

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Karen Bobadilla (“Plaintiff”) and defendants Nordstrom Card Services, Inc. and Nordstrom, Inc. (collectively, “Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendants, captioned *Karen Bobadilla v. Nordstrom Card Services, Inc., et al.*, Case No. 23STCV02398, initiated on February 3, 2023, 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 Phoenix Class Action Administration Solutions (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4. “Affected Employee” means any non-exempt remote or non-exempt hybrid employee who worked for either Nordstrom Card Services, Inc. or Nordstrom, Inc. 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 Defendants’ 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 the State of California, County of Los Angeles.
- 1.9. “Defendants” means named defendants Nordstrom Card Services, Inc. and 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 Defendants 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 \$300,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be paid to cover Individual PAGA Payments, the LWDA PAGA Payment, the Service Award, 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 that will accompany the Individual PAGA Payments, 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 former 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 former Labor Code section 2699, subdivision (i).
- 1.18. “Net Settlement Amount” means the Gross Settlement Amount, less payments in the amounts approved by the Court for: the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, Plaintiff’s Service Award, 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. “Operative Complaint” means the First Amended Complaint filed by Plaintiff on February 28, 2023, seeking civil penalties under PAGA for alleged violations of the Labor Code.
- 1.20. “PAGA” means the Private Attorneys General Act (Lab. Code § 2698 et seq.).
- 1.21. “PAGA Counsel” means the Setareh Law Group which has represented Plaintiff in the Action.
- 1.22. “PAGA Counsel Fees Payment” means the amount from the Gross Settlement Amount that the Court approves for payment to PAGA Counsel for the reasonable attorneys’ fees incurred to prosecute the Action.
- 1.23. “PAGA Counsel Litigation Expenses Payment” means the amount from the Gross Settlement Amount that the Court approves for payment to PAGA Counsel for the reasonable expenses incurred to prosecute the Action.
- 1.24. “PAGA Notice” means Plaintiff’s December 21, 2022, letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a) of alleged Labor Code violations.
- 1.25. “PAGA Pay Period” means any Pay Period during which an Affected Employee worked for at least one day as a non-exempt remote or non-exempt hybrid employee for Defendants in California during the PAGA Period.
- 1.26. “PAGA Period” means the period from December 21, 2021, through March 9, 2024.
- 1.27. “Plaintiff” means Karen Bobadilla, the named plaintiff in the Action.
- 1.28. “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.
- 1.29. “Released Parties” means Defendants and their 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.

- 1.30. “Service Award” means the amount from the Gross Settlement Amount that the Court approves for payment to Plaintiff for Plaintiff’s time and effort in prosecuting the Action.
- 1.31. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.32. “Total PAGA Pay Periods” means the combined total of PAGA Pay Periods worked by all Affected Employees.
- 1.33. “Void Date” means the 181st day after the Administrator mails the Individual PAGA Payments to Affected Employees.

2. RECITALS.

- 2.1. On February 3, 2023, Plaintiff commenced this Action by filing a class action Complaint against Defendants alleging causes of action for numerous alleged Labor Code violations. On February 28, 2023, Plaintiff filed the Operative Complaint reducing the case to a single cause of action against Defendants under the PAGA, seeking civil penalties for alleged violations of the same Labor Code violations. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny 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 Defendants and the LWDA of the Labor Code violations asserted in the Action by filing and serving the PAGA Notice.
- 2.3. 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 \$300,000.00 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 4.3 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 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: A Service Award of not more than \$5,000.00 to be paid to Plaintiff for Plaintiff's work in prosecuting the Action. This Agreement is not contingent upon the Court awarding any particular amount for the Service Award. Plaintiff and/or PAGA Counsel will file a motion for approval of the Service Award. The Court will determine the amount of the Service Award. If the Court approves a Service Award less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.2. To PAGA Counsel: Not more than one-third (1/3) of the Gross Settlement Amount as a PAGA Counsel Fees Payment, which is currently estimated to be \$100,000.00 based on the Gross Settlement Amount stated in Paragraph 3.1 above, and a PAGA Counsel Litigation Expenses Payment of not more than \$10,000.00. This Agreement is not contingent upon the Court awarding any particular amount for the PAGA Counsel Fees Payment or PAGA Counsel Litigation Expenses Payment. 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. 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 an IRS 1099 Form. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, and PAGA Counsel agrees to hold Defendants harmless, and to indemnify Defendants, regarding any dispute or controversy regarding such taxes.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$8,000.00, except for a showing of good cause and as approved by the Court. This Agreement is not contingent upon the Court awarding any particular amount for the Administration Expenses Payment. To the extent the Administration Expenses are less or the Court approves payment less than \$8,000.00, the Administrator will allocate the remainder to the Net Settlement Amount.

