class Members are advised to contact the Settlement Administrator or check the Court's online Court Access Portal at <https://cap.sb-court.org> to confirm the hearing date has not been changed.

Any changes to the date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website ([REDACTED]). Notice of the Court's final judgment will also be posted on the Settlement Administrator's website.

H. GETTING MORE INFORMATION

This is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may examine the full Settlement Agreement by visiting the Settlement Administrator's website at [REDACTED]; accessing the Court's docket in the Action through the Court's online Court Access Portal at <https://cap.sb-court.org>; contacting the Settlement Administrator at Tel: (XXX) XXX-XXX; or contacting Class Counsel at:

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**PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS
SETTLEMENT OR THE SETTLEMENT PROCESS.**

By Order of the Court

Dated: , 2024.

EXHIBIT B

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SUPERIOR COURT OF CALIFORNIA OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

Coordination Proceeding Special Title
(Rule 3.550)

TARGET WAGE AND HOUR CASES

Included Actions:

Medina et al. v. Target Corporation
Torres v. Target Corporation

Case No. JCCP 5259

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT AND NOTICE
PROCEDURES**

Judge: Hon. Wilfred J. Schneider, Jr. _____
Dept.: S-32

Plaintiffs’ motion for preliminary approval came on regularly for hearing on _____
2024, in Department S-32 of the Superior Court of the State of California, County of San
Bernardino, located at 247 West Third Street, San Bernardino, California 92415, before the
Honorable Wilfred J. Schneider, Jr. Plaintiffs were represented by their counsel, James Hawkins
APLC, Blumenthal Nordrehaug Bhowmik De Blouw LLP, and Haines Law Group, APC (“Class
Counsel”). Defendant Target Corporation (“Defendant”) was represented by its counsel, DLA Piper
LLP (US).

1 Plaintiffs Gustavo Medina, Janira Perez, Sergio Garcia, Alicia Torres, Zachary Lomely,
2 Angel Carter, Denise Cardenas, Brian Mena, Jimmy Perez, Emily Porcho, Sheemal Narayan, Juan
3 Morales, Joaldi Gonzalez, and Martha Franco (“Plaintiffs”) and Defendant have agreed to settle the
4 Action upon the terms and conditions set forth in the Stipulation Regarding Class and Private
5 Attorneys General Act Settlement and Release (“Agreement”), which is attached as Exhibit 1 to the
6 Declaration of _____ in support of Plaintiffs’ motion for preliminary approval.

7 Based upon the Court’s review of the Agreement, the moving papers submitted in support
8 of preliminary approval, and all of the files, records, and proceedings herein, and in recognition of
9 the Court’s duty to make a preliminary determination as to the reasonableness of this proposed class
10 action settlement and to ensure proper notice to all Class Members in accordance with due process
11 requirements, the Court preliminarily finds: (1) the Settlement of the Released Class Claims was
12 entered into in good faith and appears to be fair, reasonable, and adequate, such that the Settlement
13 Administrator should distribute notice of the Settlement to all Class Members, and a hearing
14 regarding final approval of the Settlement should be set; and (2) the Settlement of the Released
15 PAGA Claims appears consistent with PAGA’s underlying purpose of benefitting the public.
16 Accordingly, the Court GRANTS preliminary approval of the Parties’ Settlement for the reasons
17 stated below, and sets the below schedule for notice to Class Members and the Final Approval
18 Hearing:

19 THEREFORE, IT IS HEREBY ORDERED:

20 1. This Order incorporates by reference the definitions in the Agreement, and all terms
21 defined therein shall have the same meaning in this Order.

22 2. It appears to the Court on a preliminary basis that the class aspects of the Settlement
23 are fair, reasonable, and adequate. More specifically, it appears to the Court that counsel for the
24 Parties have engaged in sufficient investigation, research, and formal and informal discovery, such
25 that Class Counsel and Defense Counsel are able to reasonably evaluate their respective positions.
26 The Court preliminarily finds that the class aspects of the Settlement appear to be within the range
27 of reasonableness of a settlement that could ultimately be given final approval by this Court. Indeed,
28 the Court has reviewed the monetary recovery that is being granted as part of the Settlement and

1 preliminarily finds that the monetary settlement awards made available to all Class Members appear
2 fair, reasonable, and adequate when balanced against the probable outcome of further litigation
3 relating to liability and damages issues.

4 3. The Court further preliminarily finds that the relief provided for under PAGA is
5 genuine, meaningful, and consistent with PAGA's underlying purpose of benefiting the public.

6 4. The Court also finds that settlement of the class and PAGA claims at this time will
7 avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be
8 presented by the further prosecution of the Action. It further appears that the Settlement has been
9 reached as a result of an arms' length mediation session before a neutral mediator.

10 5. Additional factors weigh in favor of granting preliminary approval. The proposed
11 Settlement does not require Class Members to participate in a claims process in order to receive
12 their share of the Gross Settlement Amount. Any funds not claimed will not revert to Defendant,
13 but will be paid to the Cy Pres Recipient to be approved by the Court. The Parties have proposed
14 Legal Aid at Work as the Cy Pres Recipient. The Court preliminary finds that the Parties' proposed
15 Cy Pres Recipient is fair, adequate, and reasonable.

16 6. For the purposes of this Settlement only, the Court hereby provisionally certifies the
17 Released Class Claims on behalf of the Class. The "Class" means all individuals employed by
18 Defendant at one or more Target distribution centers in the State of California in non-exempt
19 positions at any time during the Class Period, *i.e.*, March 21, 2019, through and including December
20 10, 2023, or when the aggregate workweeks amount to 1,590,887, whichever occurs first.
21 Individuals who are part of the Class are also referred to as "Class Members." If for any reason the
22 Settlement does not become effective, the fact that the Parties were willing to stipulate to
23 certification of the Released Class Claims on behalf of the Class Members as part of the Settlement
24 shall have no bearing on, and shall not be admissible in connection with, the issue of whether the
25 Released Class Claims should be certified on behalf of the Class Members in a non-settlement
26 context in the Action or in any other lawsuit.

27 7. For the purposes of this Settlement only, the Court hereby preliminarily appoints and
28 designates Plaintiffs to serve as the representatives for the Class Members who do not opt out of the

1 Settlement by the Response Deadline.

2 8. For purposes of this Settlement, the Court also preliminarily appoints James Hawkins
3 APLC, Blumenthal Nordrehaug Bhowmik De Blouw LLP, and Haines Law Group, APC to serve
4 as Class Counsel for the Class Members who do not opt out of the Settlement by the Response
5 Deadline. Class Counsel is authorized to represent and bind Plaintiffs and Class Members with
6 respect to all acts or consents required by this Order. Any Class Member may enter an appearance
7 through counsel of such individual's own choosing and at such individual's own expense. Any Class
8 Member who does not enter an appearance or appear on his or her own will be represented by Class
9 Counsel.

10 9. The Court finds, based on Class Counsel's declaration, that Class Counsel has
11 notified the California Labor and Workforce Development Agency ("LWDA") of the PAGA claims
12 at issue in this lawsuit pursuant to Labor Code section 2699.3, and that Class Counsel has notified
13 the LWDA of the settlement of those claims by submitting a copy of the Agreement to the LWDA
14 in compliance with California Labor Code section 2699(l).

15 10. For the purposes of this Settlement, the Court hereby preliminarily approves the
16 definition and disposition of the Gross Settlement Amount and related matters provided for in the
17 Agreement. In accordance with the Agreement, the Court hereby preliminarily approves the Gross
18 Settlement Amount of Six Million Four Hundred Fifty Thousand Dollars and Zero Cents
19 (\$6,450,000.00), which is the total, non-reversionary amount that Defendant shall be obligated to
20 pay under the Agreement in order to settle the Action. Separately, Defendant shall also pay the
21 employer's share of payroll taxes on the wage component of the Class Member Payments. The Court
22 also preliminarily approves the Parties' agreement that any portion of the employer's share of
23 payroll taxes refunded by state or federal taxing authorities as a result of uncashed Class Member
24 Payment checks shall be returned to Defendant.

25 11. For the purposes of this Settlement, the Court hereby preliminarily approves the
26 Service Awards to Plaintiffs in the amount of \$10,000 each in recognition of their role in prosecuting
27 the Action on behalf of Class Members and for providing a Complete and General Release to the
28 Released Parties. The Court will decide the final amount of the Service Awards at the Final Approval

1 Hearing, and the Service Awards will be paid from the Gross Settlement Amount.

2 12. For purposes of this Settlement, the Court hereby preliminarily approves a payment
3 of a Class Counsel Fees Award of up to Two Million One Hundred Twenty-Eight Thousand Five
4 Hundred Dollars and Zero Cents (\$2,128,500.00) for the services the attorneys representing the
5 Plaintiffs in the Action have rendered and will render in the Action. The Court will decide, and shall
6 have exclusive jurisdiction regarding, the final amount and allocation of the Class Counsel Fees
7 Award at the Final Approval Hearing, and the Class Counsel Fees Award will be paid from the
8 Gross Settlement Amount.

