

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Ivanie Murphy ("Plaintiff") and defendant Nordstrom, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

- 1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant, captioned *Ivanie Murphy v. Nordstrom, Inc.*, Case No. 22STCV25014, initiated on August 3, 2022, and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.
- 1.3. "Administrator" means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4. "Affected Employee" means any individual who worked for Defendant in a Service Experience, Customer Service, Selling & Service, Merchandise & Inventory, Sales (Apparel, Accessories, Shoes, Women's, Men's, Kid's), Store Management, Support, Stock, Web Fulfillment, Logistics, or Inventory department at a Nordstrom Rack store in California during the PAGA Period.
- 1.5. "Affected Employee Address Search" means the Administrator's investigation and search for current Affected Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces and direct contact by the Administrator with Affected Employees.
- 1.6. "Affected Employee Data" means Affected Employee information in Defendant's possession including the Affected Employee's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.
- 1.7. "Approval Order" means the proposed order granting approval of this Settlement attached hereto as Exhibit A.
- 1.8. "Court" means the Superior Court of California, County of Los Angeles.
- 1.9. "Defendant" means named defendant Nordstrom, Inc.

- 1.10. "Defense Counsel" means DLA Piper LLP (US).
- 1.11. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters the Judgment on the Approval Order and (b) the Judgment is final. The Judgment is final as of 61 days after Plaintiff serves Defendant and the LWDA with notice of the Approval Order and entry of the Judgment on this Settlement, so long as no appeal is filed prior to the 61st day. If an appeal is filed, the Effective Date will be when the order approving the Settlement and the Judgment are affirmed and are no longer subject to appeal.
- 1.12. "Gross Settlement Amount" means \$500,000, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment.
- 1.13. "Individual PAGA Payment" means each Affected Employee's pro rata share of 25% of the Net Settlement Amount calculated according to the number of PAGA Pay Periods the Affected Employee worked during the PAGA Period.
- 1.14. "Individual PAGA Payment Notice" means the communication to each Affected Employee to accompany their Individual PAGA Payment, which should be substantially in the form attached hereto as Exhibit B.
- 1.15. "Judgment" means the judgment entered by the Court based upon the Approval Order approving the Settlement.
- 1.16. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i), to the LWDA PAGA Payment.
- 1.17. "LWDA PAGA Payment" means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.18. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The Net Settlement Amount is to be paid to the LWDA as the LWDA PAGA Payment per paragraph 1.17 and to the Affected Employees as Individual PAGA Payments per paragraph 1.13.
- 1.19. "PAGA" means the Private Attorneys General Act (Lab. Code § 2698 et seq.).

- 1.20. "PAGA Counsel" means the Koul Law Firm, Majarian Law Group, APC, and Karasik Law Firm, which have represented Plaintiff in the Action.
- 1.21. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel, respectively, for reimbursement of reasonable attorneys' fees and expenses incurred to prosecute the Action.
- 1.22. "PAGA Notice" means Plaintiff's May 31, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a) of alleged Labor Code violations.
- 1.23. "PAGA Pay Period" means any Pay Period during which an Affected Employee held a job position for Defendant for at least one day in a Service Experience, Customer Service, Selling & Service, Merchandise & Inventory, Sales (Apparel, Accessories, Shoes, Women's, Men's, Kid's), Store Management, Support, Stock, Web Fulfillment, Logistics, or Inventory department at a Nordstrom Rack store in California during the PAGA Period.
- 1.24. "PAGA Period" means the period from May 31, 2021, through the earlier of: (a) October 21, 2023; or (b) the date on which the Total PAGA Pay Periods (defined below) reaches 153,669.
- 1.25. "Plaintiff" means Ivanie Murphy, the named plaintiff in the Action.
- 1.26. "Released PAGA Claims" means the claims being released by Plaintiff, the State of California, Affected Employees and PAGA Counsel and as described in Paragraph 5 below.
- 1.27. "Released Parties" means Defendant and its past and present parents, subsidiaries, affiliates, associates, owners, divisions, related companies, business concerns, and attorneys, and each of them, and their respective past and present successors and predecessors in interest, and all of their respective past and present and future officers, directors, employees, shareholders, administrators, fiduciaries, trustees, beneficiaries, agents, attorneys, principals, heirs, assigns, representatives, accountants, auditors, consultants, insurers, and reinsurers.
- 1.28. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.29. "Total PAGA Pay Periods" means the combined total of PAGA Pay Periods worked by all Affected Employees.

