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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES—SPRING STREET COURTHOUSE

BRYANT HARRIS; individually, and on
behalf of others members of the general
public similarly situated and on behalf of
others aggrieved employees pursuant to
the California Private Attorneys General
Act,

Plaintiff,

vs.

TVI, INC. D/B/A SAVERS, VALUE
VILLAGE & VILLAGE DES
VALEURS, an unknown business entity;
SAVERS, INC., an unknown business
entity; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: BC612403

Honorable Carolyn B. Kuhl
Dept. SSC-12

CLASS ACTION

**DECLARATION OF EDWIN AIWAZIAN IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

[Notice of Motion and Motion for Preliminary
Approval of Class Action Settlement; Declaration
of Proposed Class Representative (Bryant Harris);
and [Proposed] Order filed concurrently herewith]

Date: TBD
Time: TBD
Dept: SSC-12

Complaint Filed: March 1, 2016
FAC Filed: May 31, 2016
SAC Filed: December 27, 2018
Trial Date: None Set

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Bryant Harris. The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, I have previously served as a *pro bono* mediator for the Los Angeles County Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

5. At *Girardi & Keese*, my practice focused on class actions and other complex cases involving toxic torts and products liability. In addition, I gained substantial experience on cases involving insurance bad faith, premises liability, and medical negligence. While employed by

1 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
2 depositions, and prepared dozens of expert witnesses for deposition or trial.

3 6. Since its inception, in or around October of 2008, *Lawyers for Justice, PC* has
4 almost exclusively focused on the prosecution of consumer and employment class actions,
5 involving wage-and-hour claims, race discrimination, unfair business practices or consumer
6 fraud. Currently, we are the attorneys of record in over a dozen employment-related putative
7 class actions in both state and federal courts in the State of California. Our firm has successfully
8 litigated cases involving the executive, administrative, and other overtime exemptions to the
9 State of California and federal overtime compensation requirements. During this relatively short
10 time, in association with other law firms, we have recovered millions of dollars on behalf of
11 thousands of individuals in California.

12 **EXAMPLES OF CLASS ACTION RESULTS**

13 7. What follows are just a few examples of the type of results we have achieved on
14 behalf of our clients:

15 a) Our firm, in association with other co-counsel, represented the plaintiffs
16 in a wage-and-hour class and representative action against a major property management
17 company involving allegations of misclassification of various “manager” positions. On
18 September 20, 2010, the court granted final approval of the class and representative action
19 settlement. The Los Angeles County Superior Court Case Number is BC400414.

20 b) Our firm, in association with other co-counsel, represented the plaintiffs
21 in a wage-and-hour class action against a national retailer involving allegations of
22 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court
23 granted final approval of the class action settlement. The Los Angeles County Superior Court
24 Case Number is BC413498.

25 c) Our firm, in association with other co-counsel, represented the plaintiffs
26 in a wage-and-hour class and representative action against a national property management
27 company involving allegations of misclassification of the “Property Manager” position. On
28 May 23, 2012, the court granted final approval of the class and representative action settlement.

1 The Los Angeles County Superior Court Case Number is BC430918.

2 d) Our firm, in association with other co-counsel, represented the plaintiffs
3 in a wage-and-hour class action against a national retailer involving allegations of
4 misclassification of the "Store Manager" position. On June 10, 2011, the court granted
5 plaintiffs' motion for class certification. On August 26, 2013, the court granted final approval
6 of the class action settlement. The Los Angeles County Superior Court Case Number is
7 BC424012.

8 e) Our firm, in association with other co-counsel, represented the plaintiffs
9 in a wage-and-hour class and representative action against a bank, involving allegations of
10 misclassification of the "Assistant Branch Manager" position. On August 27, 2013, the court
11 granted final approval of the class and representative action settlement. The Kern County
12 Superior Court Case Number is S-1500-CV-273194-LHB.

13 f) Our firm, in association with other co-counsel, represented the plaintiffs
14 in a wage-and-hour class and representative action against a national wholesale distributor of
15 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
16 "manager" positions. On May 22, 2014, the court granted final approval of the class and
17 representative action settlement. The Sacramento County Superior Court Case Number is 34-
18 2012-00136285.

19 g) Our firm, in association with other co-counsel, represented the plaintiffs
20 in a wage-and-hour class action involving allegations of misclassification of the "Operations
21 Manager" position. On September 16, 2014, the court granted plaintiffs' motion for class
22 certification. The Los Angeles County Superior Court Case Number is BC478769.

23 h) Our firm, in association with other co-counsel, represented the plaintiffs
24 in a wage-and-hour class and representative action against a national retailer of household items,
25 on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final
26 approval of the class and representative action settlement. The San Francisco County Superior
27 Court Case Number is CGC-13-532344.

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1 i) Our firm, in association with other co-counsel, represented the plaintiffs
2 in a wage-and-hour class action involving allegations of misclassification of the salaried
3 residential "Property Manager" position. On September 17, 2015, the court granted plaintiffs'
4 motion for class certification. The Los Angeles County Superior Court Case Number is
5 BC474784.

6 j) Our firm, in association with other co-counsel, represented the plaintiffs
7 in a wage-and-hour class and representative action against a national retailer of upscale hardware
8 and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted
9 final approval of the class and representative action settlement. The Los Angeles County
10 Superior Court Case Number is JCCP4794.

11 k) Our firm, in association with other co-counsel, represented the plaintiffs
12 in a wage-and-hour class and representative action against a national retailer of apparel and
13 fashion accessories, on behalf of non-exempt employees. On August 5, 2016, the court granted
14 final approval of the class and representative action settlement. The Los Angeles County
15 Superior Court Case Number is BC488069.

16 l) Our firm, in association with other co-counsel, represented the plaintiffs
17 in a wage-and-hour class action against a national retailer of apparel, accessories, and home
18 products, involving allegations of misclassification of the "Department Manager" position. On
19 August 12, 2016, the court granted plaintiffs' motion for class certification. The Alameda
20 County Superior Court Case Number is RG13680477.

21 m) Our firm represented the plaintiffs in a representative action under the
22 Private Attorneys General Act, against a real estate and property management company, on
23 behalf of non-exempt employees. On November 4, 2016, the Court granted approval of the
24 settlement. The Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-
25 CXC.

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1 n) Our firm, in association with other co-counsel, represented the plaintiffs
2 in a wage-and-hour class action against a full-service bank, on behalf of non-exempt employees.
3 On November 18, 2016, the court granted final approval of the class action settlement. The San
4 Francisco County Superior Court Case Number is CJC-13-004839.

5 o) Our firm, in association with other co-counsel, represented the plaintiffs
6 in a wage-and-hour class and representative action against a consumer packaging company, on
7 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the
8 class and representative action settlement. The Los Angeles County Superior Court Case
9 Number is BC590429.

10 p) Our firm, in association with co-counsel, represented the plaintiffs in a
11 wage-and-hour class and representative action against a manufacturer of food service industry
12 supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final approval
13 of the class and representative action settlement. The Orange County Superior Court Case
14 Number is 30-2015-00810013-CU-OE-CXC.

15 q) Our firm represented the plaintiffs in a wage-and-hour class and
16 representative action against a food company on behalf of non-exempt employees. On June 30,
17 2017, the court granted final approval of the class and representative action settlement. The
18 Sacramento County Superior Court Case Number is 34-2015-00175871.

19 r) Our firm represented the plaintiffs in a wage-and-hour class and
20 representative action against a chocolate company on behalf of non-exempt employees. On July
21 19, 2017, the court granted final approval of the class and representative action settlement. The
22 Alameda County Superior Court Case Number is RG15764300.

23 s) Our firm represented the plaintiffs in a wage-and-hour class and
24 representative action against a manufacturer of plastic containers on behalf of non-exempt
25 employees. On October 31, 2017, the court granted final approval of the class and representative
26 action settlement. The Los Angeles County Superior Court Case Number is BC577233.

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PRELIMINARY APPROVAL

8. Marked and attached hereto as “EXHIBIT 1” is the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiff Bryant Harris (“Plaintiff”), individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants TVI, Inc. d/b/a Savers, Value Village & Village Des Valeurs and Savers, LLC (erroneously sued as Savers, Inc.¹) (“Defendants”), on the other hand (collectively, the “Parties”). The Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

9. Based on information provided by Defendants, the Class is estimated to consist of approximately thirty-five (35) individuals.

10. The effectiveness of Lawyers for Justice PC and Righetti Glugoski PC (collectively, “Class Counsel”) in prosecuting this case has translated into tangible monetary benefits for the Class Members in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel’s litigation fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

11. Class Counsel has actively litigated the action since it commenced on March 1, 2016. The Parties have engaged in extensive settlement negotiations and participated in a full-day mediation with Paul Grossman, a well-respected mediator experienced in mediating complex labor and employment matters. After the Parties exchanged class information, extensive formal and informal discovery, and took multiple depositions, the Parties engaged in an extensive discussion regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of

¹ Savers, Inc. is now a defunct company.