3.3. Payment From The Net Settlement Amount: The Administrator will make the following payments from the Net Settlement Amount:

3.3.1. To the LWDA and Affected Employees: The Net Settlement Amount, currently estimated to be \$177,000.00, shall be allocated as follows: 75% (estimated to be \$132,750.00) shall be paid to the LWDA as the LWDA PAGA Payment, and 25% (estimated to be \$44,250.00) shall be paid to the Affected Employees as Individual PAGA Payments.

3.3.1.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Affected Employees' 25% share of the Net Settlement Amount 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 Payments.

3.3.1.2. 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, Defendants estimate that Affected Employees worked a total of approximately 20,182 PAGA Pay Periods during the PAGA Period.

4.2. Affected Employee Data. Within 15 days of the Effective Date, Defendants shall 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 the Administrator's duties under this Agreement. Defendants have 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 Defendants 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. Defendants 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 shall distribute payments for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Service Award, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the Service Award, 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 45 days of the original mailing. 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. If no forwarding address is provided and the Administrator cannot locate another address for an Affected Employee whose check has been returned, the Administrator need not take further steps to deliver checks to Affected Employees whose re-mailed checks are returned as undelivered.

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 Defendants 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. As of the Effective Date, 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 Plaintiff:

In exchange for the Service Award provided in this Agreement, Bobadilla – on behalf of herself and her heirs, executors, representatives, administrators, agents and assigns – irrevocably and unconditionally fully and forever releases, waives, and discharges Defendants and the Released Parties, from any and all claims, demands, actions, causes of actions, judgments, rights, fees, damages, debts, obligations, liabilities, and expenses (inclusive of attorneys’ fees) of any kind whatsoever, whether known or unknown, that Bobadilla may have or has ever had against Defendants or the Released Parties, or any of them, by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter from the beginning of time through the Effective Date. This release also includes, but is not limited to, any alleged violation by Defendants or the Released Parties of the law, statutes or regulations of the State of California, the United States, or any other jurisdiction, including, but not limited to any and all statutory and common law claims for: defamation; fraud; conversion; slander; breach of contract; breach of the implied covenant of good faith and fair dealing; inducement of breach; interference with contract or prospective economic advantage; wrongful or unlawful discharge or demotion; violation of public policy; invasion of privacy; intentional or negligent infliction of emotional distress; intentional or negligent misrepresentation; conspiracy; bona fide disputes regarding failure to pay wages, bonuses, benefits, vacation pay, sick pay, severance pay, attorneys’ fees, costs, penalties or any compensation of any sort; unlawful failure to prevent discrimination, retaliation or harassment on the basis of race, color, sex, national origin, ancestry, age, disability, handicap, medical condition or any other protected class or status; any claim under the Title VII of the Civil Rights Act of 1964, Section 1981 of U.S.C. Title 42, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification Act, the California Equal Pay Act, the state or federal Equal Pay Act, the Fair Labor Standards Act, California Labor Code, the California Constitution, the California Fair Employment and Housing Act, the Older Workers’ Benefit Protection Act of 1990, the Age Discrimination in Employment Act, the Occupational Safety and Health Act or any other health/safety laws, statutes or regulations; violation of the Employee Retirement Income Security Act of 1974, the Internal Revenue Code, the California Family Rights Act, California’s New Parent Leave Act, the Federal Family and Medical Leave Act, the Fair Credit Reporting Act, the Consumer Credit Reporting Agencies Act or the California Investigative Consumer Reporting Agencies Act. The release defined in this section is referred to as the “**Complete and General Release.**”

5.1.2. 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 allegations in the Operative Complaint and PAGA Notice, or that are reasonably related to the facts alleged in the Operative Complaint and

PAGA Notice, for Labor Code violations during the PAGA Period, including but not limited to: Labor Code sections 201-204, 212, 215, 216, 218.6, 223, 226, 226(a), 226(e), 226.6, 226.7, 510, 512, 1175, 1194, 1194.2, 1197, 1197.1, 1198, and 2802.

