

1 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
A Limited Liability Partnership
2 Including Professional Corporations
SAMANTHA D. HARDY, Cal. Bar No. 199125
3 DANIEL F. DE LA CRUZ, Cal. Bar No. 292537
BERNICE DIAZ, Cal. Bar No. 329246
4 501 West Broadway, 19th Floor
San Diego, California 92101-3598
5 Telephone: 619.338.6500
Facsimile: 619.234.3815
6 E mail shardy@sheppardmullin.com
ddelacruz@sheppardmullin.com
7 bdiaz@sheppardmullin.com

8 Attorneys for Defendant Hot Topic, Inc.

9
10 Attorney Information Continued on Next Page

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 COUNTY OF PLACER
13

14 NICOLE PRAHM, as an aggrieved employee
pursuant to the Private Attorneys General Act
15 (PAGA),

16 Plaintiff,

17 v.

18 HOT TOPIC, INC.; and DOES 1 to 20,
19 inclusive,

20 Defendants.

Case No. S-CV-0049489

PAGA SETTLEMENT AGREEMENT

21 ANTHONY JARAMILLO, as an aggrieved
employee pursuant to the Private Attorneys
22 General Act (PAGA),

23 Plaintiff,

24 v.

25 HOT TOPIC, INC.; and DOES 1 to 20,
26 inclusive,

27 Defendants.
28

RIVERSIDE COUNTY SUPERIOR COURT

Case No. CVRI2204622

PAGA SETTLEMENT AGREEMENT

1 AEGIS LAW FIRM, PC
2 SAMUEL A. WONG, State Bar No. 217104
3 KASHIF HAQUE, State Bar No. 218672
4 JESSICA L. CAMPBELL, State Bar No. 280626
5 NAMRATA KAUR, State Bar No. 338277
6 9811 Irvine Center Drive, Suite 100
7 Irvine, California 92618
8 Telephone: (949) 379-6250
9 Facsimile: (949) 379-6251
10 Email: jcampbell@aegislawfirm.com
11 nkaur@aegislawfirm.com

12 Attorneys for Plaintiff Allen Anthony Jaramillo

13 CASTLE LAW; CALIFORNIA EMPLOYMENT COUNSEL, PC
14 TIMOTHY B. DEL CASTILLO (SBN 277295)
15 KENT L. BRADBURY (SBN 279402)
16 2999 Douglas Boulevard, Suite 180
17 Roseville, CA 95661
18 Telephone: 916.245.0122
19 Email: tdc@castleemploymentlaw.com
20 kb@castleemploymentlaw.com

21 Attorneys for Plaintiff Nicole Prahm
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24
25
26
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PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Placer (“Court”), Plaintiffs Allen Anthony Jaramillo and Nicole Prahm (“Plaintiffs”) and Defendant Hot Topic, Inc., (“Defendant”) (collectively, the “Parties”), hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”) of the PAGA claims in the lawsuits entitled *Jaramillo, et al v. Hot Topic, Inc.*, Case No. CVRI2204622, and *Prahm, et al v. Hot Topic, Inc.*, Case No. S-CV-0049489 (the “Actions”).

PERSONS COVERED BY THE SETTLEMENT

1. **Aggrieved Employees:** This Settlement covers all California hourly and/or non-exempt employees employed by Defendant Hot Topic, Inc. and all California hourly and/or non-exempt employees employed by temporary staffing agencies and placed at Hot Topic, Inc. during the PAGA Period (the “Aggrieved Employees”).

2. **PAGA Period:** The Settlement covers the period beginning on November 15, 2021, and ending on the February 12, 2024 (“PAGA Period”).