2. RECITALS.

- 2.1. On August 3, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for numerous alleged Labor Code violations. On February 13, 2023, the parties filed a stipulation, agreeing that Plaintiff would dismiss his non-seating claims without prejudice and that Plaintiff could file a first amended complaint asserting only a claim for failure to provide suitable seats on behalf of employees who performed cashier work at Nordstrom Rack stores. On May 18, 2023, the Court issued an order confirming Plaintiff had dismissed his non-seating claims without prejudice and that Plaintiff could file the proposed first amended complaint. On May 22, 2023, Plaintiff filed a First Amended Complaint alleging a single cause of action against Defendant under PAGA for failure to provide suitable seats at Nordstrom Rack stores in California. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged therein.
- 2.2. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On June 9, 2023, the Parties participated in an all-day mediation presided over by Jeffrey Krivis which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Plaintiff's personnel file and wage statements; Defendant's policy to pay for time spent in wellness checks; Defendant's policy to pay for all hours worked; a declaration confirming that Defendant pays for all hours worked by its employees, including hours reported as having been worked off the clock, and that Defendant pays hundreds of thousands of dollars each year for off-the-clock work; an order from prior litigation against Defendant, granting Defendant's motion for summary judgment regarding the plaintiff's claim for off-the-clock work; multiple copies of Defendant's meal and rest period policies that Plaintiff had signed; Plaintiff's schedules, confirming Defendant scheduled Plaintiff to take a 60-minute meal period, one 15-minute rest break before the meal period and a second 15-minute rest break after the meal period for each of his shifts; Defendant's written communication instructing employees working in Plaintiff's position not to take their radios on meal periods or rest breaks; sample wage statements confirming Defendant accurately calculated the regular rate of pay; Defendant's sick leave policy; sample wage statements confirming Defendant accurately paid sick leave wages; photographs of the seats Defendant provides in its Rack stores; orders from previous seating cases filed against Defendant; a May 2020 evaluation from an ergonomics expert concluding that Defendant's employees could not safely perform their duties while seated at Nordstrom

Rack cash wraps; a Loss Prevention Job Analysis; Defendant's seating policy; and the number of PAGA Pay Periods that Affected Employees worked from May 31, 2021 through December 31, 2022.

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

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$500,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Affected Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:
- 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.3%, which is currently estimated to be \$166,666.67, and PAGA Counsel Litigation Expenses Payment of not more than \$11,500.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. The Court will determine the amount of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, as well as the allocation of those amounts to each PAGA Counsel. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other counsel for Plaintiff arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment to PAGA Counsel in the amounts ordered by the Court and using one or more IRS 1099 Forms. PAGA Counsel assume full responsibility and liability for their respective taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, and PAGA Counsel hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding such taxes.

- 3.2.2. To the Administrator: An Administration Expenses Payment not to exceed \$15,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$15,500.00, the Administrator will allocate the remainder to the Net Settlement Amount.
- 3.2.3. To the LWDA and Affected Employees: the Net Settlement Amount, currently estimated to be \$306,333.33, to be paid from the Gross Settlement Amount, with 75% (estimated to be \$229,750.00) allocated to the LWDA PAGA Payment and 25% (estimated to be \$76,583.33) allocated to the Individual PAGA Payments.
- 3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Affected Employees' 25% share of the Net Settlement Amount (estimated to be \$76,583.33) by the total number of PAGA Period Pay Periods worked by all Affected Employees during the PAGA Period and (b) multiplying the result by each Affected Employee's PAGA Period Pay Periods. Affected Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
- 3.2.3.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms to the extent required by law.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Affected Employee Pay Periods. Based on a review of its records to date, Defendant estimates that Affected Employees will have worked a total of approximately 153,669 PAGA Pay Periods during the PAGA Period.
- 4.2. Affected Employee Data. Within 15 days of the Effective Date, Defendant will deliver the Affected Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Affected Employees' privacy rights, the Administrator must maintain the Affected Employee Data in confidence, use the Affected Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Affected Employee Data to Administrator employees who need access to the Affected Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Affected Employee Data originally provided to the Administrator was incorrect and to provide corrected Affected Employee Data to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Affected Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Affected Employee Data. Because Affected Employees' sensitive personal