1 proceeding with class certification and representative adjudication, the law relating to
2 misclassification theory, meal and rest periods, wage-and-hour enforcement, and PAGA
3 representative claims, as well as the evidence produced and analyzed, and the possibility of
4 appeals, among other things. During all settlement discussions, the Parties conducted their
5 negotiations at arm's length in an adversarial position. Arriving at a settlement that was
6 acceptable to both Parties was not easy. Defendants and their counsel felt strongly about their
7 ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that
8 they would be able to obtain class certification and prevail at trial. After conducting
9 investigations and formal and informal discovery and exchange of information, extensive
10 settlement negotiations, the Parties have agreed that this case well-suited for settlement given
11 the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides
12 that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution
13 of the Released Claims of Plaintiff and Class Members who do not timely submit a Request for
14 Exclusion from the Settlement ("Participating Class Members") that they may have or had with
15 respect to the Released Parties.

16 12. Prior to reaching the Settlement, the Parties investigated the veracity, strength and
17 scope of the claims, and Class Counsel was preparing the case for class certification. Plaintiff
18 conducted significant investigation and extensive formal and informal discovery regarding the
19 facts of the case, including and not limited to, the exchange, review, and analysis of a volume
20 of documents and data produced by Defendants. The volume of data and documents that Class
21 Counsel reviewed and analyzed included and was not limited to: Plaintiff and other Class
22 Members' employment records, a detailed sampling of Class Members' time and pay data
23 (including but not limited to, timesheets, payroll records, and earning statements), job titles and
24 descriptions, corporate policies (including, but not limited to, several iterations of Defendant's
25 Human Resources Policies), agreements, internal memoranda, and Defendants' operations and
26 employment practices (such as Defendants' Weekly Manager and Production Schedules,
27 Production Targets, and Production Quota Reports), procedures (such as Defendants' Time
28 Keeping and Payroll Procedures), and policies (such as Defendants' Hours of Work, Overtime

1 and Payday policy, Employee Benefits and Awards policy, and Sick Time and Holiday policy),
2 among other information and documents. Class Counsel interviewed Plaintiff and other Class
3 Members to gather facts and to identify potential witnesses. Plaintiff propounded onto
4 Defendants, and reviewed and provided responses to, numerous sets of formal written discovery
5 requests. Class Counsel also took the depositions of Defendant TVI, Inc.'s Person Most
6 Knowledgeable designees and prepared for and defended the deposition of Plaintiff. The Parties
7 also engaged in motion practice in federal court and state court, including Defendants' motion
8 to dismiss the complaint and strike allegations and Plaintiff's motion for class certification, and
9 a *Belaire-West* process. Counsel for the Parties also met and conferred on numerous occasions,
10 e.g., to discuss issues relating to the pleadings, jurisdiction, discovery, motion practice,
11 *Belaire-West* process, and the production of documents and data.

12 13. Counsel for the Parties have also invested time researching and investigating the
13 applicable law, which is constantly evolving as it relates to representative PAGA claims, class
14 certification, misclassification theory, meal and rest periods, wage-and-hour enforcement,
15 Plaintiff's claims and damages, and Defendants' defenses thereto, as well as facts discovered.
16 Based on our analysis, I submit that the result achieved in this litigation is fair, adequate, and
17 reasonable.

18 14. The Settlement provides for a Maximum Settlement Amount of three hundred
19 fifty thousand dollars (\$350,000). The Net Settlement Amount is the Maximum Settlement
20 Amount less the following amounts subject to approval by the Court: Attorneys' Fees and Costs
21 to Class Counsel, Enhancement Payment to Plaintiff, Settlement Administration Costs to the
22 Settlement Administrator, and the California Labor and Workforce Development Agency's
23 ("LWDA") portion of penalties allocated under the California Private Attorneys General Act
24 ("LWDA Payment"). Assuming that the amounts allocated under the Settlement toward these
25 payments are awarded by the Court, the Net Settlement Amount is currently estimated to be one
26 hundred sixty-two thousand five hundred dollars (\$162,500). Under the Settlement Agreement,
27 the final available Net Settlement Amount will be fully distributed to Participating Class
28 Members and no portion will revert to Defendants.

1 15. The Parties have agreed to retain RG/2 Claims Administration LLC ("RG/2" or
2 "Settlement Administrator") to handle the notice and settlement administration. The Parties
3 respectfully request that the Court appoint RG/2 to handle these procedures and serve as the
4 Settlement Administrator. Defendants will provide RG/2 with the Class Data and List and RG/2
5 will calculate each Class Member's estimated Individual Settlement Share. RG/2 will also mail
6 the Class Notice to Class Members, receive and process Requests for Exclusion, Notices of
7 Objection, and disputes regarding Workweeks; provide necessary reports and declarations;
8 calculate, subtract, and transmit necessary taxes and withholdings; prepare and submit
9 informational and other tax filings and documents; issue and transmit all payments provided by
10 the Settlement, including and not limited to, mailing payment checks to the Participating Class
11 Members; and perform any other usual and customary duties for administering a class and
12 representative action settlement. Settlement Administration Costs are currently estimated not
13 to exceed seven thousand five hundred dollars (\$7,500) and will be paid out of the Maximum
14 Settlement Amount, subject to approval of the Court.

15 16. Based on investigation and information discovered, Class Counsel believe that
16 there is sufficient evidence to support the allegations made in the lawsuit, including the
17 allegations that Defendants, with respect to Plaintiff and the Class Members, *inter alia*,
18 misclassified them as exempt employees and failed to pay overtime and minimum wages, failed
19 to provide compliant meal and rest periods and to pay associated premium pay, failed to timely
20 pay wages upon termination and during employment and associated waiting time penalties,
21 failed to provide compliant wage statements, failed to maintain requisite payroll records, and
22 failed to reimburse necessary business expenses, and thereby engaged in unfair business
23 practices under the California Business and Professions Code and violated the Private Attorneys'
24 General Act of 2004 (California Labor Code sections 2698, *et seq.*). Plaintiff asserted that all
25 of the Class Members (i.e., all individuals employed by Defendants in California as "exempt"
26 Retail Sales Manager) were misclassified as exempt, that they spent the majority of their time
27 performing substantially non-managerial duties, and that they were severely limited in their use
28 of independent discretion and judgment as their decisions were often subject to Defendants'

1 comprehensive policies and guidelines. Plaintiff also asserted that the Class Members spent the
2 majority of their time carrying out the same duties as hourly-paid, non-exempt employees.
3 Plaintiff also asserted that Class Members were expected to perform similar job duties and were
4 subject to the same or similar operations and employment policies, practices, and procedures.
5 Additionally, Plaintiff asserted that Defendants' recordkeeping practices with respect to Plaintiff
6 and the Class Members were substantially the same during the time period at issue. As a result,
7 Plaintiff claims that the Class Members, were uniformly not paid all of the compensation that
8 was owed to them by Defendants during the Class Period. Thus, it is clear that the outcome of
9 this litigation would be determined by Defendants' uniform operations and employment
10 practices, policies, and procedures that applied across their employees who were employed
11 during the Class Period as "exempt" Retail Sales Managers at any time during the Class Period.

12 17. Class Counsel is aware of the defenses and positions of Defendants but believes
13 that Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has
14 also taken into account the uncertainty and risk of the outcome of further litigation, and the
15 difficulties and delays inherent in such litigation, including those involved in class certification
16 and representative adjudication. Plaintiff further recognizes the burdens of proof necessary to
17 establish liability for the claims asserted in the lawsuit, Defendants' defenses, and the difficulties
18 in establishing entitlement to monetary recovery. Plaintiff has also considered the Parties'
19 settlement discussions as well as the evaluations of the mediator, who is experienced and well-
20 regarded in complex labor and employment matters.

21 18. Defendants, on the other hand, denied and continue to deny any liability and
22 wrongdoing of any kind associated with the claims alleged in the action, and further deny that
23 the action is appropriate for class treatment or representative adjudication for any purpose other
24 than this Settlement. Defendants believe that they would ultimately succeed in the action. Both
25 sides have also had the opportunity to interview witnesses and review documents and
26 information relating to Plaintiff's and the Class Members' employment with Defendants, and
27 Defendants operations and employment policies, practices, and procedures. The Parties also
28 reviewed and analyzed a volume of documents and data, including but not limited to a detailed

1 sampling of Class Members' time and pay information, to determine the potential value and
2 strength of the claims. The available information enabled Class Counsel to estimate the potential
3 claims of the Class and prepare damages/valuation models. Accordingly, the Parties have
4 conducted adequate investigation and discovery to be sufficiently informed of the nature and
5 extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement
6 for its fairness, adequacy, and reasonableness. The Parties have agreed that the case is well-
7 suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the
8 costs and risks to both sides that would attend further litigation. The Settlement takes into
9 account the strengths and weaknesses of each side's position and the uncertainty of how the case
10 might have concluded at certification, trial, and/or appeals.

11 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
12 in an amount of up to thirty-five percent (35%) of the Maximum Settlement Amount (i.e.,
13 \$122,500) and reimbursement for actual litigation fees and costs incurred, which will be paid
14 out of the Maximum Settlement Amount, subject to approval by the Court. It should be noted
15 that Class Counsel has borne all of the risks and costs of litigation and will not receive any
16 compensation until recovery is obtained.

