

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (the “Agreement”) is entered into by and between plaintiff Carlos Andrade (“Plaintiff”), individually and on behalf of the State of California and all PAGA Group Members (defined below), and defendants Restoration Hardware, Inc. and DCO LA LLC (“Defendants”), subject to the approval of the Court. The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.” In consideration of the promises and mutual covenants and agreements herein contained, the Parties hereby covenant and agree as follows:

1. DEFINITIONS. As used in this Agreement, the terms set forth in this Section 1 shall have the meanings ascribed to them below.

1.1 “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendants, captioned *Carlos Andrade v. Restoration Hardware, Inc., et al.*, initiated on October 31, 2022, and pending in Superior Court of the State of California, County of Los Angeles, Case No. 22STCV34734.

1.2 “Administrator” means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement. The Administrator shall be responsible for administering the Settlement pursuant to the terms of this Agreement and the Judgment. The Administrator shall agree to confidentiality terms as may be required by Defendants regarding any data provided to the Administrator.

1.3 “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.

1.4 “Approval Date” means the date on which the Court enters the Order Approving Settlement and Judgment Thereon.

1.5 “Approval Order” or “Judgment” means the Order Approving Settlement and Judgment Thereon approving the Settlement and this Agreement.

1.6 “Court” means the Superior Court of the State of California, County of Los Angeles.

1.7 “Defendants’ Counsel” means the law firm of Morrison & Foerster LLP, the attorneys representing Defendants in the Action.

1.8 “Effective Date” means either (a) the date 60 days after entry of the Approval Order and Judgment, if no motions for reconsideration and no appeals or other efforts to obtain review have been filed, or (b) in the event a motion for reconsideration, an appeal, or other effort to obtain review of the Approval Order and Judgment, the date 60 days after such reconsideration, appeal, or review has been finally concluded and is no longer subject to review, whether by appeal, petition for rehearing, petition for review, or otherwise.

1.9 “Gross Settlement Amount” means One Hundred Thousand Dollars and No Cents (\$100,000.00), which is the maximum total amount that Defendants shall be required to pay for any and all purposes under this Agreement, except in the event of an election by Defendants pursuant to Section 4.4.1 below. The Gross Settlement Amount will be used to pay: (a) the PAGA Group Members Payment; (b) the LWDA PAGA Payment; (c) PAGA Counsel Fees Payment; (d)

PAGA Counsel Litigation Expenses Payment; and (e) the Administration Expenses Payment. Under no circumstances shall Defendants pay any sum in excess of the Gross Settlement Amount in connection with this Settlement.

1.10 “Individual PAGA Payment” means a PAGA Group Member’s pro rata share of the PAGA Group Members Payment calculated according to the PAGA Group Member’s PAGA Pay Periods.

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

1.12 “LWDA PAGA Payment” means the portion of the Gross Settlement Amount to be paid to the LWDA under this Agreement, which shall equal 75 percent of the Net Settlement Amount.

1.13 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (a) Administration Expenses Payment, (b) Plaintiff’s Counsel Fees Payment, and (c) Plaintiff’s Counsel Litigation Expenses Payment.

1.14 “Notice of Settlement” means the notice to be mailed to PAGA Group Members with their Settlement Payments, which shall explain how the Individual PAGA Payment was calculated and which shall substantially conform to Exhibit A hereto.

1.15 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, et seq.).

1.16 “PAGA Counsel” or “Plaintiff’s Counsel” means the law firm of Lavi & Ebrahimian, LLP, the attorneys representing Plaintiff in the Action.

1.17 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to Plaintiff’s Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.18 “PAGA Group Member Data” means PAGA Group Member identifying information in Defendants’ possession including each PAGA Group Member’s (i) name; (ii) last known residence address; (iii) last known telephone number; (iv) Social Security number; and (v) individual number of PAGA Pay Periods during the PAGA Period.

1.19 “PAGA Group Members” means Plaintiff and all other current and former nonexempt associates employed at any DCO LA, LLC facility in California during the PAGA Period.

1.20 “PAGA Group Members Payment” means the aggregate sum of all Individual PAGA Payments that the Administrator determines are owed to PAGA Group Members under this Agreement, which shall equal 25 percent of the Net Settlement Amount.

1.21 “PAGA Notice” means Plaintiff’s July 25, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.22 “PAGA Pay Periods” means the number of pay periods during the PAGA Period that a PAGA Group Member was employed by Defendants for at least one day. PAGA Pay Periods shall be calculated by Defendants based on their records.