3. **Effective Date:** “Effective Date” will be the date upon which this Settlement is finally approved as provided herein and the Court’s Approval Order, as defined in Section 9 below, becomes final. For purposes of this paragraph, the Court’s Approval Order becomes final upon the later of: (i) if no appeal is filed, the date upon which time expires for filing or noticing of any Appeal of the Court Approval Order; (ii) if an, appeal or appeals are filed, or there is third-party intervention or anything else that delays resolution of all issues regarding the Court Approval Order, the date of completion, in any manner that finally affirms and leaves in place the Court Approval Order without any material modification, of all proceedings arising out of the appeal(s) or interventions(s), such that a mandate has been entered and the applicable date for seeking further appellate or other court review has passed without such further review being sought, or if such review is sought, the exhaustion thereof, meaning the Court Approval Order is not subject to further adjudication, appeal or review; or (iii) the date of final dismissal of any such appeal or third-party intervention, or the final dismissal or resolution of any proceeding on review of any court of appeal decision relating to the Court Approval Order, such that the Court Approval Order is not subject to further adjudication, appeal, or review. At no time will Defendant have any obligation to fund the

1 settlement, in whole or in part, until after this Effective Date.

2 **SETTLEMENT CONSIDERATION**

3 4. Maximum Settlement Amount: Defendant will pay a maximum of up to One Million One
4 Hundred Eighty Thousand U.S. Dollars (\$1,180,000) to settle the Action ("Maximum Settlement
5 Amount"). In no event shall Defendant be liable for more than the Maximum Settlement Amount as a
6 result of this PAGA Settlement. For avoidance of doubt, the Maximum Settlement Amount includes any
7 and all attorneys' fees, costs, service awards, administrative fees, and PAGA payment(s). Defendant shall
8 have no obligation to segregate the funds to be used for the Maximum Settlement Amount from other
9 assets. Defendant will retain exclusive authority over, and responsibility for, the funds comprising the
10 Maximum Settlement Amount until such time that payment is due.

11 5. Attorneys' Fees and Costs. Plaintiffs' counsel, Castle Law: California Employment
12 Counsel, PC, and Aegis Law (collectively "Plaintiffs' Counsel") shall request, and Defendant will not
13 oppose, that the Court award Plaintiffs' Counsel a maximum and total amount of Three Hundred Ninety-
14 Three Thousand, Two Hundred Ninety-Four U.S. Dollars and Zero Cents (\$393,294.00) in attorneys' fees
15 and a reasonable amount for litigation costs (estimated to be not more than \$25,000.00) to be substantiated
16 by declarations by Plaintiffs' Counsel ("Attorneys' Fees and Costs"). The Attorneys' Fees and Costs shall
17 be paid from the Maximum Settlement Amount. The Parties agree that if the Court awards less than the
18 total amounts requested by Plaintiffs' Counsel for Attorneys' Fees and Costs, then the difference between
19 the amount requested and the amount awarded by the Court will be added to the PAGA Penalties Fund, as
20 defined in Section 8 below.

21 6. Settlement Administration Fees. ILYM ("Settlement Administrator") will administer this
22 Settlement and will be responsible for issuing payments and appropriate tax forms to Aggrieved
23 Employees, the LWDA, Plaintiffs, and Plaintiffs' Counsel. The estimate of costs of administration for the
24 disbursement of the Maximum Settlement Amount is \$17,350 (the "Settlement Administration Fees").
25 This estimate includes the required tax reporting on the Settlement Payments, including the issuance of
26 1099 Forms.

27 The Settlement Administrator shall calculate the Settlement Payments to be paid to
28 Aggrieved Employees in accordance with the terms and provisions of this Agreement, mail the Settlement

1 Payment checks to Aggrieved Employees, issue 1099 forms, calculate and disburse any awards of costs
2 and attorneys' fees, and/or applicable taxes from the Maximum Settlement Amount, and perform such
3 other tasks necessary to effectuate the terms of this Agreement or as the Parties mutually agree or the Court
4 orders the Parties to perform.

5 Any disputes relating to the Settlement Administrator's ability and need to perform its
6 duties shall be referred to the Court.

7 For avoidance of doubt, all costs and fees necessary for the Settlement Administrator's
8 administration of the Settlement, including but not limited to the Settlement Administration Fees set forth
9 above, shall be paid from the Maximum Settlement Amount.