17 20. The Settlement Agreement provides for an Enhancement Payment of up to seven
18 thousand five hundred dollars (\$7,500) to Plaintiff to be paid out of the Maximum Settlement
19 Amount, subject to approval by the Court. Plaintiff spent considerable time and effort to
20 produce relevant documents and past employment records and to provide the facts and evidence
21 necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel
22 needed him and actively tried to obtain information that would benefit the Class. For instance,
23 Plaintiff worked with Class Counsel to prepare responses and supplemental responses to special
24 interrogatories and requests for production of documents that were propounded by Defendants
25 and prepared for and attended a full day of deposition and reviewed a transcript of his deposition
26 thereafter. Accordingly, it is appropriate and just for Plaintiff to receive a reasonable
27 Enhancement Payment in addition to his Individual Settlement Payment.

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

Edwin Alwazian

EXHIBIT 1

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13
14
15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
16 **FOR THE COUNTY OF LOS ANGELES – SPRING STREET**

17 BRYANT HARRIS; individually, and on behalf
18 of others members of the general public similarly
situated and on behalf of others aggrieved
19 employees pursuant to the California Private
Attorneys General Act,

20 Plaintiff,

21 vs.

22 TVI, INC. D/B/A SAVERS, VALUE VILLAGE
23 & VILLAGE DES VALEURS, an unknown
business entity; SAVERS, INC., an unknown
24 business entity; and DOES 1 through 100,
inclusive,

25 Defendants.

CASE NO.: BC612403

[Assigned for all purposes to the Hon. Carolyn B.
Kuhl, Dept. SSC-12]

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

Complaint Filed: March 1, 2016
FAC Filed: May 31, 2016
SAC Filed: December 27, 2018

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

2 This Joint Stipulation of Class Action Settlement and Release (“Agreement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiff Bryant Harris (“Plaintiff” or “Class
4 Representative”), as an individual and on behalf of all others similarly situated, and Defendants TVI,
5 Inc. (erroneously sued as TVI, Inc. d/b/a Savers, Value Village & Village Des Valeurs) and Savers,
6 LLC (erroneously sued as Savers, Inc.¹) (“Defendants”) (collectively with Plaintiff, the “Parties”).

7 This settlement shall be binding on Plaintiff and the Participating Class Members (as defined
8 herein) and on Defendants, subject to the terms and conditions hereof and the approval of the Court.

9 **RECITALS**

10 1. On March 1, 2016, Plaintiff commenced the above-captioned putative class action against
11 Defendants. On April 13, 2016, Defendants removed the action to the United District Court for the
12 Central District of California (the “U.S. District Court”). On May 16, 2016, pursuant to stipulation by
13 the Parties, the U.S. District Court entered an order remanding the action to this Court. On May 31,
14 2016, Plaintiff filed a First Amended Class Action Complaint for Damages & Enforcement Under the
15 Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* (“Complaint”) on behalf of all
16 current and former salaried store-level employees, misclassified as “exempt,” who worked for
17 Defendants within the State of California at any time during the period from March 1, 2012 to final
18 judgment. Plaintiff’s Complaint alleges ten (10) causes of action against Defendants for failure to pay
19 overtime wages, provide compliant meal and rest periods and associated premium payments, timely pay
20 wages and associated waiting time penalties, provide compliant wage statements, maintain complete and
21 accurate payroll records, and reimburse necessary business-related expenses.

22 2. Pursuant to this Agreement and for purposes of settlement only, Parties agreed to the
23 amendment of the Complaint to formally plead causes of action under the Fair Labor and Standards Act
24 (“FLSA”) for failure to pay overtime (under 29 U.S.C. § 207) and failure to pay minimum wages (under
25 29 U.S.C. § 206), and based thereon, formally plead a collective action on behalf of himself and all
26 similarly situated employees, under the Fair Labor and Standards Act (“FLSA”), and to modify the

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28 ¹ Savers, Inc. is now a defunct company.

1 allegations regarding the proposed class and collective (to clarify that only individuals employed by
2 Defendants in California as “exempt” Retail Sales Managers during the time period at issue, and no
3 other salaried store-level positions, are included in the proposed class and collective). On December
4 27, 2018, pursuant to the stipulation of the Parties, and in order to effectuate the Settlement, Plaintiff
5 filed the Second Amended Class Action Complaint for Damages & Enforcement Under the Private
6 Attorneys General Act, California Labor Code § 2698, *Et Seq.* (“Operative Complaint”). If the
7 Settlement is terminated or otherwise rendered void, the Operative Complaint shall be withdrawn and
8 the First Amended Complaint shall be restored as the operative complaint in the Action.

9 3. Defendants deny all material allegations set forth in the Action, defined below, and has
10 asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
11 Defendants desire to fully and finally settle the Action and Released Claims.

12 4. Plaintiff’s counsel in the Action diligently investigated the proposed Class Members’
13 claims against Defendants, including any and all applicable defenses and the applicable law. The
14 investigation included, *inter alia*, the exchange of information pursuant to informal discovery methods
15 and review of numerous corporate policies and practices.

16 5. On January 17, 2018, the Parties participated in mediation before Paul Grossman, Esq.
17 (the “Mediator”), a respected mediator of complex wage and hour actions. While the Action did not
18 settle the day of mediation, the Mediator continued working with the parties to reach a settlement
19 within the weeks following the mediation. The settlement discussions were conducted at arm’s-length,
20 and the settlement is the result of an informed and detailed analysis of Defendants’ potential liability
21 of total exposure in relation to the costs and risks associated with continued litigation. Based on the
22 documents produced, as well as Class Counsel’s own independent investigation and evaluation, and
23 the Mediator’s efforts, Class Counsel believe that the settlement with Defendants for the consideration
24 and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the
25 best interest of the Class Members in light of all known facts and circumstances, including the risk of
26 significant delay and uncertainty associated with litigation and various defenses asserted by
27 Defendants.

28 ///

6. This Settlement Agreement is made and entered into by and between Plaintiff, individually and on behalf of all others similarly situated, and Defendants, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendants. If for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

7. For purposes of settlement only, Parties agree to certification of a class consisting of all individuals employed by Defendants in California as “exempt” Retail Sales Managers at any time from March 1, 2012 through December 1, 2016. Defendants represent that the Class worked approximately 4,230 workweeks through December 1, 2016 (collectively, “Class, and individually, “Class Member(s)”).² Plaintiff will dismiss the proposed class of Production Managers (“PM”) without prejudice and these individuals are not part of this Settlement or the Class as defined herein.

DEFINITIONS

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

9. "Action" means the lawsuit *Bryant Harris v. TVI, Inc. d/b/a Savers, et al.* pending in the Superior Court of the State of California for the County of Los Angeles, Case No. BC612403.

10. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of this Action, and all costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, securing the Court's approval of the Settlement, administering the Settlement, obtaining entry of a judgment terminating this Action based on the Settlement, and expenses for any experts. Class Counsel will request attorneys' fees of up to thirty-five percent (35%) of the Maximum Settlement Amount, or up to One Hundred Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$122,500.00). The Attorneys' Fees and Costs will

² As a result of the proposed December 1, 2016 increase to the salary floor for the FLSA's overtime exemption from \$23,660 to \$47,476, TVI reclassified the RSM position as non-exempt on January 1, 2017.

1 also mean and include the additional reimbursement of any costs and expenses associated with Class
2 Counsel's litigation and settlement of the Action, not to exceed Thirty-Five Thousand Dollars
3 (\$35,000.00), subject to the Court's approval. Defendants have agreed not to oppose Class Counsel's
4 cost application up to the above specified amounts. Any portion of the Attorneys' Fees and Costs not
5 awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Participating
6 Class Members.

7 11. "Class Counsel" means Lawyers *for* Justice, P.C. and Righetti Glugoski, P.C., counsel
8 for Plaintiff, who will seek to be appointed counsel for the Class.

9 12. "Class Data and List" means a complete list of all Class Members that Defendants will
10 diligently and in good faith compile from its records and provide to the Settlement Administrator
11 within fourteen (14) calendar days after Preliminary Approval. The Class Data and List will be
12 formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member's full
13 name; most recent mailing address; Social Security Number; and dates of employment.

14 13. "Class Member(s)" or "Class" means all individuals employed by Defendants in
15 California as "exempt" Retail Sales Managers at any time from March 1, 2012 through December 31,
16 2016.

17 14. "Class Period" means the period from March 1, 2012 through December 31, 2016.

18 15. "Class Representative" or "Plaintiff" means Bryant Harris, who will seek to be
19 appointed as the representative for the Class.

20 16. "Court" means the Superior Court of the State of California for the County of Los
21 Angeles.

22 17. "Defendants" mean TVI, Inc. d/b/a Savers, Value Village & Village Des Valeurs, and
23 Savers, Inc.

24 18. "Effective Date" means the date when all of the following events have occurred: (1) the
25 Settlement Agreement has been executed by all Parties, Class Counsel, and Defendants' Counsel; (2)
26 the Court has given preliminary approval of the Settlement; (3) the Notice of Class Action Settlement
27 has been given to the Class Members, providing them with an opportunity to object to the terms of this
28 Settlement or to opt out of the Settlement; (4) the Court has held a Final Approval Hearing and

1 entered a order and judgment certifying the Class and granting final approval of the Settlement (“Final
2 Approval Order and Judgment”); (5) in the event there are no objections submitted, five (5) calendar
3 days have passed since the Court entered a Final Approval Order and Judgment; and (6) in the event
4 there are objections submitted, sixty-five calendar (65) days have passed since the Court has entered a
5 Final Approval Order and Judgment or, if any appeal, writ, or other appellate proceeding opposing the
6 Final Approval Order and Judgment has been filed, five business days after any such appeal, writ, or
7 other appellate proceedings have been finally and conclusively dismissed with no right to pursue
8 further remedies or relief.