information is included in the Affected Employee Data, the Administrator shall perform its obligations under the terms and conditions set forth in the Information Security and Services Agreement, attached hereto as Exhibit C.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 15 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 30 days of the Effective Date, the Administrator will distribute payments for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Affected Employees via First Class U.S. Mail, postage prepaid, accompanied by the Notice approved by the Court. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address database.
- 4.4.2. The Administrator must conduct an Affected Employee Address Search for all Affected Employees whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Affected Employee Address Search. The Administrator need not take further steps to deliver checks to Affected Employees whose remailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Affected Employee whose original check was lost or misplaced, requested by the Affected Employee prior to the void date.
- 4.4.3. For any Affected Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the United Ways of California within 30 days of the void date.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Affected Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

- 5. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, the State of California, all Affected Employees, and PAGA Counsel will release claims against all Released Parties as follows:

5.1.1. Release by Affected Employees:

Plaintiff, the State of California, and all Affected Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims, rights, demands, liabilities, and causes of action for civil penalties under PAGA based on the failure to provide suitable seats at Nordstrom Rack stores in California during the PAGA Period that were asserted in the Operative Complaint or that are reasonably related to the facts alleged in the Operative Complaint.

5.1.2. Release by PAGA Counsel:

PAGA Counsel, on behalf of their present and former attorneys, employees, agents, successors and assigns, release the Released Parties from all claims for attorney fees and litigation costs incurred in connection with prosecuting the Action.

- 6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1. Responsibilities of PAGA Counsel.** Plaintiff, by and through PAGA Counsel, will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to: its willingness to serve; its competency; the operative procedures for protecting the security of Affected Employee Data; the amounts of insurance coverage the Administrator is providing for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Affected Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (ii) a signed declaration from PAGA Counsel attesting to their transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), and this Agreement (Lab. Code, § 2699, subd. (l)(2)); (iii) a fully-executed copy of this Agreement and its exhibits; and (iv) all facts relevant to any actual or potential conflict of interest with Affected Employees and/or the Administrator. In their declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2. Responsibilities of PAGA Counsel and Defense Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator and for serving the Approval Order and Judgment on Defense Counsel and the LWDA.
- 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. If the Court awards Plaintiff less than the amount requested for the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and/or the Administration Expenses Payment, that ruling will not constitute a failure to grant approval of the Settlement.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Simpluris, Inc. to serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees to comply with the Court's order(s) regarding administration of the Settlement and to perform, as a fiduciary, all duties as specified in those order(s) in exchange for payment of the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AFFECTED EMPLOYEE SIZE ESTIMATES

Based on its records, Defendant estimates that, during the PAGA Period, Affected Employees will have worked approximately 153,669 PAGA Pay Periods.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

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

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes.

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Action have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all prior written and oral representations, warranties, covenants or inducements made to or by any Party.

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

required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, and submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11. Confidentiality. To the extent permitted by law, all agreements made and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12. Use and Return of Affected Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the

PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule.

- 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Gregory N. Karasik
Karasik Law Firm
16021 Aiglon St.
Pacific Palisades, CA 90272
greg@karasiklawfirm.com

To Defendant:

Julie Dunne and Matthew Riley
DLA Piper LLP (US)
4365 Executive Drive, Suite 1100
San Diego, California 92121

- 10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

Dated: _____

Plaintiff Ivanie Murphy

Dated: 9/13/2023 | 16:48 PDT

Designed by:
Sarah Johnson
By: Sarah Johnson
Title: Vice President, Associate General Counsel
For Defendant Nordstrom, Inc.