9 13. For purposes of this Settlement, the Court hereby preliminarily approves a payment
10 of a Class Counsel Costs Award not to exceed a total of \$80,000 for the litigation costs all attorneys
11 representing Plaintiffs in the Action have incurred and will incur in the investigation, litigation, and
12 resolution of the Action. The Court will decide, and shall have exclusive jurisdiction regarding, the
13 final amount and allocation of the Class Counsel Costs Award at the Final Approval Hearing, and
14 the Class Counsel Costs Award will be paid from the Gross Settlement Amount.

15 14. For purposes of this Settlement, the Court hereby preliminarily approves a maximum
16 payment of \$85,000 to the Settlement Administrator for third-party administration fees that are
17 necessary to administer the Settlement (“Settlement Administration Costs”) to be paid from the
18 Gross Settlement Amount.

19 15. For purposes of this Settlement, the Court hereby preliminarily approves the PAGA
20 Distribution Amount in the amount of \$129,000 as providing genuine and meaningful relief that is
21 consistent with PAGA’s underlying purpose of benefiting the public. The Court also preliminarily
22 approves the Parties’ allocation of: (a) seventy-five percent (75%) of the PAGA Distribution
23 Amount as a PAGA LWDA Payment to the LWDA; and (b) twenty-five percent (25%) of the PAGA
24 Distribution Amount as PAGA Affected Employee Payments to the PAGA Affected Employees.
25 The PAGA Distribution Amount shall resolve all claims for civil penalties under the PAGA for the
26 PAGA claims consistent with the Released PAGA Claims described in the Agreement. The
27 Agreement provides that the PAGA Affected Employee Payments shall be distributed to PAGA
28 Affected Employees on a proportional basis based on the number of pay periods each worked for

1 Defendant in a non-exempt position at one or more Target distribution centers in California during
2 the PAGA Period, *i.e.*, February 22, 2021, through and including December 10, 2023, or when the
3 aggregate workweeks in the Class Period amount to 1,590,887, whichever occurs first. The Court
4 preliminarily approves this proposed allocation and distribution of the PAGA Distribution Amount
5 as fair, reasonable, and adequate. The Court will decide the final PAGA Distribution Amount at the
6 Final Approval Hearing, and the PAGA Distribution Amount will be paid from the Gross Settlement
7 Amount.

8 16. The Net Settlement Amount to be distributed to Participating Class Members is the
9 Gross Settlement Amount minus deductions for the Service Awards, Class Counsel Fees Award,
10 Class Counsel Costs Award, Settlement Administration Costs, and PAGA Distribution Amount.
11 The Agreement provides that the Class Member Payments shall be calculated by dividing a
12 Participating Class Member's individual weeks worked for Defendant in a non-exempt position at
13 one or more Target distribution centers in California during the Class Period by the total of all weeks
14 worked by all Participating Class Members for Defendant in a non-exempt position at one or more
15 Target distribution centers in California during the Class Period, and multiplying this result by the
16 Net Settlement Amount. The Court finds that the Net Settlement Amount confers a substantial
17 benefit to Participating Class Members. Accordingly, for purposes of this Settlement, the Court
18 preliminarily approves the Net Settlement Amount and the Class Member Payments as fair,
19 reasonable, and adequate. The Court will ultimately decide the fairness and adequacy of the
20 distribution of the Net Settlement Amount at the Final Approval Hearing, and the Net Settlement
21 Amount will be paid from the Gross Settlement Amount.

22 17. The Court finds that – provided that all blanks/missing information is filled out – the
23 form and content of the proposed Notice of Settlement (attached to the Agreement as Exhibit A)
24 will fairly and adequately advise Class Members of the terms of the proposed Settlement, of the
25 preliminary approval of the proposed Settlement, of their right to receive their share of the
26 Settlement, of the scope and effect of the Released Class Claims, of their rights and obligations
27 relating to opting out of or objecting to the Settlement, of the date of the Final Approval Hearing,
28 and of their right to appear at the Final Approval Hearing. Thus, the Court finds that the Notice of

1 Settlement comports with all constitutional requirements, including those of due process. The Court
2 further finds that the distribution of the Notice of Settlement as specifically described within the
3 Agreement, with measures taken for verification of addresses, as set forth therein, constitutes a fair
4 and effective method of providing notice of this Settlement.

5 18. The Court hereby appoints Apex Class Action LLC as the Settlement Administrator
6 to provide notice of the Settlement and administer the Settlement, as more specifically set forth in
7 the Agreement.

8 19. The Court understands that the Settlement includes a release of Released Class
9 Claims. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs – on
10 behalf of themselves and Participating Class Members – will fully and irrevocably release the
11 Released Parties from any and all claims, rights, demands, and liabilities of every nature and
12 description, whether known or unknown, suspected or unsuspected, arising under federal, state, or
13 local law, that were asserted or that could have been asserted based on the facts alleged in the Second
14 Amended Consolidated Class Action and PAGA Complaint, that arose during the Class Period,
15 including but not limited to: unfair competition in violation of California Business & Professions
16 Code section 17200, et seq.; failure to pay for all hours worked including due to rounding of time
17 punches, off-the-clock work, time spent in security screenings (including but not limited to bag and
18 other security checks), time spent in COVID screenings (including but not limited to temperature
19 checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest
20 periods; failure to pay minimum wages in violation of California Labor Code sections 1194, 1197,
21 and 1197.1 including due to rounding of time punches, off-the-clock work, time spent in security
22 screenings (including but not limited to bag and other security checks), time spent in COVID
23 screenings (including but not limited to temperature checks and symptom questionnaires), controlled
24 walking time, and/or controlled meal and rest periods; failure to accurately pay all wages based on
25 the regular rate of pay by failing to include incentive pay based on employee performance in the
26 regular rate calculation; failure to pay overtime wages in violation of California Labor Code section
27 510 and the applicable IWC Wage Order including due to rounding of time punches, off-the-clock
28 work, time spent in security screenings (including but not limited to bag and other security checks),

1 time spent in COVID screenings (including but not limited to temperature checks and symptom
2 questionnaires), controlled walking time, controlled meal and rest periods, and failure to accurately
3 calculate the regular rate of pay; failure to provide meal periods and to pay meal period premiums at
4 the correct regular rate of pay in violation of California Labor Code section 512 and the applicable
5 IWC Wage Order, including missed, late, short, controlled, and/or interrupted meal periods; failure
6 to provide rest periods and to pay rest period premiums at the correct regular rate of pay in violation
7 of California Labor Code section 226.7 and the applicable IWC Wage Order, including missed, late,
8 short, controlled, and/or interrupted rest periods; failure to pay sick pay wages at the correct regular
9 rate of pay in violation of California Labor Code sections 201-204, 223, and 246; failure to pay
10 reporting time pay wages when due or at the correct regular rate of pay; unlawful deductions from
11 wages in violation of in violation of California Labor Code section 221; failure to provide accurate
12 wage statements in violation of California Labor Code section 226; failure to reimburse business
13 expenses in violation of California Labor Code section 2802; failure to pay wages when due in
14 violation of California Labor Code sections 201-204; attorneys' fees and costs incurred to prosecute
15 the Action on behalf of Class Members; and any other derivative remedies, penalties, and interest
16 available under the law based on the facts alleged in the Second Amended Consolidated Class
17 Action and PAGA Complaint. The release of Class Claims will run through the Class Period.

18 20. The Court understands that the Settlement includes a release of Released PAGA
19 Claims. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs – on
20 behalf of themselves, the State of California, and PAGA Affected Employees – will fully and
21 irrevocably release the Released Parties from the Released PAGA Claims, as defined in the
22 Agreement. Plaintiffs, the State of California, and PAGA Affected Employees will release such
23 Released PAGA Claims for the PAGA Period, *i.e.*, February 22, 2021, through and including
24 December 10, 2023, or when the aggregate workweeks in the Class Period amount to 1,590,887,
25 whichever occurs first. In light of the consideration provided under the Settlement, the Court finds
26 that the release of the Released PAGA Claims is fair, adequate, and reasonable.

27 21. The Court understands that, under the Settlement, Plaintiffs will provide a Complete
28 and General Release, including Plaintiffs' 1542 Waiver (as defined in the Agreement) to the

1 Released Parties in consideration for the promises and payments set forth in the Agreement –
2 including the Service Awards to which Defendant contends Plaintiffs are otherwise not entitled. In
3 light of the considerations provided under the Settlement, the Court makes the preliminary finding
4 that Plaintiffs’ Complete and General Release appears fair, adequate, and reasonable.