9 19. “Enhancement Payment” means the amount to be paid to Plaintiff in recognition of his
10 effort and work in prosecuting the Action on behalf of Class Members and negotiating the Settlement.
11 The Parties agree that Plaintiff will be paid, subject to Court approval, Seven Thousand Five Hundred
12 Dollars (\$7,500), from the Maximum Settlement Amount for his services on behalf of the Class, and
13 in negotiating the Settlement, subject to Court approval. Any portion of the Class Representative
14 Enhancement Payment not awarded to Plaintiff shall be a part of the Net Settlement Amount for the
15 benefit of Participating Class Members.

16 20. “Final Approval” means determination by the Court that the Settlement is fair,
17 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

18 21. “Final Approval Hearing” means the hearing at which the Court will consider and
19 determine whether the Settlement should be granted Final Approval.

20 22. “Individual Settlement Payment” means the net payment of each Participating Class
21 Member’s share of the Net Settlement Amount, to be calculated in accordance with this Settlement
22 Agreement.

23 23. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount
24 that a Class Member may be eligible to receive under the Settlement, to be calculated in accordance
25 with this Settlement Agreement.

26 24. “LWDA Payment” means the amount that the Parties have agreed to pay to the
27 California Labor and Workforce Development Agency (“LWDA”) in connection with the Labor Code
28 Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Parties have

1 agreed that Twenty Thousand Dollars (\$20,000) of the Maximum Settlement Amount will be allocated
2 to the resolution of any Class Members' claims arising under PAGA. Pursuant to PAGA, 75%, or
3 Fifteen Thousand Dollars (\$15,000.00), of the PAGA Settlement Amount will be paid to the LWDA,
4 and 25%, or Five Thousand Dollars (\$5,000), of the PAGA Settlement Amount will be part of the Net
5 Settlement Amount for distribution to Participating Class Members.

6 25. "Maximum Settlement Amount" means the maximum settlement amount of Three
7 Hundred and Fifty Thousand Dollars and Zero Cents (\$350,000.00) to be paid by Defendants in full
8 resolution of all Released Claims and the Action, which includes all Attorneys' Fees and Costs to
9 Class Counsel, Enhancement Payment to Plaintiff, LWDA Payment to the LWDA, Net Settlement
10 Amount to be paid to the Participating Class Members (which includes the Participating Class
11 Members' portion of the PAGA Payment), and Settlement Administration Costs to the Settlement
12 Administrator. This Maximum Settlement Amount has been agreed to by Plaintiff and Defendants
13 based on the aggregation of the agreed-upon settlement value of the claims. In no event will
14 Defendants be liable for more than the Maximum Settlement Amount. The Settlement Administrator
15 will then be responsible for making appropriate deductions, undertaking required tax reporting, and
16 distributing all payments due under the Settlement. As noted below, the expiration date on the
17 settlement checks will be 180 calendar days from the date the settlement checks are issued.

18 26. "Net Settlement Amount" means the portion of the Maximum Settlement Amount
19 remaining after deduction of the Court-approved Enhancement Payment, Settlement Administration
20 Costs, LWDA Payment, and Attorneys' Fees and Costs. The Net Settlement Amount will be
21 distributed to Participating Class Members.

22 27. "Notice of Objection" means a Class Member's valid and timely written objection to
23 the Settlement Agreement, which must be in writing and include: (a) the case name and number of the
24 Action; (b) the objector's full name, signature, address, and telephone number, (c) a written statement
25 of all grounds for the objection accompanied by any legal support for such objection, and (d) copies of
26 any papers, briefs, or other documents upon which the objection is based.

27 28. "Notice Packet" means the Notice of Class Action Settlement and Mailing Envelope,
28 substantially in the form attached as "Exhibit A" and "Exhibit B," respectively.

1 29. “Parties” means Plaintiff and Defendants, collectively, and “Party” means either
2 Plaintiff or Defendants.

3 30. “Participating Class Members” means all Class Members who do not submit a valid and
4 timely Request for Exclusion.

5 31. “Plaintiff” means Bryant Harris.

6 32. “Preliminary Approval” means the Court order granting preliminary approval of the
7 Settlement Agreement.

8 33. “Released Claims” means all claims under state, federal, or local law, whether statutory
9 or otherwise, accruing during the Released Claims Period, that were pleaded in the Operative
10 Complaint or that could have been pleaded based on the facts pleaded in the Operative Complaint,
11 including and not limited to, for failure to pay overtime wages, failure to pay minimum wages, failure
12 to provide meal periods, failure to provide rest periods, failure to provide accurate wage statements,
13 failure to pay due wages at termination, unfair or unlawful business practices in violation of California
14 Business and Professions Code § 17200, *et seq.* based on the California Labor Code violations alleged
15 in the Operative Complaint, violation of the Fair Labor Standards Act (“FLSA”), and civil penalties
16 pursuant to California Labor Code § 2698, *et seq.* (Private Attorneys General Act) based on the
17 California Labor Code violations alleged in the Operative Complaint, injunctive relief, liquidated
18 damages, penalties, interest; fees, and costs.

19 34. “Released Claims Period” means the period from March 1, 2012 through the date of
20 Final Approval.

21 35. “Released Parties” means Defendants and any of their former and present parents,
22 subsidiaries, affiliates, divisions, and/or related entities, and their shareholders, officers, directors,
23 employees, partners, shareholders, agents, attorneys, insurers, predecessors, successors, assigns,
24 and/or legal representatives, and any individual or entity that could be jointly or severally liable for
25 any of the Released Claims.

26 36. “Request for Exclusion” means a timely letter submitted by a Class Member indicating
27 a request to be excluded from the Settlement. The Request for Exclusion must: (a) contain the case
28 name and number of the Action, (b) be signed by the Class Member, (c) contain the full name,

1 address, telephone number, and the last four digits of the Social Security Number of the Class Member
2 requesting exclusion, (d) clearly state that the Class Member does not wish to be included in the
3 Settlement, and (e) be returned by fax or mail to the Settlement Administrator at the specified address
4 and/or facsimile number, postmarked or faxed on or before the Response Deadline. The date of the
5 postmark on the return mailing envelope or fax-stamp on the submission will be the exclusive means
6 to determine whether a Request for Exclusion has been timely submitted. A Class Member who does
7 not request exclusion from the Settlement will be deemed a Participating Class Member and will be
8 bound by all terms of the Settlement, if the settlement is granted final approval by the Court.

9 37. "Response Deadline" means the deadline by which Class Members must submit a
10 Request for Exclusion, objection, and/or dispute of the Workweeks credited to them, which shall be
11 the date that is forty-five (45) calendar days from the initial mailing of the Notice Packet by the
12 Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the
13 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The
14 Response Deadline may also be extended by express agreement between Class Counsel and
15 Defendants. Under no circumstances, however, will the Settlement Administrator have the authority
16 to extend the Response Deadline. In the event that a Notice Packet is re-mailed to a Class Member,
17 the Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days.

18 38. "Settlement Administrator" means RG/2 Claims Administration LLC, or any other
19 third-party class action settlement administrator agreed to by the Parties and approved by the Court for
20 purposes of administering this settlement. The Parties each represent that they do not have any
21 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
22 Administrator that could create a conflict of interest.

23 39. "Settlement Administration Costs" means the costs payable from the Maximum
24 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
25 Settlement, including, but not limited to, printing, distributing, and tracking documents for this
26 Settlement, calculating estimated settlement amounts per Class Member, tax reporting, distributing the
27 appropriate settlement amounts, and providing necessary reports and declarations, and other duties and
28 responsibilities set forth herein to process this Settlement, and as requested by the Parties. The

1 Settlement Administration Costs are currently estimated to be Seven Thousand Five Hundred Dollars
2 and Zero Cents (\$7,500.00). To the extent actual Settlement Administrations Costs are greater than [to
3 be determined], such excess amount will be deducted from the Maximum Settlement Amount, subject to
4 Court approval.

5 40. "Workweeks" means the number of weeks each Class Member was employed by
6 Defendant as an "exempt" Retail Sales Manager in California during the Class Period, excluding any
7 weeks during which a Class Member was on a leave of absence. The Settlement Administrator will
8 calculate the number of Workweeks by calculating the number of days each Class Member was
9 employed by Defendant as an "exempt" Retail Sales Manager in California during the Class Period
10 and dividing by seven (7).

11 41. "Workweek Value" means the compensable value of each Workweek, as determined by
12 the formula set forth herein.

13 **CLASS AND COLLECTIVE CERTIFICATION**

14 42. Plaintiff shall amend the Complaint to assert a collective action, on behalf of himself
15 and the Class as defined herein, under the FLSA.