1.23 “PAGA Period” means the time period from August 27, 2021 to the date the Court enters its Order Approving Settlement and Judgment of this Settlement.

1.24 “Released Claims” means all claims under PAGA that are alleged in this Action and/or the PAGA Notice, or that could have been alleged based on the facts alleged in this Action and/or the PAGA Notice, based on alleged violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and 1198; and the applicable Wage Order(s) promulgated by the Industrial Welfare Commission, that arose during the PAGA Period in connection with the PAGA Group Members’ work with Defendants, or either of them. The Released Claims are released by both the State of California and the PAGA Group Members as part of this Settlement.

1.25 “Released Parties” means Defendants; each of their respective present, former, or future parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors and assigns; each of their respective present, past, or future officers, directors, employees, partners (both general and limited), shareholders, agents, attorneys, insurers, and any other successors, assigns, or legal representatives.

1.26 “Settlement” means the disposition of this Action effected by this Agreement and the Judgment.

1.27 “Settlement Fund” means the fund established and administered by the Administrator for the purpose of receiving and disbursing amounts to be paid to the PAGA Group Members, the LWDA, Plaintiff’s Counsel, and the Administrator pursuant to this Agreement.

2. RECITALS.

2.1 On October 31, 2022, Plaintiff filed a putative class action complaint against Defendants in the Superior Court of the State of California, County of Los Angeles, entitled *Carlos Andrade v. Restoration Hardware, Inc., et al.*, Case No. 22STCV23952 (*Andrade I*), alleging eight causes of action for (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code sections 1194 and 1197, (2) failure to pay overtime wages for daily overtime worked in violation of Labor Code sections 510 and 1194, (3) failure to authorize or permit meal periods in violation of Labor Code sections 512 and 226.7, (4) failure to authorize or permit rest periods in violation of Labor Code section 226.7, (5) failure to timely pay earned wages during employment in violation of Labor Code section 204, (6) failure to provide complete and accurate wage statements in violation of Labor Code section 226, (7) failure to timely pay all earned wages and final paychecks due at time of separation of employment in violation of Labor Code sections 201, 202, and 203, and (8) unfair business practices in violation of Business and Professions Code sections 17200, et seq.

2.2 On July 25, 2022, Plaintiff filed the “PAGA Notice” with the LWDA and gave written notice to Defendants;

2.3 On October 31, 2022, Plaintiff commenced this Action by filing another complaint Defendants in the Superior Court of the State of California, County of Los Angeles, entitled *Carlos Andrade v. Restoration Hardware, Inc., et al.*, Case No. 22STCV34734 (*Andrade II*), alleging a single cause of action for civil penalties pursuant to PAGA.

2.4 In *Andrade I*, on October 31, 2022, the Parties stipulated to dismiss the class action allegations pursuant to terms of an arbitration agreement, compel Plaintiff's individual claims to arbitration, and stay the action until completion of the individual arbitration. On November 9, 2022, the Court dismissed Plaintiff's putative class claims without prejudice and stayed his individual claims pending the arbitration of those claims.

2.5 On April 21, 2023, in this Action (*Andrade II*), the Parties stipulated to arbitration of Plaintiff's individual PAGA claims and agreed to stay the remaining non-individual PAGA claims. The Court executed the stipulation on June 14, 2023.

2.6 On March 20, 2023, Plaintiff initiated arbitration of his individual claims against Defendants with JAMS, entitled *Carlos Andrade v. Restoration Hardware, Inc., et al.*, JAMS Ref No. 5220002855 (*Andrade III*, collectively with *Andrade I and II*, the "Actions").

2.7 The Parties decided to explore the possibility of a global settlement of the Actions through private mediation, to see if they could reach a reasonable resolution before they invested further time and expense in litigation.

2.8 Leading up to the mediation, the Parties engaged in informal discovery and exchange of information and documents. In preparation for mediation, Plaintiff requested and Defendants provided substantial informal discovery, including production of policy documents, employee time and pay records, employee headcounts and pay period counts, and other information requested by Plaintiff.

2.9 In these and other ways, the Parties investigated the facts and analyzed the relevant legal issues regarding the claims and defenses in the Actions. Based on this investigation and analysis, Plaintiff believes the Actions have merit, while Defendants believe the Actions lack merit.