5.1.3. Release by PAGA Counsel:

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

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. Plaintiff shall prepare and file a 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 former Labor Code section 2699, subdivision (1)(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 its transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (former Lab. Code, §2699, subd. (1)(1)), and this Agreement (former Lab. Code, § 2699, subd. (1)(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. 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.

6.2. 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 Service Award, 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 Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix 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. 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, 524 Affected Employees worked approximately 20,182 PAGA Pay Periods.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, pursuant to Code of Civil Procedure section 664.6, the Court will retain jurisdiction over the Parties, the 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 Defendants that any of the allegations in the Action have merit or that Defendants have

any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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 with respect to settlement of the Action, superseding any and all prior written and oral representations, warranties, covenants or inducements made to or by any Party with respect to settlement of the Action.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they 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 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, Defendants, 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. 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.
- 10.13. 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.
- 10.14. 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:

Shaun Setareh, Jose Patino, and Tyson Gibb
Setareh Law Group
420 North Camden Drive
Beverly Hills, California 90210
shaun@setarehlaw.com; jose@setarehlaw.com; tyson@setarahlaw.com

To Defendants:

Julie Dunne and Joseph Kim
DLA Piper LLP (US)
4365 Executive Drive, Suite 1100

San Diego, California 92121

julie.dunne@us.dlapiper.com; joseph.kim@us.dlapiper.com

10.15. 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.

10.16. 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: 12/16/2024



ID 8p5h5BL9jYLYmxonLnYjhsTS

Plaintiff Karen Bobadilla

Dated: Dec. 9, 2024



By: Brian DeFoe

Title: Vice President, Associate General
Counsel and Assistant Secretary
For Defendant Nordstrom, Inc.

Dated: Dec. 9, 2024



By: Brian DeFoe

Title: Secretary
For Defendant Nordstrom Card Services,
Inc.

Dated: 12/16/2024



ID nQhtRKJZQio5ZLt2Yhz2y4rH

Shaun Setareh

Jose Maria D. Patino, Jr.

Tyson Gibb

SETAREH LAW GROUP

Counsel for Plaintiff Karen Bobadilla

Dated: December 9, 2024



Julie A. Dunne

DLA PIPER LLP (US)

Counsel for Defendants Nordstrom Card
Services, Inc. and 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

KAREN BOBADILLA, on behalf of herself
and all others similarly situated, and the
general public,

Plaintiff,

v.

NORDSTROM CARD SERVICES, INC., a
Delaware corporation; NORDSTROM, INC.,
a Delaware corporation; and DOES 1 through
50, inclusive,

Defendants.

Case No. 23STCV02398

*ASSIGNED FOR ALL PURPOSES TO: HON.
MAURICE A. LEITER, DEPT. 54*

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

Complaint Filed: February 3, 2023
FAC Filed: February 28, 2023
Trial Date: March 18, 2025

- 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

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

1 5. Defendants will not be required to pay any additional amounts in connection with
2 the Settlement other than the Gross Settlement Amount in the amount of \$300,000.00 specifically
3 set forth in the Settlement Agreement and this Order.

4 6. The Court awards attorneys' fees to PAGA Counsel in the total amount of
5 \$100,000.00. The attorneys' fees are to be paid from the Gross Settlement Amount as final payment
6 for and complete satisfaction of any and all attorneys' fees incurred by Plaintiff, and to be incurred
7 by Plaintiff, to prosecute the above-captioned action entitled *Karen Bobadilla v. Nordstrom Card*
8 *Services, Inc., et al.*, pending in the Superior Court of the State of California for the County of Los
9 Angeles, Case No. 23STCV02398 (the "Action").