16 43. Solely for purposes of settling the Action, and not for purposes of class certification
17 should the matter not be settled or for any other reason, the Parties stipulate and agree that the
18 requisites for establishing class certification with respect to the Class have been met and are met.
19 More specifically, the Parties stipulate and agree that:

- 20 a. The Class is ascertainable and so numerous as to make it impracticable to join
21 all Class Members;
- 22 b. There are common questions of law and fact predominate over any questions
23 affecting any individual member in the Class, including, but not limited to, the
24 following: whether Defendants properly classified Retail Sales Managers as
25 "exempt" employees; whether Defendants failed to authorize and permit meal
26 and rest periods and provide associated premium pay; whether Defendants failed
27 to pay RSMs for all hours worked; whether Defendant failed to pay overtime
28 wages; whether Defendants failed to timely pay wages and associated waiting

1 time penalties; whether Defendants failed to provide compliant wage statements;
2 whether Defendants failed to maintain complete and accurate payroll records; and
3 whether Defendants failed to reimburse necessary business-related expenses;

- 4 c. The Class Members are “similarly situated” under the FLSA;
5 d. That Plaintiff’s claims are typical of the claims of the members of the Class;
6 e. That Plaintiff and Class Counsel will fairly and adequately protect the interests
7 of the Class; and
8 f. A class action is superior to other available means for the fair and efficient
9 adjudication of the controversy.

10 44. Should the Court refuse to grant approval of the Settlement or if the Settlement is
11 otherwise terminated, the stipulation to certification of the Class and the stipulations set forth in
12 Section 43, shall be null and void and shall not be admissible for any purpose whatsoever.

13 **TERMS OF AGREEMENT**

14 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
15 forth herein, the Parties agree, subject to the Court’s approval, as follows:

16 45. **Funding of the Settlement Amount.** Within seven (7) calendar days after the Effective
17 Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be
18 paid by Defendants pursuant to the terms of the Settlement. Within twenty-one (21) calendar days of
19 the Effective Date, Defendants will make a one-time deposit of the Maximum Settlement Amount and
20 an amount sufficient to pay the employer’s share of payroll taxes and contributions with respect to the
21 wages portion of Individual Settlement Shares into a qualified settlement account to be established by
22 the Settlement Administrator. Within seven (7) calendar days of the funding of Maximum Settlement
23 Amount, the Settlement Administrator will issue payments due under the Settlement and approved by
24 the Court, to: (a) Participating Class Members; (b) the Labor and Workforce Development Agency
25 (“LWDA”); (c) Plaintiff; and (d) Class Counsel. The Settlement Administrator will also issue a
26 payment to itself for Court-approved services performed in connection with the settlement.

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1 46. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application
2 or motion by Class Counsel for Attorneys' Fees and Costs of not more than One Hundred Twenty-
3 Two Thousand Five Hundred Dollars and Zero Cents (\$122,500.00) in attorneys' fees, plus the
4 reimbursement of costs and expenses associated with Class Counsel's litigation and settlement of the
5 Action, not to exceed Thirty-Five Thousand Dollars (\$35,000.00), both of which will be paid from the
6 Maximum Settlement Amount subject to Court approval. Class Counsel shall be solely and legally
7 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
8 on the amounts received.

9 47. Enhancement Payment. In recognition of his efforts and work in prosecuting the
10 Action on behalf of Class Members and negotiating the Settlement, Defendants agree not to oppose or
11 impede any application or motion for an Enhancement Payment of up to Seven Thousand Five
12 Hundred Dollars (\$7,500.00) to Plaintiff. The Enhancement Payment, which will be paid from the
13 Maximum Settlement Amount, subject to Court approval, will be in addition to his Individual
14 Settlement Payment that is to be paid pursuant to the Settlement. The Settlement Administrator will
15 issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and Plaintiff shall be solely and
16 legally responsible for correctly characterizing this compensation for tax purposes and for paying any
17 taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendants harmless from any
18 claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payment.
19 Should the Court approve the Enhancement Payment to Plaintiff in an amount that is less than that set
20 forth above, the difference between the lesser amount approved by the Court and the amount allocated
21 toward the Enhancement Payment shall be part of the Net Settlement Amount.

22 48. Settlement Administration Costs. The Settlement Administrator will be paid for the
23 reasonable costs of administration of the Settlement and distribution of payments under the
24 Settlement, which is currently estimated to be Seven Thousand Five Hundred Dollars and Zero Cents
25 (\$7,500.00). These costs, which will be paid from the Maximum Settlement Amount, subject to Court
26 approval, will include, *inter alia*, required tax reporting, issuing of 1099 and W-2 IRS Forms,
27 distributing the Notice Packet, calculating and distributing payments due under the Settlement, and
28 providing necessary reports and declarations. The Settlement Administrator shall be obligated to

1 undertake all required tax reporting, filings, withholdings, and remittances.

2 49. Labor and Workforce Development Agency Payment. Subject to Court approval, the
3 Parties agree that the amount of Twenty Thousand Dollars (\$20,000.00) from the Maximum
4 Settlement Amount will be allocated toward penalties under the Private Attorneys General, of which
5 seventy-five percent (75%) or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be paid to
6 the LWDA (i.e. the LWDA Payment) and twenty-five percent (25%) or Five Thousand Dollars and
7 Zero Cents (\$5,000.00) will be distributed to Participating Class Members as part of the Net
8 Settlement Amount.

9 50. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual
10 Settlement Payments to Participating Class Members in accordance with the terms of this Agreement.

11 51. Acknowledgement of Potential Settlement Administration Cost Increases. The Parties
12 hereby acknowledge that should the Settlement Administration Costs increase above the current
13 estimate of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), any such additional
14 Settlement Administration Costs will be paid out of the Maximum Settlement Amount, subject to
15 Court approval. Any portion of the estimated, designated, and/or awarded Settlement Administration
16 Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the
17 requirement settlement administration duties will become part of the Net Settlement Amount.

18 52. Based on Class Counsel's investigation and conclusion that Plaintiff's alleged sub-class
19 of Production Managers were properly classified as exempt employees, Plaintiff agrees to dismiss
20 without prejudice any and all claims related to Plaintiff's alleged sub-class of Production Managers.
21 If the Court does not grant final approval of the Settlement, Plaintiff may amend the operative
22 complaint to re-allege claims on behalf of Production Managers.

23 53. Individual Settlement Share Calculations. Individual Settlement Shares will be
24 calculated and apportioned from the Net Settlement Amount based on the Class Members'
25 Workweeks, as follows:

- 26 a. The Settlement Administrator will calculate the number Workweeks for each
27 Class Member ("Individual Workweeks") and also the total number Workweeks
28 for all Class Members during the Class Period ("Class Workweeks").

1 b. To determine Individual Settlement Share, the Settlement Administrator will use
2 the following formula: Individual Settlement Share = (Net Settlement Amount ÷
3 Class Workweeks) x Individual Workweeks.

4 54. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
5 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
6 are issued to the payee. It is expressly understood and agreed that payments made under this
7 Settlement shall not in any way entitle Plaintiff or any Class Member to additional compensation or
8 benefits under any to any new or additional compensation or benefits, or any bonus, contest or other
9 compensation or benefit plan or agreement in place during the Released Claims Period, nor will it
10 entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred
11 compensation benefits (notwithstanding any contrary language or agreement in any benefit or
12 compensation plan document that might have been in effect during the Released Claims Period).

13 55. Settlement Administration Process. The Parties agree to cooperate in the
14 administration of the Settlement and to make all reasonable efforts to control and minimize the costs
15 and expenses incurred in administration of the Settlement.

16 56. Delivery of the Class Data and List. Within fourteen (14) calendar days of Preliminary
17 Approval, Defendants will provide the Class Data and List to the Settlement Administrator.

18 57. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the Class
19 Data and List from Defendants, the Settlement Administrator will mail a Notice Packet in English (in
20 the form specified in Section 59) to all Class Members via First-Class U.S. Mail, using the most
21 current, known mailing addresses identified in the Class Data and List.

22 58. Confirmation of Contact Information in the Class Data and List. Prior to mailing the
23 Notice Packet to the Class, the Settlement Administrator will perform a search based on the National
24 Change of Address Database or any other similar services available, such as provided by Experian, for
25 information to update and correct for any known or identifiable address changes. With respect to
26 Notice Packets that are returned as undeliverable on or before the Response Deadline, the Settlement
27 Administrator will search for an alternate address by way of skip-trace and re-mail the Notice Packet
28 within five (5) calendar days.

1 59. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice
2 Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the
3 Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks credited to
4 the Class Member and his or her estimated Individual Settlement Share; (d) the method of calculating
5 Individual Settlement Shares; (e) the dates which comprise the Class Period; (f) information regarding
6 how to submit a dispute of Workweeks, Request for Exclusion, or objection, and the deadlines for
7 such submissions; (g) the claims to be released, as set forth herein; and (h) the date and time of the
8 Final Approval Hearing.

9 60. Disputed Information on Notice Packets. Class Members will have an opportunity to
10 dispute the number of Workweeks to which they have been credited, as reflected in their respective
11 Notice Packets. In order to dispute Workweeks Class Members must submit a written letter to the
12 Settlement Administrator that: (a) contains the case name and number of the Action, (b) be signed by
13 the Class Member, (c) contains the full name, address, telephone number, and the last four digits of
14 the Social Security Number of the disputing Class Member, (d) clearly states that the Class Member
15 disputes the number of Workweeks credited to him or her and what he or she contends is the correct
16 number to be credited to him or her, (e) includes and/or attaches evidence showing that the number of
17 Workweeks credited to him or her are inaccurate, and (f) is returned by fax or mail to the Settlement
18 Administrator at the specified address and/or facsimile number, postmarked or faxed on or before the
19 Response Deadline. The date of the postmark on the return mailing envelope or fax-stamp on the
20 submission will be the exclusive means to determine whether a dispute has been timely submitted.
21 Absent evidence rebutting the accuracy of Defendants' records and data as they pertain to the number
22 of Workweeks to be credited to a disputing Class Member, Defendants' records will be presumed
23 correct and determinative of the dispute. However, if a Class Member produces evidence to the
24 contrary, the Parties will evaluate the evidence submitted by the Class Member and the Settlement
25 Administrator will resolve and determine the number of eligible Workweeks that the disputing Class
26 Member should be credited with under the Settlement. The Settlement Administrator's decision on
27 such disputes will be final and non-appealable.