2.10 On March 20, 2024, the Parties participated in a mediation with experienced mediator David S. Phillips of Signature Resolution, and after extensive negotiations facilitated by Mr. Phillips, the Parties agreed to global settlement of the Actions, including the settlement of this Action, *Andrade II*. The Parties have entered into a separate agreement that includes a general release of claims by Plaintiff (the "Individual Agreement"), which by itself the Parties agree does not require court approval but which is conditioned on approval of this PAGA Agreement.

2.11 The Parties have each considered the uncertainties of continued litigation and the benefits to be obtained under the proposed settlement, and have considered the costs, risks, and delays associated with the continued prosecution of Plaintiff's claims and the likely appeals of any

rulings in favor of either Plaintiff or Defendants. At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length.

2.12 It is the Parties' intention and the objective of this Agreement to avoid the costs of further arbitration, litigation, and trial, and to settle and dispose of, fully and completely and forever, the claims released herein and described below, on the terms set forth herein.

3. MONETARY TERMS.

3.1 **Gross Settlement Amount.** Except as otherwise provided by Sections 4.4.1 and 9 below, Defendants shall remit One Hundred Thousand Dollars and No Cents (\$100,000.00) and no more to the Administrator as the Gross Settlement Amount. Defendants have no obligation to remit the Gross Settlement Amount prior to the Effective Date. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring PAGA Group Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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 Plaintiff's Counsel.** PAGA Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount or up to Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$33,333.33), and PAGA Counsel Litigation Expenses Payment of not more than Fifteen Thousand Dollars and No Cents (\$15,000.00). Defendants will not oppose requests for Court approval of these payments, provided that they do not exceed these amounts. Plaintiff will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. 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 Plaintiff's Counsel arising from any claim to any portion of the PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. An award by the Court of attorneys' fees and/or expenses that is less than the foregoing amounts will not be grounds for Plaintiff or

Plaintiff's Counsel to challenge or withdraw from the Settlement. The Plaintiff will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment and more IRS 1099 Forms. Plaintiff's Counsel will have sole and complete liability for taxes owed on the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment and Plaintiff holds Defendants harmless. Defendants, from any dispute or controversy regarding any division of these payments.

3.2.2 To the Administrator. Administration Expenses Payment of Three Thousand Dollars and No Cents (\$3,000.00), except for a share and as approved by the Court. To the extent the administration expenses the Court approves payment less than Three Thousand Dollars and No Cents, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.3 To the LWDA and PAGA Group Members. The Net Settlement Amount will constitute the allegedly owed PAGA penalties, with 75% allocated to the PAGA Group Members Payment and 25% allocated to the PAGA Counsel Fees Payment. The Administrator will calculate each Individual PAGA Payment by (a) dividing the PAGA Group Members Payment by the total number of PAGA Pay Periods and multiplying the result by the number of PAGA Pay Periods for each PAGA Group Member. In the event that any dispute arises with respect to an Individual PAGA Payment, the Administrator shall make the final determination after consultation with Plaintiff's Counsel and Defendants' Counsel. Each PAGA Group Member assumes full and complete liability for any taxes owed on all amounts such person receives pursuant to their Individual PAGA Payment (i.e., their Individual PAGA Payment), and neither Defendant shall be liable therefor.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Administrator Duties. The Administrator's duties shall be subject to the following limitation: (i) taking receipt of and safeguarding PAGA Group Members Payments and reporting to Plaintiff's Counsel and Defense Counsel of the number of PAGA Pay Periods and the amount of PAGA Pay Periods therein; (ii) taking receipt of and safeguarding the Settlement Amount and establishing the Settlement Fund; (iii) calculating

Individual PAGA Payments to PAGA Group Members, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment, provided such amounts are approved by the Court; (iv) issuing all tax forms required by law; (v) filing reports with the taxing authorities as required by law; and (vi) establishing a toll-free number for PAGA Group Members to call the Administrator with any questions regarding the Settlement, together with such other tasks as the Parties may mutually agree or the Court may order the Administrator to perform.

4.2 PAGA Group Members Data. Within ten (10) business days of the Effective Date, Defendants will provide the PAGA Group Member Data in spreadsheet format and in a secure fashion to the Administrator. To protect the PAGA Group Members' privacy rights, the Administrator must maintain the PAGA Group Members' data in confidence, use the data only for purposes of this settlement and for no other purpose, and restrict access to the data to Administrator employees who need access to the data to effect and perform under this Agreement. The Administrator shall not disclose the data to anyone, except pursuant to the express written authorization of Defendants or the individual PAGA Group Member in question, by order of the Court, or to the extent necessary to fulfill the Administrator's reporting obligations hereunder.