Dated: _____

Nazo Koulloukian
KOUL LAW FIRM
Counsel for Plaintiff Ivanie Murphy

Dated: _____

Garen Majarian
Sahag Majarian
MAJARIAN LAW GROUP, APC
Counsel for Plaintiff Ivanie Murphy

Dated: _____

Gregory N. Karasik
KARASIK LAW FIRM
Counsel for Plaintiff Ivanie Murphy

Dated: 9/20/2023

Matthew B. Riley
Julie A. Dunne
Matthew Riley
DLA PIPER LLP (US)
Counsel for Defendant Nordstrom, Inc.

EXHIBIT A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

IVANIE MURPHY, an individual, on behalf
of himself, all aggrieved employees, and the
State of California as a Private Attorney
General,

Plaintiff,

v.

NORDSTROM, INC., a Washington
corporation, and DOES 1-50, inclusive,

Defendants.

Case No. 22STCV25014

ASSIGNED FOR ALL PURPOSES TO:
JUDGE LIA MARTIN, DEPT. 16

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

Complaint Filed: August 3, 2022
FAC Filed: May 22, 2023
Trial Date: None Set

1 **SETTLEMENT APPROVAL ORDER AND JUDGMENT**

2 This matter came before this Court on Plaintiff Ivanie Murphy's ("Plaintiff") motion for
3 approval of the Parties' PAGA Settlement Agreement ("Settlement" or "Settlement Agreement")
4 pursuant to California's Private Attorneys General Act, California Labor Code § 2698 *et seq.*
5 ("PAGA"). The Court, having considered the Settlement, the papers filed in support of the motion,
6 and the arguments of counsel, has determined that the Settlement provides genuine and meaningful
7 relief under PAGA and is fair, adequate, and reasonable. Therefore, the Court hereby ORDERS,
8 ADJUDGES, AND DECREES AS FOLLOWS:

9 1. The Court has jurisdiction over the subject matter of this Action and over all Parties
10 to the Action.

11 2. This Approval Order incorporates the Settlement Agreement agreed to between
12 Plaintiff, on behalf of himself, the State of California, and Affected Employees, on the one hand,
13 and Defendant Nordstrom, Inc. ("Defendant"), on behalf of itself and the Released Parties, on the
14 other hand. Unless otherwise provided herein, all capitalized terms used herein shall have the same
15 meaning as defined in the Settlement Agreement.

16 3. The Court hereby finds that Plaintiff notified the Labor and Workforce Development
17 Agency ("LWDA") of the Settlement at the time he filed his motion for approval of the Settlement
18 and in accordance with the notice requirements of California Labor Code section 2699(f). The Court
19 has received no feedback from the LWDA regarding the Settlement.

20 4. The Court finds that the Settlement has been reached as a result of serious and non-
21 collusive, arm's-length negotiations. The Court has considered the nature of the claims, the
22 procedural history of this case, the amounts paid in settlement, and the allocation of settlement
23 proceeds among the LWDA and the Affected Employees. The Court hereby finds the Settlement
24 involves the resolution of a bona fide dispute, was entered into in good faith, and provides genuine
25 and meaningful relief under PAGA. The Court therefore approves the Settlement as fair, adequate,
26 and reasonable and directs the Parties to effectuate the Settlement according to the terms outlined in
27 the Settlement Agreement.

1 5. Defendant will not be required to pay any additional amounts to settle the Action
2 other than the Gross Settlement Amount specifically set forth in the Settlement Agreement.