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1 61. Settlement Checks. The Settlement Administrator will be responsible for undertaking
2 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
3 of check to the Participating Class Members in accordance with this Settlement Agreement. Each
4 Individual Settlement Payment check will contain clear language in substantially the following form:
5 “Please Note: By cashing, depositing, or otherwise negotiating this check, you will be deemed to opt
6 in to the lawsuit entitled *Harris v. TVI, Inc., et al.* under the Fair Labor Standards Act (“FLSA”) and
7 will be deemed to settle and release all Released Claims arising under the FLSA.” Each Individual
8 Settlement Payment check will be valid and negotiable for one hundred and eighty (180) calendar
9 days from the date the checks are issued, and thereafter, shall be cancelled. All funds associated with
10 such cancelled checks will be transmitted, pursuant to California Code of Civil Procedure Section 384
11 (as amended effective June 2018), to The Alliance for Children’s Rights. The Parties each represent
12 that they do not have any affiliation or involvement with the proposed cy pres recipient. The
13 Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting,
14 required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation
15 of any Individual Settlement Payment checks. To the extent that the Settlement Administrator is able to
16 obtain or receive the return or refund of the amounts that were transmitted to taxing authorities for the
17 employer’s and employee’s share of taxes, contributions, and/or withholding associated with cancelled
18 Individual Settlement Payments, these amounts shall also be transmitted to The Alliance for Children’s
19 Rights. Participating Class Members whose Individual Settlement Payment checks are cancelled shall,
20 nevertheless, be bound to this Settlement.

21 62. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing
22 to be excluded from the Settlement must submit a written Request for Exclusion to the Settlement
23 Administrator, by mail or fax, within the Response Deadline. The date of fax or the postmark on the
24 return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has
25 been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and
26 Defendants’ Counsel the Requests for Exclusion that were timely submitted, and also identify the
27 individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be
28 filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a

1 Request for Exclusion is prohibited from making any objection to the Settlement Agreement.

2 63. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class
3 Member who does not affirmatively request exclusion from the Settlement by submitting a timely and
4 valid Request for Exclusion will be bound by all of the terms of the Settlement, including and not
5 limited to those pertaining to the Released Claims, as well as any judgment that may be entered by the
6 Court if it grants final approval to the Settlement.

7 64. Procedures for Objecting to the Settlement. To object to the Settlement, a Class
8 Member must submit a timely and complete Notice of Objection to the Settlement Administrator, by
9 fax or mail, on or before the Response Deadline. The Notice of Objection must be signed by the Class
10 Member and contain all information required by this Settlement Agreement. The postmark or fax-
11 stamp date will be deemed the exclusive means for determining that the Notice of Objection is timely.
12 Class Members who fail to object in the specific and technical manner specified in this Settlement
13 Agreement, or otherwise ordered by the Court, will be deemed to have waived all objections. At no
14 time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to
15 object to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Class
16 Counsel will not represent any Class Members with respect to any such objections to this Settlement.

17 65. Reports By the Settlement Administrator Regarding Settlement Administration. The
18 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report which
19 certify: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the
20 number of Class Members who have submitted timely and valid Requests for Exclusion or timely and
21 complete Notices of Objection; and (c) the number of undeliverable and re-mailed Notice Packets.
22 Additionally, the Settlement Administrator will provide to counsel for both Parties any updated
23 reports regarding the administration of the Settlement Agreement as needed or requested, and
24 immediately notify the Parties when it receives a request from an individual or any other entity
25 regarding inclusion in the Class and/or Settlement.

26 66. Payroll Taxes. Separately and in addition to the Maximum Settlement Amount,
27 Defendant shall solely be responsible for the employer's portion of payroll taxes and contributions
28 with respect to the wages portion of Individual Settlement Shares. At the same time that Defendant

1 transfers the Maximum Settlement Amount to the Settlement Administrator, Defendant shall also fund
2 an amount sufficient to pay these employer taxes and contributions, as reflected in Section 45. Upon
3 the transfer of funds to the Claims Administrator, Defendants shall have no further payment or
4 defense obligation whatsoever with respect to any claims covered by this Settlement made or asserted
5 by any person or entity anywhere in the world in connection with the Class Members.

6 67. Certification of Completion. Upon completion of administration of the Settlement, the
7 Settlement Administrator will provide a written declaration under oath to certify such completion to
8 the Court and counsel for all Parties.

9 68. Treatment of Individual Settlement Payments. Each Individual Settlement Share will
10 be allocated as follows: 33 1/3% of each Individual Settlement Payment will be allocated as wages, 33
11 1/3% will be allocated as penalties, and the remaining 33 1/3% will be allocated as interest and other
12 non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the
13 portions allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement
14 Administrator.

15 69. Administration of Taxes by the Settlement Administrator. The Settlement
16 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
17 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
18 this Agreement. The Settlement Administrator will also be responsible for forwarding all payroll
19 taxes, contributions, and withholdings to the appropriate government authorities.

20 70. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel make no
21 representations or warranties as to the tax consequences, treatment, or legal effect of any payments
22 made under this Settlement Agreement, do not intend anything contained in this Settlement
23 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement
24 Agreement be relied on as such. Plaintiff and Participating Class Members understand and agree that,
25 except for Defendants' payment of the employer's portion of payroll taxes and contributions with
26 respect to the wages portion of Individual Settlement Shares, Plaintiffs and Class Members will be
27 solely responsible for correctly characterizing any compensation received under the Settlement on
28 his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to

1 them under the Settlement.

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

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

28 ///

1 73. Release of Claims by Participating Class Members. Upon the Effective Date, Plaintiff
2 and all Class Members who do not timely and validly Request Exclusion (i.e., Participating Class
3 Members) will be deemed to have fully, finally and forever released, settled, compromised,
4 relinquished, and discharged all Released Claims he or she may have or had with respect to the
5 Released Parties, except that, only Participating Class Members who cash, deposit, or otherwise
6 negotiate their Individual Settlement Payment check will be deemed to have opted in to the Action
7 under the FLSA and to have thereby settled and released the Released Claims that arise under the
8 FLSA.

9 74. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
10 Upon execution of this Settlement Agreement, the Plaintiff shall promptly obtain a hearing date for
11 Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will
12 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said
13 motion. Defendants agree not to oppose the Motion for Preliminary Approval of the Settlement. Said
14 motion shall apply to the Court for the entry of an order seeking the following:

- 15 a. Conditionally certifying the Class for settlement purposes only;
- 16 b. Preliminarily Approval of the Settlement; and
- 17 c. Approving, as to form and content, the mutually-agreed upon and proposed
18 Notice Packet and directing its mailing to the Class by first class mail;
- 19 d. Approving the manner and method for Class Members to request exclusion from
20 the Settlement as contained herein and within the Notice of Class Action
21 Settlement;
- 22 e. Scheduling a Final Approval Hearing at which the Court will determine whether
23 the Settlement should be finally approved as fair, reasonable and adequate as to
24 the Participating Class Members;
- 25 f. Dismissing without prejudice any and all claims related to Plaintiff's originally
26 alleged sub-class of Production Managers ("PM"), who are not included in this
27 Settlement or in the Class as defined herein.

28 ///

1 75. Duties of the Parties With Respect to Obtaining Final Approval of the Settlement.

2 After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be
3 conducted to determine the Final Approval of the Settlement Agreement along with the amounts
4 properly payable for (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Attorneys'
5 Fees and Costs; (d) the Enhancement Payment; and (e) all Settlement Administration Costs. The Final
6 Approval Fairness Hearing will not be held earlier than thirty (30) calendar days after the Response
7 Deadline. Plaintiff and Class Counsel will be responsible for drafting Plaintiff will the Motion for
8 Final Approval of the Settlement. By way of said motion, Plaintiff will apply for the entry of the
9 mutually-agreed upon proposed Final Approval Order and Judgment, which will provide for, in
10 substantial part, the following:

- 11 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
12 consummation of its terms and provisions;
- 13 b. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- 14 c. Approval of the application for an Enhancement Payment to Plaintiff;
- 15 d. Setting a date when the Settlement Administrator shall report to the Court the
16 completion of the distribution process and the total amount that was actually
17 paid to the Participating Class Members; and
- 18 e. Directing Defendants to fund all amounts due under the Settlement and ordered
19 by the Court;
- 20 f. Entering judgment in this Action barring and enjoining all Participating Class
21 Members from prosecuting the Released Claims against any of the Released
22 Parties, while maintaining continuing jurisdiction, in conformity with California
23 Rules of Court 3.769 and the Settlement Agreement.