10 7. The Court awards litigation costs to PAGA Counsel in the total amount of
11 \$10,000.00. The litigation costs are to be paid from the Gross Settlement Amount as final payment
12 for and complete satisfaction of any and all litigation costs incurred by Plaintiff, and to be incurred
13 by Plaintiff, to prosecute the above-captioned Action.

14 8. The Court awards Plaintiff Karen Bobadilla a Service Award in the amount of
15 \$5,000.00, to be paid from the Gross Settlement Amount. Plaintiff submitted a declaration detailing
16 the ways in which she assisted PAGA Counsel in the litigation of the above-captioned Action, and
17 the award is appropriate in light of Plaintiff's work on the case and the stated purposes of PAGA.

18 9. The Court appoints Phoenix Class Action Administration Solutions ("Phoenix") to
19 serve as the Administrator. The Court concludes that the Administration Expenses Payment in the
20 amount of \$8,000.00 is reasonable and necessary to administer the Settlement and shall be paid from
21 the Gross Settlement Amount.

22 10. The remaining Net Settlement Amount of \$177,000.00 shall be allocated as follows:
23 75% of the Net Settlement Amount, or \$132,750.00, will be paid to the LWDA, and the remaining
24 25%, or \$44,250.00, will be paid to all Affected Employees pursuant to the calculation set forth in
25 the Settlement Agreement for calculating Individual PAGA Payments.

26 11. Upon the Effective Date, the terms of the Settlement Agreement, and this Order and
27 Judgment, shall be binding on the Parties. Plaintiff, Affected Employees and PAGA Counsel shall
28 be bound by the releases set forth in the Settlement Agreement. Specifically:

- a. Upon the Effective Date, Plaintiff will be deemed to have provided a Complete and General Release to the Released Parties.
- b. Upon the Effective Date, Plaintiff as proxy for the State of California, and on behalf of all Affected Employees, will be deemed to have provided the Released Parties with the PAGA Release.
- c. The releases provided under the settlement shall have *res judicata* effect on Plaintiff, the State of California, the Affected Employees, and PAGA Counsel as well as their heirs, executors, administrators, successors, and assigns in all pending and future claims, lawsuits, or other proceedings maintained by or on behalf of any such persons, to the extent those claims, lawsuits, or other proceedings fall within the scope of claims released as set forth in the Settlement Agreement.

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

13. The Court reserves exclusive and continuing jurisdiction over the lawsuit for the purposes of supervising the implementation, enforcement, construction, administration, and interpretation of the Settlement Agreement and this Order and Judgment pursuant to California Code

1 of Civil Procedure section 664.6.

2 14. Within ten (10) days after entry of this Order and Judgment, Plaintiff shall submit a
3 copy of this Order and Judgment to the LWDA pursuant to California Labor Code section
4 2699(l)(3). Within seven (7) days following Plaintiff's submission of this Order and Judgment to
5 the LWDA, PAGA Counsel shall file a declaration confirming that Plaintiff has complied with
6 former California Labor Code section 2699(l)(3).

7 15. The Court hereby enters judgment of the entire above-captioned Action, with
8 prejudice, for the reasons set forth above and upon the terms set forth in the Settlement Agreement.

9 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

10
11 DATED: _____

12 _____
13 HON. MAURICE A. LEITER
14 JUDGE OF THE SUPERIOR COURT
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit B

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

The parties to the lawsuit titled *Karen Bobadilla v. Nordstrom Card Services, Inc., et al.*, filed in the Superior Court of the State of California for the County of Los Angeles, Case No. 23STCV02398 (the “Action”), have reached a settlement that affects you. Plaintiff Karen Bobadilla, as proxy for the State of California and on behalf of all non-exempt remote or non-exempt hybrid employees who worked for Nordstrom Card Services, Inc. or Nordstrom, Inc. (collectively, “Defendants”) at any time between December 21, 2021, through March 9, 2024 (“Affected Employees”), filed suit against Defendants for alleged Labor Code violations. Generally, Plaintiff sought civil penalties under the California Private Attorneys General Act (“PAGA”), claiming that Defendants failed to provide proper meal and rest periods, failed to pay for all hours worked including overtime, failed to issue accurate itemized wage statements, failed to pay all wages due at the time of termination, and failed to reimbursement necessary business expenses.