3 6. The Court awards a PAGA Counsel Fees Payment to PAGA Counsel in the total
4 amount of \$_____, allocated as follows: \$_____ to the Karasik Law Firm;
5 \$_____ to the Koul Law Firm; and \$_____ to the Majarian Law Group, APC.
6 These attorneys' fees are to be paid from the Gross Settlement Amount as final payment for and
7 complete satisfaction of any and all attorneys' fees incurred by Plaintiff, and to be incurred by
8 Plaintiff, to prosecute the Action and to administer the Settlement.

9 7. The Court awards a PAGA Counsel Litigation Expenses Payment to PAGA Counsel
10 in the total amount of \$_____, allocated as follows: \$_____ to the Karasik
11 Law Firm; \$_____ to the Koul Law Firm; and \$_____ to the Majarian Law
12 Group, APC. These litigation costs are to be paid from the Gross Settlement Amount as final
13 payment for and complete satisfaction of any and all litigation costs incurred by Plaintiff, and to be
14 incurred by Plaintiff, to prosecute the Action and to administer the Settlement.

15 8. The Court appoints _____ to serve as the Administrator.
16 The Court concludes that an Administration Expenses Payment in the amount of \$_____
17 is reasonable and necessary to administer the Settlement and shall be paid from the Gross Settlement
18 Amount.

19 9. The remaining Net Settlement Amount of \$_____ shall be allocated
20 as follows: 75% of the Net Settlement Amount, or \$_____, will be paid to the
21 LWDA, and the remaining 25%, or \$_____, will be paid to all Affected Employees
22 pursuant to the calculation set forth in the Settlement Agreement for calculating Individual PAGA
23 Payments.

24 10. Upon the Effective Date, the terms of the Settlement Agreement, this Approval
25 Order, and this Judgment, shall be binding on the Parties. Plaintiff, the State of California, and
26 Affected Employees shall be bound by the releases set forth in the Settlement Agreement.
27 Specifically:
28

1 a. Upon the Effective Date, Plaintiff, on behalf of himself, the State of California, and
2 all Affected Employees, will be deemed to have released the Released Parties from
3 the Released PAGA Claims.

4 b. The releases provided under the Settlement shall have *res judicata* effect on Plaintiff,
5 the State of California, and the Affected Employees, as well as their heirs, executors,
6 administrators, successors, and assigns in all pending and future claims, lawsuits, or
7 other proceedings maintained by or on behalf of any such persons, to the extent those
8 claims, lawsuits, or other proceedings fall within the scope of claims released as set
9 forth in the Settlement Agreement.

10 11. Neither this Approval Order, this Judgment, nor the Settlement Agreement (nor any
11 other document referred to herein, nor any action taken to carry out this Approval Order and
12 Judgment) are, may be construed as, or may be used as, an admission or concession by Defendant
13 or the Released Parties of the validity of any claim asserted by Plaintiff. The fact that Defendant
14 entered into, and took action to implement, the Settlement shall not be considered as, or be deemed
15 evidence of, an admission or concession of wrongdoing, fault, or liability as alleged in the Action.
16 Moreover, the fact that Defendant entered into and/or took action to implement the Settlement shall
17 not be offered or received in evidence in any action or proceeding against Defendant in any court,
18 administrative agency, or other tribunal for any purpose whatsoever, except to enforce the provisions
19 of this Approval Order, this Judgment and the Settlement Agreement; provided, however, that this
20 Approval Order, this Judgment, and the Settlement Agreement may be filed in any action against or
21 by Defendant or the Released Parties to support a defense of *res judicata*, collateral estoppel, release,
22 waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory
23 of claim preclusion, issue preclusion, or similar defense or counterclaim.

24 12. The Court reserves exclusive and continuing jurisdiction over the Action for the
25 purposes of supervising the implementation, enforcement, construction, administration, and
26 interpretation of the Settlement Agreement and this Approval Order and Judgment pursuant to
27 California Code of Civil Procedure section 664.6.
28

13. Within ten (10) days after entry of this Approval Order and Judgment, Plaintiff shall submit a copy of this Approval Order and Judgment to the LWDA pursuant to California Labor Code section 2699(f)(3). Within seven (7) days following Plaintiff's submission of this Approval Order and Judgment to the LWDA, PAGA Counsel shall file a declaration confirming that Plaintiff has complied with California Labor Code section 2699(f)(3).