24 76. Nullification of Settlement Agreement. Any documents generated to bring the
25 Settlement into effect, will be null and void, and any order or judgment entered by the Court in
26 furtherance of this Settlement Agreement will likewise be treated as void from the beginning. in event
27 of either of the following: (a) the Court does not grant Final Approval as provided herein; or (b) the
28 Settlement does not become final for any other reason, then this Settlement Agreement.

1 77. Termination or Revocation of Settlement.

2 a. Mutual Option: Either Party may terminate this Settlement if the Court declines
3 to enter the Preliminary Approval Order, the Final Approval Order and
4 Judgment in substantially the form submitted by the Parties, or the Settlement
5 Agreement as agreed does not become final because of appellate court action.
6 The terminating Party shall give to the other Party (through its counsel) written
7 notice of its decision to terminate no later than ten (10) calendar days after
8 receiving notice that one of the enumerated events has occurred.

9 b. Defendants' Option. If five percent (5%) or more of the Class Members opt out
10 of the Settlement, Defendants may, at their election, rescind the Settlement and all
11 actions taken in furtherance of it will thereby be null and void. Defendants must
12 exercise this right of rescission in writing that is provided to Class Counsel within
13 ten (10) calendar days after the Settlement Administrator notifies the Parties of
14 the total number of opt-outs received by the Response Deadline. If the option to
15 rescind is exercised, then Defendants shall be solely responsible for all costs of
16 the Settlement Administration accrued to that point.

17 78. Effects of Termination or Nullification of the Settlement. Termination of the
18 Settlement (pursuant to Section 77) and nullification of the Settlement (pursuant to Section 76) shall
19 have the following effects:

- 20 a. The Settlement Agreement shall be void and shall have no force or effect, and no
21 Party shall be bound by any of its terms;
- 22 b. In the event the Settlement is terminated, Defendants shall have no obligation to
23 make any payments to any party, class member or attorney, except that the
24 terminating Party shall pay the Settlement Administrator for services rendered up
25 to the date the Settlement Administrator is notified that the settlement has been
26 terminated (except as otherwise provided herein);
- 27 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
28 any order certifying the Class, shall be vacated;

1 d. The Settlement Agreement and all negotiations, statements and proceedings
2 relating thereto shall be without prejudice to the rights of any of the Parties, all of
3 whom shall be restored to their respective positions in the Action prior to the
4 settlement;

5 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
6 statements or filings in furtherance of settlement (including all matters associated
7 with the mediation) shall be admissible or offered into evidence in the Action or
8 any other action for any purpose whatsoever.

9 79. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
10 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
11 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
12 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
13 judgment matters as may be appropriate under court rules or as set forth in this Agreement.

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

17 81. Limitation on Publicity. Plaintiff and Class Counsel will not make any public
18 disclosure of the Settlement or discuss the Settlement with anyone other than those necessary to
19 effectuate the filing of the Motion for Preliminary Approval, until after the Motion for Preliminary
20 Approval is filed. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will
21 encourage him to adhere to, the restriction against any public disclosure of the Settlement until after
22 the Motion for Preliminary Approval is filed. Notwithstanding the foregoing, Class Counsel will not
23 include or use the settlement for any marketing or promotional purposes. Prior to and following
24 Preliminary Approval of the Settlement, Plaintiff and Class Counsel will not have any
25 communications with any media other than to direct any media inquiries to the public records of the
26 Action on file with the Court. Class Counsel will take all steps necessary to ensure Plaintiff is aware
27 of, and will encourage him to adhere to, the restriction against any media comment on the Settlement
28 and its terms. Class Counsel further agrees not to use the settlement of these Action or any of their

1 terms for any marketing purposes. Nothing herein will restrict Class Counsel from including publicly
2 available information regarding this settlement in future judicial submissions regarding Class
3 Counsel's qualifications and experience. Furthermore, Plaintiff and Class Counsel will undertaken
4 any and all disclosures required to be made to the LWDA in conformity with PAGA.

5 82. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
6 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
7 agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil
8 Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written
9 agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic
10 evidence, and the Parties agree that no such extrinsic oral or written representations or terms will
11 modify, vary or contradict the terms of this Agreement.

12 83. Amendment or Modification. This Settlement Agreement may be amended or modified
13 only by a written instrument signed by the counsel for all Parties or their successors-in-interest,
14 subject to approval by the Court.

15 84. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
16 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
17 Agreement and to take all appropriate action required or permitted to be taken by such Parties
18 pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents
19 required to effectuate the terms of this Settlement Agreement. The Parties warrant that they
20 understand and have full authority to enter into this Agreement, and further intend that this Agreement
21 will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to
22 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
23 provisions that otherwise might apply under state or federal law.

24 85. Signatories. It is agreed that because the members of the Class are so numerous, it is
25 impossible or impractical to have each Participating Class Member execute this Settlement
26 Agreement. The Notice of Class Action and Settlement, attached hereto as "Exhibit A," will advise
27 all Class Members of the binding nature of the release as to the Participating Class Members, and the
28 release shall have the same force and effect as if this Settlement Agreement were executed by each

1 Participating Class Member.

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

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

6 88. Execution and Counterparts. This Settlement Agreement is subject only to the
7 execution of all Parties. However, the Settlement Agreement may be executed in one or more
8 counterparts. All executed counterparts and each of them, including facsimile and scanned copies of
9 the signature page, will be deemed to be one and the same instrument provided that counsel for the
10 Parties will exchange among themselves original signed counterparts.

11 89. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
12 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
13 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
14 account all relevant factors, present and potential. The Parties further acknowledge that they are each
15 represented by competent counsel and that they have had an opportunity to consult with their counsel
16 regarding the fairness and reasonableness of this Agreement. In addition, the Mediator may execute a
17 declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in
18 its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is
19 objectively fair and reasonable.

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

24 91. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement
25 Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

26 92. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
27 resolve the dispute that has arisen between them and to avoid the burden, expense and risk of
28 continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny,

1 they have violated any state, federal, or local law; violated any regulations or guidelines promulgated
2 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
3 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
4 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any
5 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
6 admission or concession by Defendants of any such violations or failures to comply with any
7 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
8 Agreement and its terms and provisions shall not be offered or received as evidence in any action or
9 proceeding to establish any liability or admission on the part of Defendants or to establish the
10 existence of any condition constituting a violation of, or a non-compliance with state, federal, local or
11 other applicable law.

12 93. Captions. The captions and section numbers in this Agreement are inserted for the
13 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
14 provisions of this Agreement.

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

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

24 96. Representation By Counsel. The Parties acknowledge that they have been represented
25 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
26 Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further,
27 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

28 97. All Terms Subject to Final Court Approval. All amounts and procedures described in

1 this Settlement Agreement herein will be subject to final Court approval.

2 98. Notices. Unless otherwise specifically provided herein, all notices, demands, or other
3 communications given hereunder shall be in writing and shall be deemed to have been duly given as
4 of the third business day after mailing by United States registered or certified mail, return receipt
5 requested, addressed as follows:

6 To Plaintiff and Class Counsel:

7 Edwin Aiwarzian, Esq.
8 **LAWYERS for JUSTICE, PC**
9 410 West Arden Avenue, Suite 203
Glendale, California 91203

10 To Defendants:

11 Adam Y. Siegel, Esq.
12 **JACKSON LEWIS P.C.**
13 725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408

14 99. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
15 cooperate with each other in good faith and use their best efforts to implement the Settlement,
16 including and not limited to, executing all documents to the extent reasonably necessary to effectuate
17 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or
18 content of any document needed to implement the Settlement, or on any supplemental provisions that
19 may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
20 of the Court to resolve such disagreement.

21 100. Integration Clause. This Settlement Agreement contains the entire agreement between
22 the Parties relating to the settlement and transaction contemplated hereby, and all prior or
23 contemporaneous agreements, understandings, representations, and statements, whether oral or written
24 and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be
25 waived except in writing.

26 ///

27 ///

28 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint

1 Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendants as of
2 the date(s) set forth below:

3 **IT IS SO AGREED.**

PLAINTIFF BRYANT HARRIS

4
5
6 Dated: Jan 15, 2019

Bryant Harris
Bryant Harris (Jan 15, 2019)

Plaintiff Bryant Harris

DEFENDANT TVI, INC.

7
8
9 Dated: 1/3/19

Richard Medway
Richard Medway on behalf of TVI, Inc.
General Counsel and Chief Compliance Officer

DEFENDANT SAVERS, LLC

10
11
12 Dated: 1/3/19

Russ Meyer
Russ Meyer on behalf of Savers, LLC

13
14
15 **APPROVED AS TO FORM**

**LAWYERS for JUSTICE, PC
RIGHETTI • GLUGOSKI P.C.**

16
17
18
19 Dated: January 15, 2019

Edwin Aiwanian
Edwin Aiwanian
Michael Righetti
Attorneys for Plaintiff Bryant Harris and
Proposed Class Counsel

JACKSON LEWIS P.C.