10 7. Service Awards. Plaintiffs' Counsel shall request, and Defendant will not oppose, that the
11 Court award Plaintiffs a maximum and total amount of Five Thousand U.S. Dollars and Zero Cents
12 (\$5,000.00) each (for a total of \$10,000) as a service award ("Service Awards") in recognition of their
13 service as named plaintiffs, for conferring a benefit on behalf of the State of California and the Aggrieved
14 Employees, and for executing a full release of all claims. The Service Awards shall be paid from the
15 Maximum Settlement Amount. Plaintiffs shall execute a full and final release of all claims and will no
16 longer be aggrieved employees for purposes of PAGA once they have released their claims. If the Court
17 awards less than the amounts requested for the Service Awards, then the difference between the amount
18 requested and the amount awarded by the Court will be added to the PAGA Penalties Fund, as defined in
19 Section 8 below.

20 8. PAGA Penalties Fund. The "PAGA Penalties Fund" means the funds from the Maximum
21 Settlement Amount available to be distributed to the California Labor and Workforce Development
22 Agency ("LWDA") and Aggrieved Employees under this Agreement after payment of the Attorneys' Fees
23 and Costs, the Service Awards, and the Settlement Administration Fees. Pursuant to PAGA, Seventy Five
24 Percent (75%) of the PAGA Penalties Fund shall be paid to the LWDA, and the remaining Twenty-Five
25 Percent (25%) shall be paid to all Aggrieved Employees pro rata according to the number of pay periods
26 worked by each Aggrieved Employee during the PAGA Period. Partial pay periods shall be rounded up to
27 the nearest full pay period.

28 9. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties

1 will present this Settlement Agreement to the Court and will request that the Court issue a Court Approval
2 Order approving and incorporating by reference the terms and conditions of the Settlement Agreement (the
3 "Court Approval Order"), and entering judgment.

4 10. Administration of PAGA Penalties Fund. Within sixty (60) calendar days after the
5 Effective Date, to the extent it has the information, Defendant will compile a list containing the
6 following information for each Aggrieved Employee: (1) first and last name; (2) last known home
7 address; and (3) number of pay periods as an Aggrieved Employee during the PAGA Period. To the
8 extent Defendant does not have this information for the employees employed by temporary staffing
9 agencies, it will reach out seeking this contact information. To the extent Defendant still cannot acquire
10 this contact information, the Claims Administrator will use the information that is available to run
11 searches to locate these staffing agency employees. This list shall be treated as confidential and shall be
12 shared only with the Settlement Administrator. Plaintiff's Counsel shall not view or receive the list.

13 11. Funding of the Settlement by Defendant. Within (30) calendar days after the
14 Effective Date, Defendant will provide the amounts approved by the Court for Attorneys' Fees and Costs,
15 Service Awards, Settlement Administration Fees, and the PAGA Penalties Fund to the Settlement
16 Administrator.

17 12. Timing of Payments by Settlement Administrator. Within fifteen days of Defendant
18 funding the settlement, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b)
19 the LWDA; (c) Plaintiffs' Counsel; and (d) Plaintiffs. The Settlement Administrator will issue the
20 appropriate tax forms for all payments issued under this Settlement.

21 13. Settlement Payments to Aggrieved Employees: The Settlement Administrator will issue
22 each Aggrieved Employee a check for his or her share of the PAGA Penalties Fund along with a
23 Settlement Notice attached hereto as Exhibit A. The checks and notice will be sent via First-Class US Mail
24 only. Checks will remain negotiable for 180 days. Prior to the mailing of the Settlement Notice and
25 Settlement Awards, the Settlement Administrator will search for updated addresses through the U.S. Postal
26 Service's National Address Database. Notices returned to the Settlement Administrator as non-delivered
27 shall be re-mailed to the forwarding address, if any, on the returned envelope;. If no forwarding address is
28 provided, the Settlement Administrator will perform a computer search for a new address and an additional
skip tracing pursuant to its usual and customary procedures. Funds represented by settlement checks
returned as undeliverable, and for which no forwarding address can be located, and those settlement checks
remaining uncashed for more than 150 days after issuance shall be distributed to the California State
Controller Unclaimed Property Fund in that Aggrieved Employee's name, subject to Court approval. All
settlement payments to Aggrieved Employees will be treated as miscellaneous income for which a 1099

will be issued. Aggrieved Employees shall be bound by the Settlement whether or not they cash their Settlement Award check.