5 22. The Court understands that the Settlement provides for the following procedures, all
6 of which the Court has considered and finds to be fair, adequate, and reasonable:

7 a. No later than fifteen (15) calendar days after the date of this Preliminary
8 Approval Order, Defendant shall provide the Settlement Administrator with the Employee List,
9 which shall include, for each Class Member: full name, last known mailing address, social security
10 number, whether the employee is a Class Member, whether the employee is a PAGA Affected
11 Employee, the number of weeks worked for Defendant in a non-exempt position at one or more
12 Target distribution centers in California during the Class Period, and the number of pay periods
13 worked for Defendant in a non-exempt position at one or more Target distribution centers in
14 California during the PAGA Period.

15 b. No later than twenty-one (21) calendar days after receipt of the Employee
16 List from Defendant, and after updating mailing addresses using the National Change of Address
17 database, the Settlement Administrator shall mail the Notice of Settlement to all Class Members by
18 First Class U.S. Mail pursuant to the terms of the Agreement.

19 c. No later than twenty-one (21) calendar days after receipt of the Employee
20 List from Defendant, the Settlement Administrator shall establish the Settlement website and post
21 to the website copies of the Notice of Settlement and the other documents the Parties agreed to post
22 on the website, as identified in the Agreement.

23 d. Class Members shall be given an opportunity to exclude themselves from the
24 settlement of the Released Class Claims by submitting a Request for Exclusion that: contains the
25 name of the person requesting exclusion; indicate that they do not wish to participate in the
26 Settlement in the “*Target Wage and Hour Cases*, Superior Court of California, County of San
27 Bernardino, Case No. JCCP 5259”, or some other descriptor that identifies the case; is signed by the
28 person requesting exclusion. Any Request for Exclusion shall be postmarked no later than the

1 Response Deadline, which is sixty (60) days after the Settlement Administrator mails the Notice of
2 Settlement. The date of the postmark on the return mailing envelope shall be the exclusive means
3 used to determine whether a Request for Exclusion has been timely submitted. Any Class Member
4 who submits a timely and valid Request for Exclusion will not be entitled to a Class Member
5 Payment and will not be bound by the release of the Released Class Claims. Any Class Member
6 who submits a timely and valid Request for Exclusion will not have any right to object to or appeal
7 the Settlement. Class Members who do not submit a timely and valid Request for Exclusion on or
8 before the Response Deadline, absent a good cause finding by the Court permitting the late Request
9 for Exclusion, shall be deemed Participating Class Members and will be bound by all terms of the
10 Settlement and the Final Approval Order and Judgment entered in the above-captioned action.
11 Under no circumstances will a Class Member who has submitted a timely and valid Request for
12 Exclusion be considered to have opted out of the PAGA aspects of the Settlement or the Released
13 PAGA Claims.

14 e. Any Class Member wishing to object to the settlement of the Released Class
15 Claims must submit his/her objection to the Settlement Administrator by the Response Deadline.
16 To be valid, the Notice of Objection must: (i) contain the name of the Class Member; (ii) identify
17 the case, e.g., by stating the Notice of Objection relates to the “*Target Wage and Hour Cases*,
18 Superior Court of California, County of San Bernardino, Case No. JCCP 5259”, or some other
19 descriptor that identifies the case; (iii) state the basis for the objection; (iv) be signed by the Class
20 Member; and (v) be postmarked on or before the Response Deadline. Absent good cause found by
21 the Court, if the Notice of Objection does not satisfy the requirements listed in (i)-(v), it will not be
22 deemed a timely and valid objection to the Settlement. The date of the postmark on a Notice of
23 Objection shall be the exclusive means used to determine whether a Notice of Objection has been
24 timely served on the Settlement Administrator.

25 23. As of the date this Order is signed, all dates and deadlines associated with the above-
26 captioned action shall be stayed, other than those pertaining to the administration of the Settlement,
27 to be re-set if final approval is not granted. To the extent permitted by law, pending final
28 determination as to whether the Settlement should be finally approved, Class Members whether

1 directly, representatively, or in any other capacity, may not institute or prosecute any of the Released
2 Class Claims against the Released Parties.

3 24. This Settlement is not a concession or admission and shall not be used against
4 Defendant or any of the Released Parties as an admission of liability with respect to the Released
5 Class Claims or Released PAGA Claims. Whether or not the Settlement is finally approved, neither
6 the Settlement, nor any document, statement, proceeding, or conduct related to the Settlement, nor
7 any reports or accounts thereof, shall in any event be: (a) construed as, offered or admitted in
8 evidence as, received as, or deemed to be evidence for any purpose adverse to the Released Parties
9 including, but not limited to, evidence of a presumption, concession, indication, or admission by
10 Defendant or any of the Released Parties of any liability, fault, wrongdoing, omission, concession,
11 or damage; or (b) disclosed, referred to, offered, or received in evidence against any of the Released
12 Parties in any further proceeding in the Action, or in any other civil, criminal, or administrative
13 action or proceeding, except for purposes of enforcing the Settlement.

14 25. Class Counsel's motion and other papers in support of Final Approval of the
15 proposed Settlement and applications for awards of the Service Awards, the Class Counsel Fees
16 Award, and the Class Counsel Costs Award shall be filed and served no later than sixteen (16) court
17 days before the Final Approval Hearing.

18 26. A Final Approval Hearing shall be held on _____, 2024, in Department
19 S-32 of the Superior Court of the State of California, County of San Bernardino, located at 247 West
20 Third Street, San Bernardino, California 92415, before the Honorable Wilfred J. Schneider, Jr., to
21 determine whether the proposed Settlement is fair, reasonable, and adequate and should be finally
22 approved. The Final Approval Hearing may be postponed, adjourned, transferred, or continued by
23 order of the Court without further notice to Class Members. After the Final Approval Hearing, the
24 Court may enter a Final Approval Order and Judgment in accordance with the Settlement that will
25 adjudicate the rights of all Participating Class Members, PAGA Affected Employees, and the State
26 of California.

27 27. In the event that the proposed Settlement is not finally approved by the Court, or for
28 any reason the Effective Date does not occur, then the Settlement and all orders entered in

1 connection therewith shall be null and void and of no effect, and shall not be used or referred to for
2 any purposes whatsoever, other than in connection with any further attempts to obtain approval of
3 a Settlement. If the Settlement is not ultimately approved, the Settlement shall be withdrawn without
4 prejudice as to the rights of the Parties thereto.

5 **IT IS SO ORDERED.**

6
7 Dated: _____

8 Judge of the Superior Court
9 Hon. Wilfred J. Schneider, Jr.
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EXHIBIT C

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SUPERIOR COURT OF CALIFORNIA OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

Coordination Proceeding Special Title (Rule 3.550)

TARGET WAGE AND HOUR CASES

Included Actions:

Medina et al. v. Target Corporation
Torres v. Target Corporation

Case No. JCCP 5259

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

Judge: Hon. Wilfred J. Schneider, Jr. ____
Dept.: S-32

Plaintiffs Gustavo Medina, Janira Perez, Sergio Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco, individually, and on behalf of each of the Participating Class Members, the State of California, and the PAGA Affected Employees, has filed a motion for final approval of the Parties’ Stipulation Regarding Class and Private Attorneys General Act Settlement and Release (“Agreement”) in the above-referenced action. Plaintiffs’ motion for final approval came on regularly for hearing on _____, 2024, in Department S-32 of the Superior Court of the State of California, County of San Bernardino, located at 247 West

1 Third Street, San Bernardino, California 92415, before the Honorable Wilfred J. Schneider, Jr.
2 Plaintiffs and the Participating Class Members were represented by their counsel, James Hawkins
3 APLC, Blumenthal Nordrehaug Bhowmik De Blouw LLP, and Haines Law Group, APC (“Class
4 Counsel”). Defendant Target Corporation (“Defendant”) was represented by its counsel, DLA Piper
5 LLP (US).

6 The Court has: (1) reviewed and considered the terms and conditions of the proposed
7 Settlement; (2) reviewed and considered the results of the Notice of Settlement mailed to Class
8 Members in accordance with the Court’s Order Granting Preliminary Approval of Class and Private
9 Attorneys General Act Settlement and Notice Procedures entered on _____, 2024 (the
10 “Preliminary Approval Order”); (3) reviewed and considered the application for Class Counsel Fees
11 Award, Class Counsel Costs Award, and Service Awards; (4) held a Final Approval Hearing;
12 (5) taken into account the presentations and other proceedings at the Final Approval Hearing; and
13 (6) considered the Settlement in the context of all prior proceedings had in this Action.

14 Based thereon, the Court enters the following **FINDINGS** and **CONCLUSIONS**:

15 A. Capitalized terms used in this Order that are not otherwise defined herein shall have
16 the meaning assigned to them in the Agreement.

17 B. The Court has subject-matter jurisdiction over the Action and all acts within the
18 Action, and over all the Parties to the Action, including Plaintiffs, Defendant, the State of California,
19 Participating Class Members, and PAGA Affected Employees.