4.3 Funding of Gross Settlement Amount. Within fifteen (15) business days of the Effective Date, Defendants shall fully fund the Gross Settlement Amount by remitting the Gross Settlement Amount to the Administrator. Defendants shall fully discharge their obligations to Plaintiff, the LWDA, and the PAGA Group Members after providing the information on the PAGA Group Members to the Administrator as set forth in Section 4.2, above, and following the funding of the Gross Settlement Amount to the Administrator as set forth in this Section, regardless of whether checks representing Individual PAGA Payments are actually received and/or negotiated by PAGA Group Members. Once Defendants have complied with their obligations set forth in Sections 4.2 and 4.3, they will be deemed to have satisfied all terms and conditions to which they are subject under this Agreement, shall be entitled to all protections afforded to them under the Agreement, and shall have no further obligations under the Agreement, regardless of what occurs with respect to the further administration of the Settlement.

4.4 PAGA Pay Periods and Escalator Option. Based on its records through and as of July 17, 2024, Defendant estimated that there are approximately 72 PAGA Group Members who

worked approximately 3,000 Pay Periods. If the Administrator determines that the total number of PAGA Pay Periods in the PAGA Group Member Data exceeds 3,000 PAGA Pay Periods by greater than 13 1/3% (i.e., there are more than 3,400 Pay Periods), then the end date of the PAGA Period shall be set as one day before the date on which the PAGA Pay Periods exceed 3,400 PAGA Pay Periods (instead of the default date of the Court's entry of Judgment), unless Defendants elect to exercise their option pursuant to Section 4.4.1 below.

4.4.1 Escalator Option. If the total number of PAGA Pay Periods in the PAGA Group Member Data exceeds 3,000 Pay Periods by greater than 13 1/3% (i.e., there are more than 3,400 Pay Periods), then within ten (10) business days of the Administrator informing the Parties of the amount of PAGA Pay Periods, Defendants may, but shall in no event be required to, affirmatively elect to have the Gross Settlement Amount proportionally increased for each PAGA Pay Period that exceeds 3,400 PAGA Pay Periods (e.g., if the number of PAGA Pay Periods is 14 1/3% greater than 3,000 PAGA Pay Periods, and Defendants exercise their option hereunder, then the Gross Settlement Amount would increase by \$1,000 to \$101,000 as a 1% increase from \$100,000), in which case the end date of the PAGA Pay Period shall remain the date of entry of Judgment. Such election is to be made in an email to the Administrator and PAGA Counsel.

4.5 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendants fully fund the Gross Settlement Amount, the Administrator will distribute all Individual PAGA Payments with the accompanying Notice of Settlement, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. No payments shall be made until the Judgment is final (meaning the right to appeal or otherwise seek review of the Judgment has expired) and on the condition that no appeals from the Judgment have been filed. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.5.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the PAGA Group Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (one hundred eighty (180) days after the date of mailing) when the check will be voided. The Administrator

will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.5.3 In the event any checks to the PAGA Group Members remain uncashed for any reason after this one hundred eighty (180) day period, the Administrator shall remit any unclaimed funds from such checks to the State of California, Controller's Office, Unclaimed Property Division in the name of the PAGA Group Member.

4.5.4 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the PAGA Group Members beyond those specified in this Agreement.

5. RELEASE AND WAIVER OF CLAIMS. Effective on the date when Defendants fully fund the Gross Settlement Amount pursuant to Section 4.3, in exchange for the PAGA Group Members Payment and the LWDA PAGA Payment, all PAGA Group Members (including Plaintiff) and the State of California shall be deemed to have, and by operation of the Judgment shall have, expressly released, waived, and discharged the Released Parties from the Released Claims, and they shall each be bound by the Approval Order and Judgment and be forever barred from pursuing any of the Released Claims against any of the Released Parties.