14. The Court hereby enters judgment of the entire Action for the reasons set forth above and upon the terms set forth in the Settlement Agreement.

IT IS SO ORDERED, ADJUDGED, AND DECREED.

DATED: _____

HON. LIA MARTIN
JUDGE OF THE SUPERIOR COURT

EXHIBIT B

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

The parties to a lawsuit entitled *Ivanie Murphy v. Nordstrom, Inc.* filed in the Superior Court for the State of California, County of Los Angeles, have reached a settlement that affects you. Plaintiff Ivanie Murphy ("Plaintiff"), as a proxy for the State of California, filed a Private Attorneys General Act ("PAGA") lawsuit, claiming Nordstrom, Inc. should have provided seats to employees who performed cashier duties at Nordstrom Rack stores (the "seating claim") during the PAGA Period (as defined in the settlement agreement). Nordstrom denies these allegations. However, to avoid further litigation, the parties agreed to settle their dispute.

Pursuant to the release approved by the Court, Plaintiff released the Released Parties from any and all claims, rights, demands, liabilities, and causes of action for civil penalties under PAGA based on the failure to provide suitable seats at Nordstrom Rack stores in California during the PAGA Period that were asserted in the Operative Complaint (as defined in the settlement agreement) or that are reasonably related to the facts alleged in the Operative Complaint. The Released PAGA Claims also include all claims that Plaintiff and/or the Affected Employees may have against Nordstrom, Inc. or the Released Parties relating to the payment, taxation, and allocation of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment awarded by the Court pursuant to the settlement. The Released PAGA Claims only apply to claims for civil penalties under PAGA, and not any other claim or right that you may have.

The Released Parties are Nordstrom, Inc. and its past and present parents, subsidiaries, affiliates, associates, owners, divisions, related companies, business concerns, and attorneys, and each of them, and their respective past and present successors and predecessors in interest, and all of their respective past and present and future officers, directors, employees, shareholders, administrators, fiduciaries, trustees, beneficiaries, agents, attorneys, principals, heirs, assigns, representatives, accountants, auditors, consultants, insurers, and reinsurers.

According to Nordstrom, Inc.'s records, you are an Affected Employee and are therefore entitled to a share of the settlement. Enclosed is a check representing your share of the settlement. The check shall remain valid for one hundred eighty (180) days. The value of checks remaining un-cashed for more than 180 days after issuance will be paid to the United Ways of California. One hundred percent (100%) of your share of the settlement shall be deemed penalties and reported as miscellaneous income for which an IRS Form 1099 will be issued, if required by law. You shall be solely and legally responsible for paying any and all applicable taxes on your share of the settlement.

If you have any questions, please contact:

Settlement Administrator

Name

Address

Telephone

EXHIBIT C

INFORMATION SECURITY AND SERVICES AGREEMENT

This Information Security and Services Agreement ("**Agreement**"), effective as of September 1, 2023 ("**Effective Date**") is entered into by Nordstrom, Inc., a Washington corporation, with offices at 1700 Seventh Avenue, Suite 1000, Seattle, Washington 98101-4407, and Simpluris, Inc., with a principal business address at 3194-c Airport Loop Drive, Costa Mesa, California 92926 ("**Administrator**") (together, the "**Parties**").

RECITALS

Nordstrom, Inc. desires to have Administrator provide certain settlement administration services in accordance with the terms of the Plaintiff's settlement agreement (the "**Settlement**") and the anticipated court order(s) approving the Settlement in the litigation titled *Ivanie Murphy v. Nordstrom, Inc.*, pending in the Superior Court of the State of California for the County of Los Angeles, Case No. 22STCV25014 (the "**Action**"); and

Administrator desires to provide such Services to Nordstrom, Inc. in exchange for payment of settlement administration costs not to exceed \$15,500.00, to be paid out of the Gross Settlement Amount for the Settlement, and subject to the court's approval in the Action.