20 C. Pursuant to the Preliminary Approval Order and according to the Declaration of
21 _____, the court-appointed Settlement Administrator, Apex Class Action LLC, mailed by First
22 Class U.S. Mail a Notice of Settlement in the form attached as Exhibit A to the Agreement to all
23 Class Members. The Notice of Settlement fairly and adequately advised Class Members of the terms
24 of the proposed Settlement, of the preliminary approval of the proposed Settlement, of their right to
25 receive their shares of the Settlement, of the scope and effect of the Released Class Claims, of their
26 rights and obligations relating to opting out of or objecting to the Settlement, of the date of the Final
27 Approval Hearing, and of their right to appear at the Final Approval Hearing. Class Members had
28 adequate time to consider this information and to use the procedures identified in the Notice of

1 Settlement. The Court finds and determines that this notice procedure afforded adequate protections
2 to Class Members and provides the basis for the Court to make an informed decision regarding
3 approval of the Settlement based on the responses of Class Members. The Court finds and
4 determines that the Notice of Settlement provided to Class Members was the best notice practicable,
5 which satisfied the requirements of law and due process.

6 D. The Court finds that Plaintiffs' notice of the proposed Settlement submitted to the
7 California Labor and Workforce Development Agency ("LWDA") was sufficient and valid pursuant
8 to California Labor Code section 2699(*l*). The LWDA has not filed any document related to this
9 Action with the Court.

10 E. The Settlement is in all respects fair, reasonable, adequate, and proper, and in the
11 best interests of the Participating Class Members. In reaching this conclusion, the Court considered
12 a number of factors, including: (1) the strength of Plaintiffs' claims; (2) the risk, expense,
13 complexity, and likely duration of further litigation; (3) the amount offered in settlement; (4) the
14 extent of discovery completed and the stage of the proceedings; (5) the experience and views of
15 Class Counsel and Defense Counsel; and (6) the reaction of the Class Members to the proposed
16 Settlement. The Court finds that the Settlement offers significant monetary recovery to all
17 Participating Class Members, and finds that such recovery is fair, reasonable, and adequate when
18 balanced against the risk of further litigation related to damages issues. The Court further finds that
19 counsel for the Parties engaged in sufficient investigation, research, and formal and informal
20 discovery such that Class Counsel and Defense Counsel were able to reasonably evaluate their
21 respective positions at the time of settlement. The Court finds that the Settlement will avoid
22 substantial additional costs by all Parties, as well as avoid the risks and delay inherent to further
23 prosecution of the Action. The Court further finds that the Settlement has been reached as the result
24 of serious and non-collusive arms-length negotiations. The Court further finds that the relief
25 provided for under the Private Attorneys General Act ("PAGA") is genuine, meaningful, and
26 consistent with PAGA's underlying purpose of benefiting the public. Thus, the Court finally
27 approves the Settlement set forth in the Agreement and finds that the Settlement is, in all respects,
28 fair, reasonable, and adequate. Accordingly, the Court directs the Parties to effectuate the Settlement

1 according to its terms.

2 F. In the Preliminary Approval Order, the Court conditionally certified the Released
3 Class Claims on behalf of the Class Members for settlement purposes. In response to the Notice of
4 Settlement, ____ Class Members objected to the Settlement and ____ Class Members requested
5 exclusion from the Settlement. The Court deems the response to the Notice of Settlement to be an
6 endorsement of the fairness, adequacy, and reasonableness of the Settlement.

7 On the basis of the foregoing findings and conclusions, as well as the submissions and
8 proceedings referred to above, **NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED,**
9 **AND DECREED:**

10 1. Plaintiffs' motion for final approval of the Settlement is **GRANTED**. The Settlement
11 is hereby approved as fair, reasonable, adequate, and in the best interests of the Participating Class
12 Members, and the requirements of due process have been satisfied. The Parties are ordered and
13 directed to effectuate the Settlement according to its terms.

14 2. The Court, having found that each of the elements of California Code of Civil
15 Procedure section 382 are satisfied, certifies the following Participating Class Members regarding
16 the Class Claims: all individuals employed by Target at one or more Target distribution centers in
17 the State of California in non-exempt positions at any time during the Class Period, *i.e.*, March 21,
18 2019, through and including _____, 2023, who did not opt out of the Settlement.

19 3. Participating Class Members shall be subject to all of the provisions of the
20 Agreement, and this Final Approval Order and Judgment to be entered by the Clerk of the Court, as
21 set forth herein, including with respect to the Released Class Claims.

22 4. For purposes of this Final Approval Order and this Settlement, the Court hereby
23 confirms the appointment of Apex Class Action LLC as the Settlement Administrator to administer
24 the Settlement as more specifically set forth in the Agreement, and further finally approves
25 Settlement Administration Costs, as fair and reasonable, of \$_____.

26 5. For purposes of this Final Approval Order and this Settlement, the Court hereby
27 confirms the appointment of Plaintiffs as the Class Representatives for the Participating Class
28 Members. The Court finally approves the Service Awards, as fair and reasonable, to Plaintiffs in the

1 amount of \$ _____ each. The Court hereby orders the Settlement Administrator to distribute
2 the Service Awards to Plaintiffs in accordance with this Order and the provisions of the Settlement.

3 6. For purposes of this Final Approval Order and this Settlement, the Court hereby
4 appoints James Hawkins APLC, Blumenthal Nordrehaug Bhowmik De Blouw LLP, and Haines
5 Law Group, APC, to represent the Participating Class Members. The Court finally approves the
6 payment of Class Counsel Fees Award in the amount of \$ _____ to Class Counsel as fair and
7 reasonable. The Class Counsel Fees Award shall be allocated among Class Counsel as follows:
8 \$ _____ to James Hawkins APLC; \$ _____ to Blumenthal Nordrehaug Bhowmik De
9 Blouw LLP; and \$ _____ to Haines Law Group, APC. The Class Counsel Fees Award shall
10 fully satisfy all legal fees for all attorneys representing Plaintiffs in the Action. No other attorneys
11 or law firms shall be entitled to any award of attorneys' fees from Defendant in any way connected
12 with the Action. The Court hereby orders the Settlement Administrator to distribute the Class
13 Counsel Fees Award to Class Counsel, in accordance with the provisions of this Order and the
14 Agreement.

15 7. For purposes of this Final Approval Order and this Settlement, the Court finally
16 approves the payment of Class Counsel Costs Award in the amount of \$ _____ to Class
17 Counsel as fair and reasonable. The Class Counsel Costs Award shall be allocated among Class
18 Counsel as follows: \$ _____ to James Hawkins APLC; \$ _____ to Blumenthal
19 Nordrehaug Bhowmik De Blouw LLP; and \$ _____ to Haines Law Group, APC. The Class
20 Counsel Costs Award shall fully satisfy all litigation costs incurred by the attorneys representing
21 Plaintiffs in the Action. No other attorneys or law firms shall be entitled to any award of costs from
22 Defendant in any way connected with the Action. The Court hereby orders the Settlement
23 Administrator to distribute the Class Counsel Costs Award to Class Counsel, in accordance with the
24 provisions of this Order and the Agreement.

25 8. For purposes of this Final Approval Order and this Settlement, the Court hereby
26 approves the PAGA Distribution Amount in the amount of \$ _____ as fair and reasonable.
27 Pursuant to the terms of the Agreement, seventy-five percent (75%) of the PAGA Distribution
28 Amount (*i.e.*, \$ _____) shall be distributed to the LWDA, and twenty-five percent (25%) of

1 the PAGA Distribution Amount (*i.e.*, \$_____) shall be distributed to the PAGA Affected
2 Employees. Payment of the PAGA Distribution Amount shall resolve all claims for civil penalties
3 under PAGA for the Released PAGA Claims. The Court hereby orders the Settlement Administrator
4 to distribute the PAGA LWDA Payment to the LWDA and to distribute the PAGA Affected
5 Employee Payments to the PAGA Affected Employees in accordance with the provisions of this
6 Order and the Agreement.

7 9. For purposes of this Final Approval Order and this Settlement, the Court hereby
8 approves the Class Member Payments in the aggregate amount of \$_____ as fair, reasonable,
9 and adequate. The Court hereby orders the Settlement Administrator to distribute the Class Member
10 Payments to Participating Class Members in accordance with the provisions of this Order and the
11 Agreement.