6. MOTION FOR APPROVAL OF SETTLEMENT.

6.1 Plaintiff's Responsibilities. Promptly upon the Parties' execution of this Agreement, and no later than thirty (30) days after the execution of this Agreement, Plaintiff will prepare and file all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subd. (f)(2), including: (i) a draft proposed Approval Order; (ii) a signed declaration from the Administrator attesting to its willingness to serve, competency, operative procedures for protecting the security of PAGA Group Members data, amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with the PAGA Group members or the LWDA, and the nature and extent of any financial relationship with Plaintiff, Plaintiff's Counsel, or Defendants' Counsel; (iii) a signed declaration from Plaintiff's Counsel firm attesting to their timely transmission to the LWDA of all necessary PAGA documents; (iv) a redlined version of the Parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with the PAGA Group Members and/or the Administrator. In their declaration, Plaintiff's 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 Plaintiff's Counsel. Plaintiff shall submit a copy of this Agreement to the LWDA, in accordance with Labor Code section 2699, subdivision (l)(2). Plaintiff shall also submit to the LWDA a copy of the Judgment within ten (10) days after its entry, in accordance with Labor Code section 2699, subdivision (l)(3). Plaintiff will have sole responsibility for drafting and filing the motion for approval of the Settlement but will provide his proposed moving papers to Defendants for review and comment at least seven (7) days before filing them with the Court.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed motion for approval of this Settlement and/or the supporting declarations and documents, Plaintiff's Counsel and Defendants' 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, Plaintiff's Counsel and Defendants' 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.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for 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 calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Settlement Fund established by the Administrator shall meet the requirements of a Qualified Settlement Fund 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. Also, the Administrator shall keep Defendants' Counsel and Plaintiff's Counsel apprised of the status of the settlement administration process and its distribution of Individual PAGA Payments. Upon completion of administration of the Settlement, the Administrator shall provide a detailed, written certification of such completion to the Parties, including the amounts paid to the LWDA, PAGA Group Members (in the aggregate), Plaintiff's Counsel, and the Administrator.

8. CONTINUING JURISDICTION OF THE COURT. Any dispute regarding the interpretation or validity or otherwise arising out of this Agreement, or relating to this Action or the Released Claims, shall be subject to the exclusive jurisdiction of the Court. Following the entry of the Judgment but without affecting the finality thereof, the Court shall retain jurisdiction solely with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel shall submit to the jurisdiction of the Court for purposes of interpreting, implementing,

and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

9. NULLIFICATION OF SETTLEMENT IF NOT APPROVED. Should the Court not approve this Settlement, the Parties shall meet and confer to negotiate and make reasonable efforts to address any issues raised by the Court in order to obtain the Court's approval, except that Defendants will not be required under any circumstances to increase the Gross Settlement Amount. Additionally, the Parties agree that any issues related to the Parties' Individual Agreement shall not be grounds for termination of this PAGA Settlement, and under no circumstances shall Defendant pay any sum above the total of the Gross Settlement Amount in this PAGA Settlement except by Defendants' affirmative, written election pursuant to Section 4.4.1, above. If the Parties cannot obtain approval from the Court of this Settlement, notwithstanding their reasonable efforts described herein, this Agreement shall be null and void *ab initio* (with the exception of this Section), without any force or effect, and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as withdrawn or vacated by stipulation of the Parties. In such case, the Parties shall be returned to their respective statuses as of March 20, 2024.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability. Defendants contend that they have at all times complied with all applicable laws and regulations, and deny and continue to deny each of the claims alleged by Plaintiff. This Agreement reflects a compromise and settlement of disputed claims between the Parties, and its provisions and any and all drafts, communications, or discussions relating thereto do not constitute, are not intended to constitute, and will not under any circumstances be deemed to constitute an admission (i) by Defendants as to the merits, validity, or accuracy of any of the allegations or claims in the Actions, nor a waiver of any defense and/or (ii) by Plaintiff as to the merits, validity, or accuracy of any of Defendants' defenses in the Actions.

10.2 No Right to Exclusion or Objection by PAGA Group Members. Because this Settlement resolves claims brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private Attorney General of, and for, the State of California and the LWDA, the Parties acknowledge and agree that no PAGA Group Member has the right to object to or exclude himself or herself from

the Settlement. The Parties acknowledge and agree that, upon the Effective Date, PAGA Group Members and the State of California shall be bound by the terms of the Settlement.

10.3 Integrated Agreement. This Agreement, together with its attached exhibit shall constitute the entire agreement between the Parties relating to the PAGA Settlement, and supersedes any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.4 Authorization. Plaintiff and Defendants separately warrant and represent that Plaintiff's Counsel and Defendants' Counsel are authorized by Plaintiff and Defendants, 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.

10.5 Cooperation. The Parties agree to cooperate fully with each other to accomplish the terms of this Agreement, including but not limited to execution and delivery of any and all additional papers, documents, and other assurances and taking such other action that may be reasonably necessary to implement the terms of this Agreement. The Parties and their counsel shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, to effectuate this Agreement and the terms set forth herein.