14. Released Claims. The LWDA, Plaintiffs, and all Aggrieved Employees shall fully release and forever discharge any and all claims arising during the PAGA Period seeking civil penalties under PAGA that were alleged or that reasonably arise from the facts pleaded in the Actions, or either of them, under any theory of law, including but not limited to claims concerning unpaid wages, unpaid overtime, meal and rest periods, wage statement violations, timing of payment, timekeeping issues or errors, rounding, calculation of regular rates and overtime rates (and resulting unpaid or underpaid minimum wage, overtime, double time, sick pay, vacation, meal and/or rest period penalties, bonus overtime, and/or other similar claims), failure to reimburse claims, waiting time violations, and claims arising under or relating to the alleged violations of California Labor Code sections 201, 202, 203, 204, 221, 222, 223, 226, 226(a), 226(b), 226(c), 226.7, 226.7(b), 226.7(c), 227.3, 233, 246, 246(1), 432, 510, 512, 558, 1197, 1198, 1198.5, 2802, 2698, 2802, and 2699 *et seq.* ("Released Claims") against Defendant, its past and present divisions, affiliates, affiliated entities, related entities, parents, managing members, subsidiaries, predecessors, successors, assigns, and their respective former and present shareholders, owners, officers, directors, employees, agents, trustees, attorneys or legal representatives, insurers, representatives, administrators, fiduciaries, beneficiaries, subrogees, partners, and/or any other entity or individual which could be liable for the acts or omissions of Defendant in relation to the Released Claims (hereinafter "Released Parties"). Upon the issuance of the Court Approval Order, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing against Defendant any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or could have been alleged to have been violated in the Action with respect to Aggrieved Employees based on the facts alleged in the Complaint during the PAGA Period. The Released Claims are limited to claims for civil penalties under PAGA.

15. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is

the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

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

17. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason (including by reason of failure to execute Plaintiffs' individual settlements), then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

18. Continued Jurisdiction. After entry of the Court Approval Order, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Court Approval matters as may be appropriate under court rules or as set forth in this Settlement.

19. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

20. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

21. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any

1 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
2 may seek the assistance of the Court to resolve such disagreement.

3 22. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and
4 inure to the benefit of, the successors or assigns of the Parties hereto.

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

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

12 25. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
13 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this
14 Settlement after arm's-length negotiations. The Parties further acknowledge that they are each represented
15 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
16 fairness and reasonableness of this Settlement.

17 26. Invalidity of Any Provision/Severability. Each provision of this Settlement Agreement is
18 severable. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt
19 to construe the provision as valid to the fullest extent possible consistent with applicable law. If the Court is
20 unable to do so, then the Parties agree that said provision will be severed from the Settlement Agreement,
21 and all other provisions in this Settlement Agreement will continue in full force and effect.

22 27. Captions. The captions and section numbers in this Settlement Agreement are inserted for
23 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
24 provisions of this Settlement Agreement.

25 28. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
26 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute
27 a further waiver by such party of the same or any other condition, covenant, right or remedy.

28 29. Enforcement Action. In the event that one or more of the Parties institutes any legal action

1 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to
2 declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
3 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
4 witness fees incurred in connection with any enforcement actions.

5 30. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
6 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
7 more strictly against one party than another merely by virtue of the fact that it may have been prepared by
8 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the
9 Parties, all Parties have contributed to the preparation of this Settlement Agreement.