Defendants deny each of Plaintiff’s claims. However, to avoid the time and expense associated with further litigation, Plaintiff and Defendants agreed to settle the case.

Pursuant to the release approved by the Court, Plaintiff, as proxy for the State of California and on behalf of all Affected Employees, released the Released Parties from any and all claims, rights, demands, liabilities, and causes of action for civil penalties under PAGA arising during the period from December 21, 2021, through March 9, 2024, that were asserted in the Action or that are reasonably related to the facts alleged in the Action, including in the initial and amended complaints in the Action and/or in Plaintiff’s December 21, 2022, notice letter to the Labor and Workforce Development Agency (“LWDA”), for alleged violations of California Labor Code sections 201-204, 212, 215, 216, 218.6, 223, 226, 226(a), 226(e), 226.6, 226.7, 510, 512, 1175, 1194, 1194.2, 1197, 1197.1, 1198, and 2802. The PAGA Release also includes all claims that Plaintiff and/or the Affected Employees may have against Defendants or the Released Parties relating to: the payment, taxation, and allocation of Attorneys’ Fees and Litigation Costs awarded by the Court pursuant to the settlement; and the payment, taxation, and allocation of Plaintiff’s Service Award awarded by the Court pursuant to the settlement. The PAGA Release only applies to claims for civil penalties under PAGA, and not any other claim or right that you may have.

The Released Parties are Defendants and their 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 Defendants’ 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 November 22, 2024 ("**Effective Date**") is entered into by Nordstrom Card Services, Inc. and Nordstrom, Inc. (collectively, "**Nordstrom**"), and Phoenix Class Action Administration Solutions, with a principal business address at 1411 N. Batavia St., Suite 105, Orange, CA 92867 ("**Settlement Administrator**") (together, the "**Parties**").

RECITALS

Nordstrom desires to have Settlement Administrator provide certain settlement administration services in accordance with the terms of the settlement agreement and the anticipated court order(s) approving the settlement in the litigation titled *Karen Bobadilla v. Nordstrom Card Services, Inc., et al.*, pending in the Superior Court of the State of California for the County of Los Angeles, Case No. 23STCV02398 (the "**Action**"); and

Settlement Administrator desires to provide such Services to Nordstrom in exchange for payment of settlement administration costs not to exceed \$8,000.00, to be paid out of the Gross Settlement Amount for the settlement of the Action, and subject to the Court's approval in the Action.

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

DEFINITIONS

"**Affiliate**" means any entity that controls, is controlled by, or is under common control with a Party. For purposes of this definition, "control" shall mean at least fifty percent (50%) of the capital, assets, voting stock, profits, interests, or similar participation rights that 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 designates as confidential or that reasonably should be understood to be confidential, proprietary, or a trade secret given the nature and circumstances of its disclosure. Confidential Information includes, but is not limited to, business plans, litigation or lawsuit related information, business processes, costs, pricing, profits, compensation, financial information, and the 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. 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**" means Nordstrom Card Services, Inc., Nordstrom, Inc., and/or their Affiliates as applicable.

"**Affected Employee Data**" is a subset of Confidential Information (defined below) and means information regarding Affected Employees that Nordstrom will compile in good faith from its records and provide to the Settlement 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; and the number of pay periods worked in a non-exempt remote or non-exempt hybrid position for Nordstrom in California between December 21, 2021, and March 9, 2024.

INFORMATION SECURITY AND SERVICES AGREEMENT

"Affected Employees" means Plaintiff and all other individuals employed by Nordstrom as non-exempt remote or non-exempt hybrid employee in California between December 21, 2021, and March 9, 2024, based on Nordstrom's records.

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

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

"Plaintiff" means Karen Bobadilla.

"Services" means any task to be performed by Settlement Administrator in connection with administering the settlement of the Actions pursuant to the Plaintiff's and Nordstrom's settlement agreement and applicable court orders.