10.6 No Tax Advice. The Parties agree and acknowledge that neither Plaintiff, PAGA Counsel, Defendants, nor Defendants' 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 the 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 duly authorized 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 respective successors, assigns, heirs, and personal representatives 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 **Headings.** The various headings used in this Agreement are solely for the convenience of the Parties and shall not be used to interpret this Agreement.

10.13 **No Public Comment.** Unless they first obtain the opposing Party's (or Parties') express written consent, the Parties shall not and shall direct their counsel not to (a) discuss, reveal, disclose, publicize, or promote the terms of this Settlement, or the negotiations leading to this Settlement, to any third party (including but not limited to the media, the legal community, or the public at large), or (b) issue any press releases or initiate any contact with the media regarding the Settlement, or otherwise advertise or publicize the Settlement. Nothing in this Agreement is intended to prevent the Parties from disclosing or discussing the terms of this Settlement with the Court, the Administrator, or as otherwise required by law.

10.14 **Voluntary Agreement.** This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any Party, or of any other person, firm, or entity. Each Party has made such investigation of the facts pertaining to this Agreement and of all other matters pertaining hereto as he or it deems necessary.

10.15 **Parties Represented by Counsel.** The Parties hereby acknowledge that they have been represented by independent counsel of their own choosing in negotiations for and in the preparation of this Agreement, they have read this Agreement and have had it fully explained to them by such counsel, and they are fully aware of the contents of this Agreement and of its legal effect.

10.16 **Agreement Constitutes a Complete Defense.** To the extent permitted by law, this Agreement may be pleaded as a full and complete defense to any action, suit, or other

proceeding that may be instituted, prosecuted, or attempted in breach of or contrary to this Agreement.

10.17 **Signatures.** Any signature made and transmitted by facsimile or by a Portable Document Format (“PDF”) attachment to an email shall have the same force and effect as original signatures.

10.18 **Execution Date and Execution in Counterparts.** This Agreement shall be deemed executed upon the last date of signature of all of the undersigned. The Parties may execute this Agreement in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument having the same force and effect as if all Parties had signed the same instrument.

10.19 **Interim Stay of Proceedings.** The Parties agree to the entry of a formal stay of all proceedings in the Action, except such proceedings as may be necessary to implement and complete the Settlement.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties hereto have so agreed.

Dated: July __, 2024
07/19/2024

CARLOS ANDRADE

Carlos Andrade

On behalf of himself, the State of California, and
all PAGA Group Members

Dated: July 22, 2024

RESTORATION HARDWARE, INC.

By: *Edward Lee*

Dated: July 22, 2024

DCO LA, LLC

By: *Edward Lee*

APPROVED AS TO FORM ONLY:

LAVI & EBRAHIMIAN, LLP

Dated: July __, 2024
07/22/2024

By: *Joseph Lavi*

Attorneys for Plaintiff
CARLOS ANDRADE

MORRISON & FOERSTER LLP

Dated: July 22, 2024

By: *Bryan R.*

Attorneys for Defendants
RESTORATION HARDWARE, INC. and DCO
LA, LLC

EXHIBIT A

NOTICE OF SETTLEMENT

Enclosed is a check representing your share of the proceeds of the settlement of a lawsuit brought by a former employee against Restoration Hardware, Inc. and DCO LA, LLC, entitled *Carlos Andrade v. Restoration Hardware, Inc., et al.*, Los Angeles Superior Court Case No. 22STCV34734 (the “Action”). The Action alleged a claim under California’s Private Attorneys General Act (“PAGA”), Cal. Lab. Code 2698, et seq., for alleged violations of the California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and 1198 and the applicable Wage Order(s) promulgated by the Industrial Welfare Commission.

The action is now settled. Your payment was calculated based on the total number of pay periods you worked during the period from August 27, 2021 to **[DATE OF ENTRY OF ORDER APPROVING SETTLEMENT]**, multiplied by the per pay period value derived from the settlement. The settlement has been approved by the court and no further action is required on your part. You should cash your check by **[180 DAYS AFTER ISSUANCE]**, after which the check will be void. The Administrator will remit the amount of any void, uncashed, or cancelled checks to the Unclaimed Property Fund of the State of California, in your name. If you have questions about the settlement, you may call the settlement administrator, **[NAME]** at **[TOLL-FREE NUMBER]**. Please do not contact the court regarding this notice.

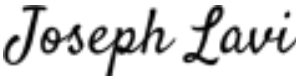


Verification Complete

The document has been officially verified.

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Sender Name	Alondra Iglesias
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