20
21
22
23
24 Dated: _____

Adam Siegel
Adam Siegel
Attorneys for Defendants TVI, Inc. and Savers, LLC

1 Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendants as of
2 the date(s) set forth below:

3 **IT IS SO AGREED.**

4 **PLAINTIFF BRYANT HARRIS**

5
6 Dated: _____

Plaintiff Bryant Harris

7 **DEFENDANT TVI, INC.**

8
9 Dated: 1/3/19

Richard Medway on behalf of TVI, Inc.
General Counsel and Chief Compliance Officer

11 **DEFENDANT SAVERS, LLC**

12
13 Dated: 1/3/19

Ruth Meyer on behalf of Savers, LLC

15 **APPROVED AS TO FORM**

16 **LAWYERS for JUSTICE, PC**
17 **RIGHETTI • GLUGOSKI P.C.**

18
19 Dated: _____

Edwin Aiwarzian
Michael Righetti
Attorneys for Plaintiff Bryant Harris and
Proposed Class Counsel

22 **JACKSON LEWIS P.C.**

23
24 Dated: 1/15/19

Adam Siegel
Attorneys for Defendants TVI, Inc. and Savers, LLC

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.
Superior Court of California for the County of Los Angeles, Case No. BC612403

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

This Notice is designed to advise you of your rights and options, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

By order of the Superior Court of California for the County of Los Angeles (the "Court" or "Los Angeles County Superior Court"), in the case entitled *Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.*, Los Angeles County Superior Court, Case No. BC612403 ("Action"), preliminary approval of a class action settlement was granted on [Date of Preliminary Approval]. A hearing shall be held on [hearing date] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Plaintiff Bryant Harris ("Plaintiff") and Defendant TVI, Inc. (erroneously sued as TVI, Inc. d/b/a Savers, Value Village & Village Des Valeurs) and Savers, LLC (erroneously sued as Savers, Inc.) ("Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the Action, which may affect your legal rights.

I. IMPORTANT DEFINITIONS

"Class" means all individuals employed by Defendants in California as "exempt" Retail Sales Managers at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the time period from March 1, 2012 through December 31, 2016.

II. BACKGROUND OF THE ACTION

On March 1, 2016, Plaintiff Bryant Harris commenced a proposed class action against Defendants entitled *Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.*, Los Angeles County Superior Court, Case No. BC612403. On May 31, 2016, Plaintiff filed the First Amended Class Action Complaint for Damages & Enforcement under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. On [DATE FAC IS FILED], Plaintiff filed the Second Amended Class Action Complaint for Damages & Enforcement under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("Operative Complaint"). Plaintiff alleges that Defendants misclassified Retail Sales Managers as "exempt" and failed to properly pay overtime wages, failed to provide compliant meal and rest breaks and associated premiums, failed to timely pay wages and associated waiting-time penalties, failed to provide accurate wage statements, failed to reimburse business expenses, and thereby engaged in unfair business practices and owes penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Action or that they violated any law and contend that at all times they have complied with federal, state, and local laws.

The Parties in a full-day mediation session with respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement" or "Settlement Agreement").

///

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed RG/2 Claims Administration LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Bryant Harris as representative of the Class ("Class Representative"), and the following law firms as counsel for the Class ("Class Counsel"):

Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Righetti Glugoski, P.C.
456 Montgomery Street, Suite 1400
San Francisco, California 94104
Telephone: (415) 983-0900/ Fax: (415) 397-9005

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to Plaintiff or to Class Members. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable and adequate, and is in the best interests of the Class Members.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Three Hundred Fifty Thousand Dollars (\$350,000) (the "Maximum Settlement Amount"). The portion of the Maximum Settlement Amount that is available for payment to Class Members who do not timely and validly request exclusion from the Settlement ("Participating Class Members") is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of attorneys' fees in an amount not to exceed 35% of the Maximum Settlement Amount (i.e., \$122,500) and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff for his services in the Action; (3) payment to the California Labor and Workforce Development Agency ("LWDA") for its portion of the PAGA Settlement Amount of Twenty Thousand Dollars (\$20,000) ("LWDA Payment") (i.e., \$15,000) to the LWDA; and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500) to the Settlement Administrator.

Participating Class Members will be entitled to receive payment under the Settlement of their share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member was employed by Defendant as an "exempt" Retail Sales Manager in California during the Class Period, excluding any weeks during which a Class Member was on a leave of absence ("Workweeks"). Workweeks will be calculated by dividing the number of days each Class Member was employed by Defendant as an "exempt" Retail Sales Manager in California during the Class Period, by seven.

Each Individual Settlement Share shall be allocated thirty-three one-third percent (33⅓%) as wages which will be reported on an IRS Form W2 and thirty-three one-third percent (33⅓%) as penalties and thirty-three one-third percent (33⅓%) as interest and other non-wage damages which will be reported on an IRS Form 1099. Defendants' share of employer payroll taxes with respect to the wage-portion of the Individual Settlement Shares will be paid separately by Defendants and in addition to the Maximum Settlement Amount. Each Individual Settlement Share shall be subject to reduction for the employee's share of taxes and withholdings with respect to the wage portion of Individual Settlement Shares, resulting in a net payment to the Participating Class Member ("Individual Settlement Payment").

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.**

B. Your Workweeks Based on Defendants' Records

According to Defendants' records:

From March 1, 2012 through December 31, 2016, you worked for Defendants as an "exempt" Retail Sales Manager for [] Workweeks.

If you wish to dispute the Workweeks credited to you, you submit such dispute in writing to the Settlement Administrator. The written dispute must: (a) contain the case name and number of the Action (*Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.*, BC612403); (b) be signed; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) include and/or attach evidence showing that the number of Workweeks credited to you is inaccurate; and (f) be returned by fax or mail to the Settlement Administrator at the address specified in Section IV.B below and/or fax number, postmarked or fax-stamped **no later than [the Response Deadline]**.

C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ _____. The Individual Settlement Share is subject to reduction for employee's share of taxes and withholding with respect to the wage-portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Released Claims

Upon the Effective Date, Plaintiff and all Class Members who do not timely and validly request exclusion from the Settlement (i.e., Participating Class Members) will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged all Released Claims he or she may have or had with respect to the Released Parties, except that, only Participating Class Members who cash, deposit, or otherwise negotiate their Individual Settlement Payment check will be deemed to have opted in to the Action under the FLSA and to have thereby settled and released the Released Claims that arise under the FLSA.

"Released Claims" means all claims under state, federal, or local law, whether statutory or otherwise, accruing during the Released Claims Period, that were pleaded in the Operative Complaint or that could have been pleaded based on the facts pleaded in the Operative Complaint, including and not limited to, for failure to pay overtime wages, failure to pay minimum wages, failure to provide meal periods, failure to provide rest periods, failure to provide accurate wage statements, failure to pay due wages at termination, unfair or unlawful business practices in violation of California Business and Professions Code § 17200, et seq. based on the California Labor Code violations alleged in the Operative Complaint, violation of the Fair Labor Standards Act ("FLSA"), and civil penalties pursuant to California Labor Code § 2698, et seq. (Private Attorneys General Act) based on the California Labor Code violations alleged in the Operative Complaint, injunctive relief, liquidated damages, penalties, interest, fees, and costs.

"Released Claims Period" means the period from March 1, 2012 through the date Final Approval of the Settlement is granted by the Court.

"Released Parties" means Defendants and any of their former and present parents, subsidiaries, affiliates, divisions, and/or related entities, and their shareholders, officers, directors, employees, partners, shareholders, agents, attorneys, insurers, predecessors, successors, assigns, and/or legal representatives, and any individual or entity that could be jointly or severally liable for any of the Released Claims.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Maximum Settlement Amount (i.e., an amount of up to \$122,500) and reimbursement of litigation costs and expenses in an amount of up to Thirty-Five

Thousand Dollars (\$35,000), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500) as an Enhancement Payment, in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Maximum Settlement Amount subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payments that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Five Hundred Dollars (\$7,500) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks disputes, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to receive money from the Settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Claims against the Released Parties as described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must seek exclusion from the Settlement by submitting a written Request for Exclusion to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Address]

A request for exclusion must: (a) contain the case name and number of the Action (*Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.*, Case No. BC612403); (b) be signed by you; (c) contain your full name, address, telephone number, and last 4 digits of your Social Security Number; (d) contain a statement clearly indicating that you do not wish to be included in the Settlement; and (e) be submitted to the Settlement Administrator by mail or fax, postmarked or fax-stamped **no later than [Response Deadline]**

If the Court grants final approval of the Settlement, any Class Member who timely and validly requests exclusion from the Settlement will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement Agreement (and the release of Released Claims stated in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement, including those pertaining to the release of Released Claims stated in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion.

To object, you must do so in a writing that: (a) contains the case name and number of the Action (*Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.*, Case No. BC612403); (b) contains your full name, signature, address,

and telephone number; (c) contains a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contains copies of any papers, briefs, or other documents upon which the objection is based; and (e) is mailed or faxed to the Settlement Administrator at the address in section IV.B above, postmarked or fax-stamped **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department SSC12 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to rule on Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and documents filed in the Action at the Stanley Mosk Courthouse, located at 111 North Hill Street, Los Angeles, California 90012.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT B

No. 10 Envelope Front

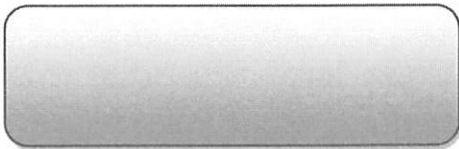
Harris v. TVI, Inc. D/B/A Savers, Value Village & Village Des Valeurs, et al.

RG/2 Claims Administration LLC

[address]

[POSTAGE]

Important Legal Document: *You may be eligible to receive money from a class action settlement. A court-ordered notice is enclosed.*



No. 10 Envelope Back