12 10. Any checks issued to Participating Class Members or PAGA Affected Employees
13 shall remain valid and negotiable for one hundred and eighty (180) calendar days from the date of
14 their issuance and then shall become void on the 181st day after mailing, *i.e.*, the Void Date. Any
15 re-mailed or re-issued check shall remain valid and negotiable for one hundred and eighty (180)
16 calendar days from the date the original check was mailed. Any unclaimed funds resulting from
17 Class Members' failure to cash Class Member Payment checks and/or PAGA Affected Employee
18 Payment checks by the Void Date shall be transmitted by the Settlement Administrator to the Cy
19 Pres Recipient, Legal Aid at Work, within fourteen (14) calendar days of the Void Date. The Court
20 approves the Cy Pres Recipient as an appropriate recipient of these funds. Any refunded employee-
21 side payroll taxes corresponding to the wage component of any uncashed Class Member Payment
22 checks shall be transmitted by the Settlement Administrator to the Cy Pres Recipient within fourteen
23 (14) calendar days of the Settlement Administrator's receipt of the refunded employee-side payroll
24 taxes. Any refunded employer-side payroll taxes corresponding to the wage component of any
25 uncashed Class Member Payment checks shall be returned to Defendant within fourteen (14)
26 calendar days of the Settlement Administrator's receipt of the refunded employer-side payroll taxes.

1 11. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs
2 shall be deemed to have provided a Complete and General Release to the Released Parties in
3 accordance with Paragraph 3.5.4 of the Settlement Agreement.

4 12. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs
5 – individually and on behalf of the State of California and PAGA Affected Employees – shall be
6 deemed to have fully and irrevocably released the Released Parties from the Released PAGA
7 Claims, as defined in the Agreement, which are any and all claims, rights, demands, and liabilities
8 of every nature and description, whether known or unknown, for civil penalties that were asserted
9 or that could have been asserted based on the facts alleged in the Second Amended Consolidated
10 Class Action and PAGA Complaint that arose during the PAGA Period, including, but not limited
11 to, claims for civil penalties for alleged violations of California Labor Code sections 201-204, 204b,
12 204.1, 204.2, 204.11, 205, 205.5, 210, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 246,
13 510, 512, 516, 558, 1024.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1197.5, 1198,
14 and 2802, violations of California Code of Regulations, Title 8, Section 11000, et seq., and
15 violations of the applicable IWC Wage Order(s), and by incorporation any and all of the alleged
16 conduct included in the defined Class Claims. The Released PAGA Claims do not include other
17 PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination,
18 unemployment insurance, disability and worker’s compensation, and claims outside of the PAGA
19 Period. Plaintiffs, the State of California, and PAGA Affected Employees will release such Released
20 PAGA Claims for the PAGA Period, *i.e.*, the release of PAGA Claims will run from February 23,
21 2021, through and including _____, 2023. Plaintiffs, the State of California, and PAGA
22 Affected Employees may discover facts in addition to or different from those they now know or
23 believe to be true with respect to the subject matter of the Released PAGA Claims, but upon the
24 Effective Date and contingent upon full funding, they shall be deemed to have – and by operation
25 of this Final Approval Order and Judgment, they shall have – fully, finally, and forever settled and
26 released any and all of the Released PAGA Claims. On behalf of the State of California and all
27 PAGA Affected Employees, Plaintiffs agree that, as of the Effective Date and contingent upon full
28

1 funding, Plaintiffs, the State of California, and all PAGA Affected Employees are hereby forever
2 barred and enjoined from prosecuting the Released PAGA Claims against the Released Parties.

3 13. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs
4 and each of the Participating Class Members shall be deemed to have fully and irrevocably released
5 the Released Parties from the Released Class Claims, as defined in the Agreement, which are any
6 and all claims, rights, demands, and liabilities of every nature and description, whether known or
7 unknown, suspected or unsuspected, arising under federal, state, or local law, that were asserted or
8 that could have been asserted based on the facts alleged in the Second Amended Consolidated Class
9 Action and PAGA Complaint, that arose during the Class Period, including but not limited to: unfair
10 competition in violation of California Business & Professions Code section 17200, et seq.; failure to
11 pay for all hours worked including due to rounding of time punches, off-the-clock work, time spent
12 in security screenings (including but not limited to bag and other security checks), time spent in
13 COVID screenings (including but not limited to temperature checks and symptom questionnaires),
14 controlled walking time, and/or controlled meal and rest periods; failure to pay minimum wages in
15 violation of California Labor Code sections 1194, 1197, and 1197.1 including due to rounding of
16 time punches, off-the-clock work, time spent in security screenings (including but not limited to bag
17 and other security checks), time spent in COVID screenings (including but not limited to temperature
18 checks and symptom questionnaires), controlled walking time, and/or controlled meal and rest
19 periods; failure to accurately pay all wages based on the regular rate of pay by failing to include
20 incentive pay based on employee performance in the regular rate calculation; failure to pay overtime
21 wages in violation of California Labor Code section 510 and the applicable IWC Wage Order
22 including due to rounding of time punches, off-the-clock work, time spent in security screenings
23 (including but not limited to bag and other security checks), time spent in COVID screenings
24 (including but not limited to temperature checks and symptom questionnaires), controlled walking
25 time, controlled meal and rest periods, and failure to accurately calculate the regular rate of pay;
26 failure to provide meal periods and to pay meal period premiums at the correct regular rate of pay in
27 violation of California Labor Code section 512 and the applicable IWC Wage Order, including
28 missed, late, short, controlled, and/or interrupted meal periods; failure to provide rest periods and to

1 pay rest period premiums at the correct regular rate of pay in violation of California Labor Code
2 section 226.7 and the applicable IWC Wage Order, including missed, late, short, controlled, and/or
3 interrupted rest periods; failure to pay sick pay wages at the correct regular rate of pay in violation
4 of California Labor Code sections 201-204, 223, and 246; failure to pay reporting time pay wages
5 when due or at the correct regular rate of pay; unlawful deductions from wages in violation of in
6 violation of California Labor Code section 221; failure to provide accurate wage statements in
7 violation of California Labor Code section 226; failure to reimburse business expenses in violation
8 of California Labor Code section 2802; failure to pay wages when due in violation of California
9 Labor Code sections 201-204; attorneys' fees and costs incurred to prosecute the Action on behalf
10 of Class Members; and any other derivative remedies, penalties, and interest available under the law
11 based on the facts alleged in the Second Amended Consolidated Class Action and PAGA Complaint.
12 Except as expressly set forth in the Agreement, Participating Class Members do not release any
13 other claims, including claims for vested benefits, wrongful termination, violation of the Fair
14 Employment and Housing Act, unemployment insurance, disability, social security, workers'
15 compensation, or claims based on facts occurring outside the Class Period. Participating Class
16 Members will release such Released Class Claims for the Class Period, *i.e.*, the release of PAGA
17 Claims will run from March 21, 2019, through and including _____, 2023. Plaintiffs and
18 Participating Class Members may discover facts in addition to or different from those they now
19 know or believe to be true with respect to the subject matter of the Released Class Claims, but upon
20 the Effective Date and contingent upon full funding, they shall be deemed to have – and by operation
21 of this Final Approval Order and Judgment, they shall have – fully, finally, and forever settled and
22 released any and all of the Released Class Claims. On behalf of all Participating Class Members,
23 Plaintiffs agree that, as of the Effective Date and contingent upon full funding, Plaintiffs and all
24 Participating Class Members are hereby forever barred and enjoined from prosecuting the Released
25 Class Claims against the Released Parties.

26 14. The terms of the Agreement, and this Final Approval Order and Judgment, are
27 binding on Plaintiffs, the State of California, Participating Class Members, and the PAGA Affected
28 Employees, and those terms shall have, to the fullest extent permitted by law, *res judicata* and other

1 preclusive effect in all pending and future claims, lawsuits, or other proceedings maintained by or
2 on behalf of Participating Class Members, the State of California, and PAGA Affected Employees,
3 to the extent those claims, lawsuits or other proceedings fall within the scope of Released Class
4 Claims and/or Released PAGA Claims as set forth in the Agreement.

5 15. Neither this Final Approval Order and Judgment, the Agreement, nor any document
6 referred to herein, nor any action taken to carry out the Agreement is, may be construed as, or may
7 be used as an admission by or against Defendant or any of the other Released Parties of any fault,
8 wrongdoing, or liability whatsoever. Nor is this Final Approval Order and Judgment a finding of
9 the validity of any of the Released Class Claims or Released PAGA Claims or of any wrongdoing
10 by Defendant or any of the other Released Parties. The entering into or carrying out of the
11 Agreement, and any negotiations or proceedings related thereto, shall not in any event be construed
12 as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses
13 by Defendant or any of the other Released Parties and shall not be offered in evidence against
14 Defendant or any of the Released Parties in any action or proceeding in any court, administrative
15 agency, or other tribunal for any purpose whatsoever other than to enforce the provisions of this
16 Final Approval Order and Judgment, the Agreement, or any related agreement or release.
17 Notwithstanding these restrictions, any of the Released Parties may file in the above-captioned
18 action or in any other proceeding this Final Approval Order and Judgment, the Agreement, or any
19 other papers and records on file in the Action as evidence of the Settlement and to support a defense
20 of *res judicata*, collateral estoppel, release, waiver, or other theory of claim preclusion, issue
21 preclusion, or similar defense.