10 31. Representation By Counsel. The Parties acknowledge that they have been represented by
11 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this
12 Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full.

13 32. Cooperation and Execution of Necessary Documents. The Parties will work in good faith
14 to (1) inform the Court in both Actions that the Actions have been resolved; (2) address any impediments to
15 approval of the settlement raised by the Court; and (3) ensure both Actions are dismissed following
16 administration of the Settlement. In order to effectuate the purposes of this settlement, the Parties agree to
17 stipulate to the filing of an amended complaint in the Prahm action, in which Jaramillo will be added as a
18 named Plaintiff. After the amended complaint in Prahm is filed, the Jaramillo action will be dismissed.
19 Plaintiffs will then proceed to file their approval motion in the joint Prahm/ Jaramillo action in Placer
20 County Superior Court. Should the Parties encounter any post-mediation dispute relating in any way to the
21 settlement of the matter, the Parties agree that, prior to dissolving the settlement and re-engaging in active
22 litigation, they shall return to Steve Serratore for additional, good faith attempts at mediation to resolve the
23 Parties' differences. The Parties shall share the costs of any additional mediation(s), if necessary.

24 33. Submission to LWDA. As required by California Labor Code section 2699(I), Plaintiffs,
25 at their sole cost and expense, shall cause this Agreement to be submitted to the LWDA at the same time
26 that this Agreement is submitted to the Court for approval and, furthermore, shall cause a copy of any
27 judgment and any other order providing for or denying an award of civil penalties to be submitted to the
28 LWDA within 10 days after entry of the judgment or order.

1 34. Binding Agreement. The Parties warrant that they understand and have full authority to
2 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
3 binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to
4 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
5 under federal or state law.

6 35. Confidentiality. Plaintiffs and Plaintiffs' Counsel agree that they will not issue any press
7 releases, initiate any contact with the press, respond to any press inquiry, hold any press conferences, have
8 any communication with the press, post on any social media, or post on the internet about the fact, amount
9 or terms of the Settlement prior to the Effective Date. Plaintiffs' Counsel may respond to press inquiries by
10 stating the matter has been resolved and refer the press to court filings. In addition, Plaintiffs' Counsel
11 agree that they will not engage in any advertising or distribute any marketing materials specifying any
12 material terms relating to the Settlement, including but not limited to any postings on any websites
13 maintained by Plaintiffs' Counsel prior to the Effective Date. Any communication about the Settlement to
14 Aggrieved Employees prior to the check mailing will be limited to a statement that a settlement has been
15 reached and the details will be communicated in a forthcoming notice letter in the form attached hereto as
16 Exhibit A. Plaintiffs are prohibited from discussing or disclosing the terms of this Settlement with any third
17 parties prior to the Effective Date other than (1) their immediate family members, (2) their respective
18 accountants or lawyers as necessary for tax purposes; or (3) the Aggrieved Employees covered by this
19 Agreement. After the Effective Date, Plaintiffs and their counsel may only comment regarding the specific
20 terms of this Settlement: (1) as required by law; or (2) as required under the terms of this Settlement. In all
21 other cases, Plaintiffs and Plaintiffs' Counsel agree to not publicize or distribute this Settlement in any way
22 to any third parties. Notwithstanding the foregoing, Plaintiffs and Plaintiffs' Counsel may inform their
23 immediate family and legal, tax, and financial advisors of this Settlement. However, before disclosing any
24 such information to any such person, Plaintiffs or Plaintiffs' Counsel (as the case may be) shall advise such
25 person(s) that the information is confidential. The disclosure of this information to any other person shall
26 constitute a material breach of this Settlement. The Parties agree that damages from violation of this
27 confidentiality provision are significant, and impossible to calculate. Plaintiffs therefore agree that any
28 violation of this provision shall subject Plaintiffs to liquidated damages in the amount of Five Thousand

1 U.S. Dollars and Zero Cents (\$5,000.00) for each such breach. Nothing in this paragraph shall prevent
2 Plaintiffs' Counsel from referencing this Settlement in any future declarations filed in any forum to support
3 Plaintiffs' Counsel's adequacy in class and PAGA actions.