NOW, THEREFORE, based upon the mutual promises and terms and conditions set forth below, the Parties agree that Administrator will administer the Settlement pursuant to the following information security provisions:

DEFINITIONS

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

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

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

"**Nordstrom, Inc.**" means Nordstrom, Inc. and/or its Affiliates as applicable.

"**Affected Employee Data**" is a subset of Confidential Information and means information regarding Affected Employees that Nordstrom, Inc. will compile in good faith from its records and provide to the Administrator. The Affected Employee Data shall be provided in a confidential Microsoft Excel spreadsheet and shall include each Affected Employee's: full name, most recent mailing address, and social security number on file with Nordstrom, Inc.; and the number of PAGA Pay Periods, as defined in the Settlement Agreement.

INFORMATION SECURITY AND SERVICES AGREEMENT

"Affected Employees" means Plaintiff and all other individuals who worked for Nordstrom, Inc. in a Service Experience, Customer Service, Selling & Service, Merchandise & Inventory, Sales (Apparel, Accessories, Shoes, Women's, Men's, Kid's), Store Management, Support, Stock, Web Fulfillment, Logistics, or Inventory department at a Nordstrom Rack store in California between May 31, 2021, through the earlier of: (a) October 21, 2023; or (b) the date on which the Total PAGA Pay Periods reaches 153,669.

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

"Personnel" means Administrator's employees, agents, attorneys, or approved independent contractors, who are required to perform Services under this Agreement.

"Plaintiff" means Ivanie Murphy.

"Services" means any task to be performed by Administrator in connection with administering the Settlement pursuant to the court-approved terms of the Settlement and applicable court orders.

AGREEMENT

1. CONFIDENTIALITY AND NONDISCLOSURE.

1.1. Confidentiality.

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

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

INFORMATION SECURITY AND SERVICES AGREEMENT

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

1.2 *No License; Warranty.*

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

1.3 *Publicity.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

1.4 *Consumer Rights Requests.*

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

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

2. **INFORMATION SECURITY.**

2.1. *Safeguards.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

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

2.2. *Assessments.*

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

2.3. *Security Breaches.*

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

2.4. *Return and Destruction.*

INFORMATION SECURITY AND SERVICES AGREEMENT

Upon termination of this Agreement or upon the 5th year from the Effective Date of this Agreement, Administrator shall, at Nordstrom, Inc.'s election, return or securely destroy all Confidential Information that has been provided to or obtained by Administrator in a manner that prevents any Confidential Information from being recovered. Before disposing of or relinquishing control of such hard drives or other equipment Administrator shall also erase all hard drives and other equipment used to process, store, or transmit Confidential Information in a manner that prevents recovery or restoration of such Confidential Information. Upon request of Nordstrom, Inc., Administrator shall certify in writing that it has met its obligations under this Section 2.4.

3. PERSONNEL.

3.1. Background Investigation.

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

3.2. Third Party Contractors.

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

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

4. ADDITIONAL TERMS.

4.1. Term.

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

INFORMATION SECURITY AND SERVICES AGREEMENT

4.2. Remedies.

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

4.3. Attorney Fees.

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

4.4 Order of Precedence.

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

4.5. Waiver.

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

4.6. Choice of Law.

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

4.7. Entire Agreement.

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

4.8. Modification.

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

4.9. Severability.

The Parties agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses. If one or

INFORMATION SECURITY AND SERVICES AGREEMENT

more provisions contained in this Agreement shall for any reason be held to be unenforceable at law, such provision(s) shall be construed so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

4.10. Indemnification.

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

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

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

SIMPLURIS, INC.

NORDSTROM, INC.

By: Douglas S. Norman

Digitally signed by:
Rosa Fruehling-Watson
[83082983301044C1]

Print Name: Douglas S. Norman

Print Name: Rosa Fruehling-Watson

Title: CFO

Title: Senior Director, Associate General Counsel

Date: 9/5/2023

Date: 9/7/2023