22 16. In the event that the Settlement does not become final and effective in accordance
23 with the terms of the Agreement, then this Final Approval Order and Judgment and all orders entered
24 in connection herewith, shall be rendered null and void and be vacated. Moreover, any funds
25 tendered by Defendant shall be returned and/or retained by Defendant consistent with the terms of
26 the Settlement.

27 17. Without in any way affecting the finality of this Final Approval Order and Judgment,
28 this Court hereby retains continuing jurisdiction as to all matters relating to the interpretation,

1 implementation, and enforcement of the terms of the Settlement pursuant to California Code of Civil
2 Procedure section 664.6.

3 18. Within ten (10) days of this Final Approval Order and Judgment, Plaintiffs shall
4 submit a copy of this Final Approval Order and Judgment to the LWDA.

5 19. Within ten (10) days of this Final Approval Order and Judgment, the Settlement
6 Administrator shall provide notice of this Final Approval Order and Judgment to Class Members by
7 posting this Final Approval Order and Judgment on the settlement website.

8 20. After administration of the Settlement has been completed in accordance with the
9 Agreement, including the expiration of the 180-day check cashing deadline, the Settlement
10 Administrator shall provide a report to be filed with this Court certifying compliance with the terms
11 of the Settlement.

12 21. The Settlement Administrator shall provide a declaration regarding the disbursement
13 of Settlement funds to be filed on or before _____. The terms of the Agreement, and this Final
14 Approval Order and Judgment are binding on the Parties.

15 22. A compliance hearing is set for _____ at _____.

16 23. This document shall constitute a final judgment pursuant to California Rule of Court
17 3.769(h), which provides, "If the court approves the settlement agreement after the final approval
18 hearing, the court must make and enter judgment. The judgment must include a provision for the
19 retention of the court's jurisdiction over the parties to enforce the terms of the judgment. The court
20 may not enter an order dismissing the action at the same time as, or after the entry of judgment."

21 **IT IS SO ORDERED.**

22
23 Dated: _____

Judge of the Superior Court
Hon. Wilfred J. Schneider, Jr.

EXHIBIT D

INFORMATION SECURITY AND SERVICES AGREEMENT

This Information Security and Services Agreement ("**Agreement**"), effective as of March 29, 2024 ("**Effective Date**") is entered into by Target Corporation ("**Client**" or "**Target**"), and Apex Class Action LLC, with a principal business address at 18 Technology Dr., Suite 164, Irvine, California 92618 ("**Settlement Administrator**") (together, the "**Parties**").

RECITALS

Client desires to have Settlement Administrator provide certain settlement administration services in accordance with the terms of the Plaintiffs' settlement agreement and the anticipated court order(s) approving the settlement in the litigation titled Target Wage and Hour Cases, pending in the Superior Court of the State of California, County of San Bernardino, Case No. JCCP 5259 (the "**Action**"); and

Settlement Administrator desires to provide such Services to Client in exchange for payment of settlement administration costs not to exceed \$84,990, to be paid out of the Gross Settlement Amount for the settlement of the Action, and subject to the Court's approval in the Action.

NOW, THEREFORE, based upon the mutual promises and terms and conditions set forth below, the Parties agree that Settlement Administrator will render all settlement administration services in the Action pursuant to the following information security provisions:

DEFINITIONS

"**Affiliate**" means any entity that controls, is controlled by, or is under common control with a Party. For purposes of this definition, "control" shall mean at least fifty percent (50%) of the capital, assets, voting stock, profits, interests, or similar participation rights are owned or controlled, directly or indirectly, by an entity under this definition.

"**Claim(s)**" means any and all (1) claims, causes of action, demands, lawsuits, or proceedings, and (2) losses, damages, costs (including reasonable fees of attorneys and other professionals), or liabilities of any kind (including any fine, penalty, judgment or order issued by a governmental, regulatory, or judicial body).

"**Class Members**" means all individuals employed by Target at one or more Target distribution centers in the State of California in non-exempt positions at any time during the Class Period, as defined in the settlement agreement in the Action.

"**Confidential Information**" means information, in any format, that Client designates as confidential or that reasonably should be understood to be confidential, proprietary, or a trade secret given the nature and circumstances of its disclosure. Confidential Information includes, but is not limited to, business plans, litigation or lawsuit related information, business processes, costs, pricing, profits, compensation, financial information, and the Employee List and Personal Information, as those terms are defined herein. Any material derived from the Confidential Information is confidential and remains the property of Client. The Employee List and Personal Information are Confidential Information, regardless of whether either is designated as confidential or reasonably understood to be confidential.

"**Client**" means Target Corporation and/or its Affiliates as applicable.

"**Employee List**" is a subset of Confidential Information (defined below) and means information regarding Class Members that Client will compile in good faith from its records and provide to the Settlement Administrator. The Employee List shall be provided in a confidential Microsoft Excel spreadsheet and shall include for each Class Member and PAGA Affected Employee: full name, last known address, last known telephone number, social security number, whether the employee is a Class Member, whether the employee is a PAGA Affected Employee, the number of weeks worked for Target in a non-exempt position at one or more Target distribution centers in California during the Class Period, and the number of pay

INFORMATION SECURITY AND SERVICES AGREEMENT

periods worked for Target in a non-exempt position at one or more Target distribution centers in California during the PAGA Period.

“PAGA Affected Employees” means all individuals employed by Target at one or more Target distribution centers in the State of California in non-exempt positions at any time during the PAGA Period, as defined in the settlement agreement in the Action.

“Personal Information” is a subset of Confidential Information and means all data that identifies or can be used to identify, relates to, describes, or is capable of being directly or indirectly linked or associated with a particular natural person, household, or device used by a natural person, such as name, address, telephone number, email address, credit card, debit card, or financial account number, medical records, driver’s license, social security number, marital status, ethnicity, age, photograph, customer identification number, dates of employment, device identifier, IP address, location information, or information gathered from online data collection technologies (e.g., cookies, tags, or beacons).

“Personnel” means Settlement Administrator’s employees, agents, attorneys, or approved independent contractors, who are required to perform Services under this Agreement.

“Plaintiffs” means Gustavo Medina, Janira Perez, Sergio Garcia, Alicia Torres, Zachary Lomely, Angel Carter, Denise Cardenas, Brian Mena, Jimmy Perez, Emily Porcho, Sheemal Narayan, Juan Morales, Joaldi Gonzalez, and Martha Franco.

“Services” means any task to be performed by Settlement Administrator in connection with administering the settlement of the Action pursuant to the Plaintiffs’ and Client’s settlement agreement and applicable court orders.

AGREEMENT

1. **CONFIDENTIALITY AND NONDISCLOSURE.**

1.1. *Confidentiality.*

The Parties agree any disclosure of Confidential Information under this Agreement will be governed by the following terms:

- a) Settlement Administrator shall:
 - (i) not disclose Confidential Information to any third party without Client’s prior written consent, except as expressly set forth in Section 1.1(c);
 - (ii) take security precautions meeting or exceeding industry standards of care for the protection of Confidential Information and in accordance with all applicable privacy and security laws and regulations; and
 - (iii) not use Confidential Information in any manner to Client’s detriment; and only use Confidential Information to the extent necessary to provide the Services to Client, i.e., information aggregated or derived from Confidential Information shall not be used for the benefit of any third party.
- b) Settlement Administrator acknowledges that it may receive material, non-public information required to be kept confidential under the Securities Exchange Act of 1934. Settlement Administrator acknowledges that failure to keep such information confidential or otherwise using such information for personal gain may result in insider trading liability on the part of Settlement Administrator and any employees involved in the unlawful disclosure or use of such information.

INFORMATION SECURITY AND SERVICES AGREEMENT

- c) Settlement Administrator may disclose Confidential Information only:
- (i) To Personnel on a need to know basis and only in relation to performing the Settlement Administrator's duties under this or a future agreement between the Parties to this Agreement. Such Personnel are subject to the confidentiality duties and obligations contained in this Agreement.
 - (ii) If Settlement Administrator is required to disclose Confidential Information by law or court order, Settlement Administrator must give Client prior written notice (to the extent legally permitted) and reasonable assistance to allow Client the opportunity to seek a protective order. In the event that a protective order or other remedy is not obtained, or that Client waives compliance with these provisions, the Settlement Administrator agrees to furnish only that portion of the Confidential Information which the Settlement Administrator is legally required to furnish and will exercise its best efforts to obtain assurances that any Confidential Information disclosed will be treated as confidential.
 - (iii) No other individuals or third parties should be provided with access to Confidential Information without Client's prior written and signed consent that expressly references this Agreement. Settlement Administrator is responsible for its Personnel, including any acts and omissions that violate requirements in this Agreement. Settlement Administrator shall only use Confidential Information to the extent necessary to provide the Services to Client; Confidential Information (including information aggregated or derived from Confidential Information) shall not be used for the benefit of any third party.
- d) Settlement Administrator represents and warrants that its processing, storage, and transmission of Confidential Information does and will comply with all applicable federal and state privacy and data protection laws, all other applicable regulations and directives, and the terms of this Agreement. Settlement Administrator certifies that it understands its obligations under the California Consumer Privacy Act as a service provider to Client, and agrees that it will not: sell Confidential Information; retain, disclose, or use Confidential Information for any purpose other than providing the Services to Client as set forth in this Agreement and in accordance with the anticipated court order approving the settlement in the Action; or retain or use Confidential Information outside of this direct business relationship between Settlement Administrator and Client. At Client's request, Settlement Administrator will delete from its records any Confidential Information that was provided or collected by Client or on its behalf.