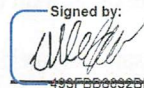
4 36. Denial of Liability. Defendant expressly denies any liability or wrongdoing to employees
5 or employees assigned to Defendant by temporary staffing agencies. The Parties expressly recognize that
6 Defendant's agreement to the Settlement does not in any way constitute an admission or concession of
7 wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation
8 thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued
9 or used during the course of these Actions, is intended by the Parties to, nor will any of the foregoing
10 constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative,
11 investigative or other forum or proceeding, as evidence of any violation by Defendant or any Released
12 Party of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any
13 obligation or duty at law or in equity.

14
15 **READ CAREFULLY BEFORE SIGNING**

16 Dated: August ²⁵____, 2024

Plaintiff ALLEN ANTHONY JARAMILLO

17
18 By

Signed by:


ALLEN ANTHONY JARAMILLO

20 Dated: Sep 26, 2024

Plaintiff NICOLE PRAHM

21
22 By


Nicole Prahm (Sep 26, 2024 18:54 PDT)

NICOLE PRAHM

1 Dated: August __, 2024

Defendant HOT TOPIC, INC.

2

3

By

Name:

4

Title:

5

6

7

APPROVED AS TO FORM

8

9

Dated: September 25, 2024

AEGIS LAW FIRM, PC

11

By

Namrata Kaur

12

SAMUEL A. WONG

13

KASHIF HAQUE

14

JESSICA L. CAMPBELL

15

NAMRATA KAUR

16

Attorneys for Plaintiff

ALLEN ANTHONY JARAMILLO

17

Dated: September 26, 2024

CASTLE LAW; CALIFORNIA EMPLOYMENT
COUNSEL, PC

19

By

Timothy B. Del Castillo

20

TIMOTHY B. DEL CASTILLO

21

KENT L. BRADBURY

22

Attorneys for Plaintiff

NICOLE PRAHM

23

24

Dated: October 8, 2024

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

25

By

Samantha D. Hardy

26

SAMANTHA D. HARDY

27

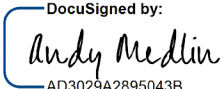
DANIEL F. DE LA CRUZ

28

Attorneys for Defendant
HOT TOPIC, INC.

1 Dated: 9/26/2024

Defendant HOT TOPIC, INC.

2
3 By  AD3029A2895043B...

Name: Andy Medlin

Title: VP, General Counsel

7 **APPROVED AS TO FORM**

9 Dated:

AEGIS LAW FIRM, PC

12 By

SAMUEL A. WONG
KASHIF HAQUE
JESSICA L. CAMPBELL
NAMRATA KAUR

Attorneys for Plaintiff
ALLEN ANTHONY JARAMILLO

17 Dated:

CASTLE LAW; CALIFORNIA EMPLOYMENT
COUNSEL, PC

19 By

TIMOTHY B. DEL CASTILLO
KENT L. BRADBURY

Attorneys for Plaintiff
NICOLE PRAHM

24 Dated: August __, 2024

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

26 By

SAMANTHA D. HARDY
DANIEL F. DE LA CRUZ

Attorneys for Defendant
HOT TOPIC, INC.

EXHIBIT A

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

You are not being sued. This Notice affects your rights. Please read it carefully.

Jaramillo, et al v. Hot Topic, Inc., Case No. CVRI2204622

El Dorado County Superior Court;

Prahm, et al v. Hot Topic, Inc., Case No. S-CV-0049489

Placer County Superior Court

[Settlement Administrator]

[Name]

[Address]

[Name]

[Address]

You are receiving this Notice because you are entitled to money as a result of a court approved settlement in the above-referenced actions (the "Lawsuits").

What Are These Lawsuits About?