AGREEMENT

1. **CONFIDENTIALITY AND NONDISCLOSURE.**

1.1. *Confidentiality.*

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

- a) Settlement Administrator shall:
 - (i) not disclose Confidential Information to any third party without Nordstrom'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's detriment; and only use Confidential Information to the extent necessary to provide the Services to Nordstrom (information aggregated or derived from Confidential Information shall not be used for the benefit of any third party).
- b) Settlement Administrator acknowledges that it may receive material, non-public information required to be kept confidential under the Securities Exchange Act of 1934. Settlement Administrator acknowledges that failure to keep such information confidential or otherwise using such information for personal gain may result in insider trading liability on the part of Settlement Administrator and any employees involved in the unlawful disclosure or use of such information.
- c) Settlement Administrator may disclose Confidential Information only:
 - (i) To Personnel on a need to know basis and only in relation to performing the Settlement Administrator's duties under this or a future agreement between the Parties to this Agreement. Such Personnel are subject to the confidentiality duties and obligations contained in this Agreement.

INFORMATION SECURITY AND SERVICES AGREEMENT

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

1.2 *No License; Warranty.*

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

1.3 *Publicity.*

Settlement Administrator shall not publicize its business relationship with Nordstrom without the prior written authorization of an officer of Nordstrom. Settlement Administrator agrees not to use any trade name, trademark, service mark, or logo, or any other information that identifies Nordstrom 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.

1.4 *Consumer Rights Requests.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

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

2. INFORMATION SECURITY.

2.1. *Safeguards.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

2.2. *Assessments.*

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

2.3. *Security Breaches.*

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

2.4. *Return and Destruction.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

3. PERSONNEL.

3.1. *Background Investigation.*

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

3.2. *Third Party Contractors.*

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

- a) be fully liable to Nordstrom 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 is an intended third-party beneficiary of its agreement with Settlement Administrator.

4. ADDITIONAL TERMS.

4.1. *Term.*

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

4.2. *Remedies.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

4.3. *Attorney Fees.*

If Nordstrom brings an action against Settlement Administrator by reason of a breach or alleged violation, enforcement of any provision, or otherwise arising out of this Agreement, and is determined to be the prevailing party, Settlement Administrator is responsible for the payment of Nordstrom'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 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 shall be entitled to terminate the contract without penalty or cost other than payment to Settlement Administrator for services actually performed and costs actually incurred.

4.9. *Severability.*

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

INFORMATION SECURITY AND SERVICES AGREEMENT

4.10. *Indemnification.*

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

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

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

PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS

By: _____

Print Name: Jodey Lawrence

Title: President of Business Development

Date: 12-4-2024

NORDSTROM, INC.

By: _____

Print Name: Brian DeFoe

Title: Vice President, Associate General Counsel
and Assistant Secretary

Date: _____

NORDSTROM CARD SERVICES, INC.

By: _____

Print Name: Brian DeFoe

Title: Secretary

Date: _____

INFORMATION SECURITY AND SERVICES AGREEMENT

4.10. Indemnification.

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

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

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

PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS

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

NORDSTROM, INC.

DocuSigned by:
By: Brian DeFoe
BB12E88C0AB04F3...
Print Name: Brian DeFoe
Title: Vice President, Associate General Counsel and Assistant Secretary
Date: 12/5/2024 | 13:43 PST

NORDSTROM CARD SERVICES, INC.

DocuSigned by:
By: Brian DeFoe
BB12E88C0AB04F3...
Print Name: Brian DeFoe
Title: Secretary
Date: 12/5/2024 | 13:43 PST

eSignature Details

Signer ID: 8p5h5BL9jYLYmxonLnYjhsTS
Signed by: Karen J Bobadilla
Sent to email: kjulissa34@gmail.com
IP Address: 172.56.233.124
Signed at: Dec 16 2024, 3:54 pm PST

Signer ID: nQhtRkJZQio5ZLt2Yhz2y4rH
Signed by: chaim setareh
Sent to email: shaun@setarehlaw.com
IP Address: 12.160.160.211
Signed at: Dec 16 2024, 4:21 pm PST