1.2 *No License; Warranty.*

- a) All Confidential Information is and shall remain the property of Client. Nothing in this Agreement is intended to grant any express or implied right to Settlement Administrator under any patents, copyrights, trademarks, or trade secret information except as otherwise provided in this Agreement.
- b) All Confidential Information shared between the Parties is provided "AS-IS" without warranty of any kind, and nothing in this Agreement shall be interpreted as a representation or warranty as to the accuracy, completeness, or validity of any such information.

1.3 *Publicity.*

Settlement Administrator shall not publicize its business relationship with Client without the prior written authorization of an officer of Client. Settlement Administrator agrees not to use any trade name, trademark, service mark or logo, or any other information that identifies Client in its sales, marketing, or publicity activities and/or materials. Media releases or publications of any kind, and interviews with representatives of any written publication, radio, or television station or network, or Internet site or outlet are included within the foregoing prohibition.

INFORMATION SECURITY AND SERVICES AGREEMENT

1.4 *Consumer Rights Requests.*

If a current and/or former Client employee contacts the Settlement Administrator with a request to provide a copy of or delete his or her Confidential Information ("**Consumer Rights Request**"), Settlement Administrator shall take the following steps:

- a) Settlement Administrator shall notify Client in writing within five (5) calendar days of the Consumer Rights Request by providing Client with a copy of the Consumer Rights Request by sending it by email to adam.klarfeld@target.com and leeann.schellenberg@target.com, with copies to julie.dunne@us.dlapiper.com and matthew.riley@us.dlapiper.com. Settlement Administrator shall also promptly provide Client with any subsequent communications relating to the Consumer Rights Request.
- b) The Settlement Administrator shall respond to the Consumer Rights Request in writing or electronically to state that the request will not be acted upon because Settlement Administrator is a service provider and that the Consumer Rights Request must be submitted directly to Client. Settlement Administrator shall not otherwise communicate with any current and/or former Client employee regarding his or her Consumer Rights Request unless directed by Client.
- c) If Client has an obligation under the Consumer Rights Request, promptly upon Client's request, Settlement Administrator shall cooperate with Client and provide a copy of or delete the current and/or former Client employees' Confidential Information as requested.

2. **INFORMATION SECURITY.**

2.1. *Safeguards.*

Settlement Administrator represents and warrants that it has, and will maintain for the term of this Agreement and for as long as it accesses, processes, stores, or transmits Confidential Information, a comprehensive information security program (the "**Security Program**") that complies with applicable law and industry best practices. The Security Program shall apply to all locations, systems, devices and equipment used by Settlement Administrator (or any vendors, subcontractors, or third parties retained by Settlement Administrator) to access, process, store, or transmit Confidential Information ("**Settlement Administrator Systems**"), and it shall include physical, administrative, and technical security controls that prevent unauthorized access to, disclosure of, loss of, or use of the Settlement Administrator Systems and the Confidential Information that those Settlement Administrator Systems process, store, or transmit ("**Safeguards**"). Settlement Administrator shall regularly test and monitor the effectiveness of its Safeguards. At a minimum, and without limiting Settlement Administrator's obligations in this Section 2.1, the Safeguards shall: (i) encrypt all Confidential Information in transmission and at rest; (ii) prevent the storage or transmission of Confidential Information on portable or mobile devices or media; (iii) use role-based access controls to restrict access to Confidential Information to Personnel, and promptly revoke access for any Personnel whose job duties change such that they no longer need access to Confidential Information; (iv) secure all Settlement Administrator Systems according to an industry standard; (v) physically or logically segregate Confidential Information from information of Settlement Administrator or its other customers so that Confidential Information is not commingled with other types of information; (vi) deploy and maintain malware protection to detect, remove, and protect against malicious software or activity on all Settlement Administrator Systems; (vii) configure Settlement Administrator Systems to maintain sufficient audit logging to enable forensic analysis, including logging of successful and failed security events, connectivity to services and sessions, and modification to user and configuration settings; (viii) establish and maintain a patch and vulnerability management process for Settlement Administrator Systems that timely deploys security patches and addresses vulnerabilities; (ix) address all of the Center for Internet Security Critical Security Controls as updated from time to time or an equivalent

INFORMATION SECURITY AND SERVICES AGREEMENT

industry standard security control framework; (x) prevent Confidential Information from being used in any development, test, quality assurance, or other non-production environment; (xi) keep Confidential Information within the territory and subject to the laws of the United States of America (unless Client provides prior written and signed consent that expressly references this Agreement); (xii) include appropriate Personnel security precautions, such as background checks; and (xiii) keep any and all Client provided equipment in a secure location with appropriate physical security controls to restrict access to Personnel. Settlement Administrator shall also train all Personnel with access to Confidential Information on appropriate privacy and information security practices and procedures.

2.2. *Assessments.*

Settlement Administrator shall obtain an annual audit or assessment of the Safeguards which shall be conducted by an independent third party. Client shall be promptly notified of any material vulnerabilities that the audit or assessment identifies, and the results of this audit or assessment shall be shared with Client upon request. Settlement Administrator shall promptly correct all vulnerabilities that the audit or assessment identifies with respect to the Safeguards. Client shall also have the right, at its expense, to conduct (or have a third party conduct) an audit, assessment, examination, or review of Settlement Administrator's Safeguards and compliance with this Section 2 upon written request. Settlement Administrator shall fully cooperate with such request by providing access to knowledgeable personnel, Settlement Administrator Systems, documentation, and other reasonably requested information. Upon request from Client, Settlement Administrator shall promptly and accurately complete any privacy or information security questionnaires or interviews requested by Client regarding Settlement Administrator's practices with respect to Confidential Information and Settlement Administrator Systems.

2.3. *Security Breaches.*

In the event that any Settlement Administrator Systems or Confidential Information that the Settlement Administrator Systems or the Settlement Administrator processes, stores, or transmits are subject to any suspected or actual unauthorized access, use, or disclosure (a "**Security Breach**"), Settlement Administrator shall immediately notify Client by email to adam.klarfeld@target.com and leeann.schellenberg@target.com, with copies to julie.dunne@us.dlapiper.com and matthew.riley@us.dlapiper.com. In no event shall Settlement Administrator take more than twenty-four (24) hours to notify Client of a Security Breach. Settlement Administrator will, at its own expense, promptly investigate the cause and scope of the Security Breach, and preserve relevant evidence in a forensically sound manner (e.g., logs, files, records). Settlement Administrator will cooperate at its own expense in every reasonable way to help Client mitigate potential misuse or further unauthorized use or disclosure of Confidential Information involved in the Security Breach; such cooperation will include, without limitation, providing Client with access to Settlement Administrator Systems affected, facilitating interviews with Settlement Administrator Personnel with relevant knowledge, and making available all relevant evidence (e.g., logs, files, records). Settlement Administrator shall provide Client with a point of contact who shall be able to assist Client in responding to and mitigating the effects of the Security Breach twenty-four (24) hours a day, seven (7) days a week. If requested by Client, Settlement Administrator shall be responsible for providing notification to individuals whose Confidential Information was involved in the Security Breach, as well as to regulators, government authorities, consumer reporting agencies, and media; Settlement Administrator shall not provide any such notifications unless the contents of the communications are reviewed and approved by Client. Settlement Administrator shall be solely responsible for all costs and expenses associated with investigating, notifying, mitigating the effects of (including, without limitation, by providing credit monitoring to), and remediating any Security Breach.

2.4. *Return and Destruction.*

Upon termination of this Agreement or upon the 5th year from the Effective Date of this Agreement, Settlement

INFORMATION SECURITY AND SERVICES AGREEMENT

Administrator shall, at Client's election, return or securely destroy all Confidential Information that has been provided to or obtained by Settlement Administrator in a manner that prevents any Confidential Information from being recovered. Before disposing of or relinquishing control of such hard drives or other equipment Settlement Administrator shall also erase all hard drives and other equipment used to process, store, or transmit Confidential Information in a manner that prevents recovery or restoration of such Confidential Information. Upon request of Client, Settlement Administrator shall certify in writing that it has met its obligations under this Section 2.4.