The Lawsuits were filed against Hot Topic, Inc. ("Hot Topic") pursuant to the California Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.* ("PAGA"). The claim was brought by one former employee of Hot Topic and one former employee of a temporary staffing agency who was assigned to work at Hot Topic. The claims were brought on behalf of the State of California and all non-exempt employees of Hot Topic and all non-exempt employees of temporary staffing agencies who were assigned to work at Hot Topic from November 15, 2021 through February 12, 2024 ("Settlement Group Members") and alleged violations of the California Labor Code during this time (the "PAGA Period". You have been identified as a Settlement Group Member.

Hot Topic denies all of the claims raised in the Actions, and maintains that it acted both fairly and in accordance with all applicable laws with respect to its employees, and as such does not owe any penalties.

What Are The Terms Of The Settlement?

Plaintiffs and Hot Topic reached a settlement of \$1,180,000.00, which was reviewed and approved by the Court. Portions of the settlement amount go to the State of California's Labor and Workforce Development Agency and Plaintiffs' counsel. The remaining settlement amount goes to Settlement Group Members.

By agreeing to settle, Hot Topic is not admitting liability on any of the factual allegations or legal claims in the Lawsuit. The Court has not decided whether Plaintiff's claims or Hot Topic's defenses to those claims are meritorious. By approving the Settlement and issuing this Notice, the Court is

1 not suggesting which side would win or lose this case if it went to trial. Rather, the Court has
2 determined only that there is sufficient evidence to suggest that the proposed Settlement is fair,
3 adequate, and reasonable.

4 You are not a party to this Lawsuit, but you and the government will be bound by the
5 Settlement in this matter as to civil penalties against Hot Topic during the PAGA Period.

6 ***What Should I Do Now?***

7 According to Hot Topic's records, you are a Settlement Group Member and are therefore
8 entitled to a pro rata share of the settlement based on the number of pay periods you worked for
9 or were placed with Hot Topic during the PAGA Period.

10 Enclosed with this Notice is your settlement check. You may immediately deposit your
11 enclosed settlement check and need not take any further action.

12 The settlement check shall remain valid for one hundred fifty (180) days. Checks
13 remaining un-cashed for more than 180 days after issuance will be tendered to California State
14 Controller Unclaimed Property Fund within fourteen (14) calendar days from the date on which
15 Settlement Group Members' checks become void.

16 ***Who Are The Attorneys For Plaintiffs?***

17 Tim Del Castillo
18 Kent Bradbury
19 Castle Law: California Employment
20 Counsel, P.C.
21 Phone: (916) 245-0122

kb@castleemploymentlaw.com
tdc@castleemploymentlaw.com

22 ***Who Are The Attorneys For Hot Topic?***

23 Samantha D. Hardy
24 Daniel De La Cruz
25 Bernice Diaz
26 Sheppard Mullin
27 Phone: (619) 338-6500

Shardy@sheppardmullin.com
Ddelacruz@sheppardmullin.com
Bdiaz@sheppardmullin.com

28 **PLEASE DO NOT TELEPHONE THE COURT OR HOT TOPIC, REGARDING THIS
NOTICE. THE COURT IS NOT ABLE TO PROVIDE ANY INFORMATION OR
ADVICE REGARDING THIS NOTICE.**

2024.09.26 Jaramillo/Prahm- Hot Topic - Settlement Agreement - Signed by Pltf and Aegis - 09252024

Final Audit Report

2024-09-27

Created:	2024-09-26
By:	Ron Buchanan (rb@castleemploymentlaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAaMsN00IVnOqbDC0VtwYRoQh6FwbH9IE9

"2024.09.26 Jaramillo/Prahm- Hot Topic - Settlement Agreement - Signed by Pltf and Aegis - 09252024" History

-  Document created by Ron Buchanan (rb@castleemploymentlaw.com)
2024-09-26 - 9:04:26 PM GMT- IP address: 207.231.68.167
-  Document emailed to nicolereeneprahm@yahoo.com for signature
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