3. PERSONNEL.

3.1. Background Investigation.

Before assigning any Personnel to provide Services, Settlement Administrator will conduct, at its sole expense, a comprehensive consumer report to determine suitability for the assignment. Background investigation must be completed prior to the assignment date and include, but not be limited to: (i) a lawful consumer report; and (ii) local, county, and federal criminal records for the maximum number of years allowed by applicable local, state, and federal laws. The consumer report must be conducted by a third party consumer reporting agency that specializes in conducting individual background investigations for a fee. Unless prohibited by applicable law, if Settlement Administrator or its Personnel are provided with or have access to Confidential Information, Settlement Administrator shall ensure that individuals with convictions or civil judgments for violations including but not limited to computer crimes, hacking, blackmail, extortion, fraud, theft, or identity theft do not provide Services under this Agreement, and Settlement Administrator shall not permit any such individuals to access Confidential Information.

3.2. Third Party Contractors.

Settlement Administrator will not subcontract any of its material obligations under this Agreement without Client's prior written consent. When seeking consent, Settlement Administrator will specify the components of the Services affected, the identity and qualifications of the proposed subcontractor(s), and provide all other information reasonably requested by Client. If Settlement Administrator receives Client's consent to utilize subcontractors for any Services, Settlement Administrator will:

- a) be fully liable to Client for any Services provided by any subcontractor;
- b) remain obligated under this Agreement for providing Services;
- c) require all subcontractors to agree in writing to terms consistent with the terms of this Agreement applicable to the Services provided by such subcontractor(s); and
- d) require all subcontractors to agree in writing that Client is an intended third-party beneficiary of its agreement with Settlement Administrator.

4. ADDITIONAL TERMS.

4.1. Term.

This Agreement shall become effective upon the Effective Date and shall remain in full force and effect until terminated by Client in writing.

INFORMATION SECURITY AND SERVICES AGREEMENT

4.2. *Remedies.*

Settlement Administrator acknowledges and agrees that any violation of this Agreement will cause irreparable harm to Client and therefore acknowledges and agrees that Client may seek injunctive relief from a court of competent jurisdiction in addition to any other remedy available at law or equity.

4.3. *Attorney Fees.*

If Client brings an action against Settlement Administrator by reason of a breach or alleged violation, enforcement of any provision, or otherwise arising out of this Agreement, and is determined to be the prevailing party, Settlement Administrator is responsible for the payment of Client's costs of suit and reasonable attorneys' fees which shall be payable whether or not such action is prosecuted to judgment.

4.4 *Order of Precedence.*

In the event of a conflict between the terms of this Agreement and any other agreement between the Parties, the terms of this Agreement shall prevail.

4.5. *Waiver.*

No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

4.6. *Choice of Law.*

This Agreement shall be governed by, and interpreted, construed, and determined in accordance with the laws of the State of Washington without regard to its conflict of laws principles. The state and federal courts located in King County, Washington shall have exclusive jurisdiction to adjudicate any dispute.

4.7. *Entire Agreement.*

This Agreement contains the entire understanding of the Parties with respect to the matters covered, and no other previous agreement, statement, or promise made by either Party that is not contained in the terms of this Agreement shall be binding or valid, unless specifically incorporated by reference or attachment hereto. This Agreement may be amended only in writing and signed by both Parties to the Agreement.

4.8. *Modification.*

If Client determines that this Agreement, as applicable, must be modified as a result of a Security Breach, the Parties shall negotiate in good faith to make such modifications. If the Parties cannot agree on the terms of the modifications, Client shall be entitled to terminate the contract without penalty or cost other than payment to Settlement Administrator for services actually performed and costs actually incurred.

INFORMATION SECURITY AND SERVICES AGREEMENT

4.9. *Severability.*

The Parties agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses. If one or more provisions contained in this Agreement shall for any reason be held to be unenforceable at law, such provision(s) shall be construed so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

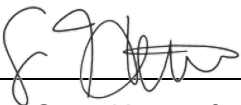
4.10. *Indemnification.*

Settlement Administrator will defend, indemnify, and hold harmless the Plaintiffs in the Action, Plaintiffs' attorneys, and Client and its officers, directors, employees, attorneys, agents, successors, and permitted assigns from and against any and all Claims arising out of or related to breach of any obligations under this Agreement by Settlement Administrator or Personnel, or any negligent act or omission or willful misconduct of Settlement Administrator or Personnel.

Settlement Administrator, at its own expense, will defend any Claim and has the right to control the defense of such Claim, provided that Client, at its own expense, may engage separate counsel to participate in the defense of any Claim and Settlement Administrator agrees to cooperate fully with such counsel. Settlement Administrator and its counsel agree to keep Client and its counsel informed regarding the status of any Claim and cooperate fully with requests for information. Notwithstanding any other provisions of this Agreement, Settlement Administrator will not enter into any Claim settlements which (a) adversely affect the rights of Client; or (b) impose liabilities or obligations on Client which will not be satisfied by Settlement Administrator's payment or performance upon entry of such settlement.

IN WITNESS WHEREOF, the Parties hereto acknowledge and agree to be bound by the terms and conditions herein as of the Effective Date.

APEX CLASS ACTION LLC

By:  _____
Print Name: Sean Hartranft
Title: CEO
Date: 03/29/2024

TARGET CORPORATION

By: _____
Print Name: _____
Title: _____
Date: _____

INFORMATION SECURITY AND SERVICES AGREEMENT

4.9. *Severability.*

The Parties agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses. If one or more provisions contained in this Agreement shall for any reason be held to be unenforceable at law, such provision(s) shall be construed so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

4.10. *Indemnification.*

Settlement Administrator will defend, indemnify, and hold harmless the Plaintiffs in the Action, Plaintiffs' attorneys, and Client and its officers, directors, employees, attorneys, agents, successors, and permitted assigns from and against any and all Claims arising out of or related to breach of any obligations under this Agreement by Settlement Administrator or Personnel, or any negligent act or omission or willful misconduct of Settlement Administrator or Personnel.

Settlement Administrator, at its own expense, will defend any Claim and has the right to control the defense of such Claim, provided that Client, at its own expense, may engage separate counsel to participate in the defense of any Claim and Settlement Administrator agrees to cooperate fully with such counsel. Settlement Administrator and its counsel agree to keep Client and its counsel informed regarding the status of any Claim and cooperate fully with requests for information. Notwithstanding any other provisions of this Agreement, Settlement Administrator will not enter into any Claim settlements which (a) adversely affect the rights of Client; or (b) impose liabilities or obligations on Client which will not be satisfied by Settlement Administrator's payment or performance upon entry of such settlement.

IN WITNESS WHEREOF, the Parties hereto acknowledge and agree to be bound by the terms and conditions herein as of the Effective Date.

APEX CLASS ACTION LLC

By: _____

Print Name: _____

Title: _____

Date: _____

TARGET CORPORATION

By:  _____

Print Name: **Adam Klarfeld**

Title: **ER Counsel**

Date: **3/29/24**

EXHIBIT 2



State of California

Labor and Workforce Development Agency /
Department of Industrial Relations

Private Attorneys General Act (PAGA) – Filing

Other Document

PAGA Number (LWDA-CM-): *

Please enter only the numbers after "LWDA-CM-" in the following format, "XXXXXXXX-XX".

[Search for PAGA Case number](#)

Your Information (Person Who is Filing)

Your First Name *

Your Last Name *

Your Email Address *

Your Street Name, Number and Suite/Apt *

Your Mobile Phone Number

Your City *

Your Work Phone Number

Your State *



Your Zip/Postal Code *

Documents

Other Document * Medina v. Tar...Executed).pdf**Other Attachment (if any)** No file chosen[Add Another Attachment](#)

Should you have questions regarding this online form, please contact PAGInfo@dir.ca.gov

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

☒ I understand that, if I file, I must comply with the redaction rules consistent with this notice.

Thank you. If you provided an email address with your submission, a confirmation regarding your submission will be emailed to you. Otherwise, you can search for the case to verify that your submission was properly received.

[Click Here](#) to Search Case

Irma Ceja

From: Christina Lucio
Sent: Tuesday, June 4, 2024 3:23 PM
To: SD Staff; Staff
Subject: FW: Thank you for your Other Response or Document Submission

Christina Lucio



9880 Research Drive Irvine, CA 92618
Office: (949) 387-7200/ Fax: (949) 387-6676
Website: www.jameshawkinsaplc.com
Email: christina@jameshawkinsaplc.com

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From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Date: Tuesday, June 4, 2024 at 3:14 PM
To: Christina Lucio <christina@jameshawkinsaplc.com>
Subject: Thank you for your Other Response or Document Submission

06/04/2024 03:14:22 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Other Response or Document Submission

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm