D.LAW, INC.
Roman Shkodnik (SBN 285152)
Amanda Fazio (SBN 346350)
Enoch J. Kim (SBN 261146)
Arianna N. Razi (SBN 356930)
250 N. Madison Avenue
Pasadena, CA 91101-1639
Telephone: (818) 962-6465
Facsimile: (818) 962-6469
Emails: r.shkodnik@d.law, a.fazio@d.law, e.kim@d.law, a.razi@d.law

Attorneys for Plaintiffs ANTHONY CORRALES, ANGELA DIANA PONCE, PRISCILLA ARELLANO, and NATALIE ESPARZA on behalf of themselves and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

ANTHONY CORRALES, ANGELA DIANA PONCE, PRISCILLA ARELLANO, and NATALIE ESPARZA on behalf of themselves and others similarly situated, Plaintiff, vs. CALERES, INC. dba CALERES, a New York corporation; FAMOUS FOOTWEAR, an entity of unknown form; and DOES 1 through 50, inclusive, Defendants.	Case No. 23CV012350 CLASS ACTION Assigned for All Purposes To: Hon. Jill H. Talley Dept.: 8A **[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: December 11, 2026 Time: 9:00 a.m. Dept.: 8A Original Complaint Filed: November 29, 2023 First Amended Complaint Filed: Trial Date: None Set

[PROPOSED] ORDER

On December 11, 2026, the Court conducted a hearing on the unopposed Motion for Preliminary Approval of Class Action and PAGA Settlement filed by Plaintiffs Anthony Corrales, Angela Diana Ponce, Priscilla Arellano, and Natalie Esparza (collectively, "Plaintiffs") on behalf of themselves and all others similarly situated. The Court has reviewed and considered the Motion, the Class and Representative Action Settlement Agreement and Release and Amendment to Class and Representative Action Settlement Agreement and Release (together, "Settlement Agreement" or "Settlement"), attached hereto as **Exhibit 1**, between Plaintiffs and Defendant BG Retail, LLC dba Famous Footwear ("Defendant"), and incorporated by reference. Plaintiffs and Defendant shall be referred to collectively herein as the "Parties."

This Order hereby incorporates by reference the definitions in the Settlement Agreement as though fully set forth herein, and all terms used herein shall have the same meaning as set forth in the Settlement Agreement.

NOW THEREFORE, having read and considered the foregoing, the Court **HEREBY MAKES THE FOLLOWING FINDINGS:**

1. The Court finds on a preliminary basis that the proposed Settlement falls within the range of reasonableness, and the terms of Settlement, as set forth in the Settlement Agreement, are presumptively fair, adequate, and reasonable and in the best interests of the Settlement Class and, therefore, meet the requirements for preliminary approval.

2. The Court further finds, for settlement purposes only, that the requirements of California Code of Civil Procedure § 382 and California Rules of Court, rule 3.760 *et seq*. are satisfied. Therefore, the Court certifies, for settlement purposes only, the following Settlement Class described in the Settlement Agreement:

> All current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025.

3. The Court further finds that the Settlement Agreement sets forth a plan to provide

proper notice to the Settlement Class of the terms of the Settlement and the options available to the Settlement Class. The Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval (the "Notice") provides notice to Settlement Class Members of their ability to opt out from the Class Settlement (but not the PAGA portion of the Settlement), to object to the terms of the Settlement, or to do nothing and receive an Individual Settlement Payment and be bound by the terms of the Settlement. The Notice is attached as **Exhibit A** to the Settlement Agreement, which is attached hereto as **Exhibit 1** and incorporated by reference.

As a result, for good cause appearing, **IT IS HEREBY ORDERED THAT**:

1. The Court hereby preliminarily approves the proposed settlement upon the terms set forth in the Settlement Agreement.

2. The Court conditionally certifies and approves, for settlement purposes only, the Settlement Class of all current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025;

3. For the purposes of this settlement, Roman Shkodnik, Esq., Amanda Fazio, Esq., Enoch J. Kim, Esq., and Arianna N. Razi, Esq., and the other attorneys of D.Law, Inc. are hereby appointed as Class Counsel and shall represent the Settlement Class Members in this Action.

4. For the purposes of this settlement, Plaintiffs Anthony Corrales, Angela Diana Ponce, Priscilla Arellano, and Natalie Esparza are hereby appointed as the Class Representatives for the Settlement Class.

5. The Court confirms Apex Class Action, LLC as the Settlement Administrator. The procedures for paying the Settlement Administrator Costs, as set forth in the Settlement Agreement, are approved. Apex Class Action, LLC is directed to perform all responsibilities of the Settlement Administrator as set forth in the Settlement Agreement. Once entered, Apex Class Action, LLC will also post the Judgment in this matter on its website.

6. The Court hereby approves, as to form and content, the Notice. The Court finds that the dates and procedure for mailing and distributing the Notice in the manner set forth in the

Settlement Agreement meet the requirements of due process and are the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

7. The Court directs the mailing of the Court-approved Notice via First-Class United States mail to the Settlement Class Members in accordance with the schedule and procedures set forth in the Settlement Agreement.

8. The procedures for Settlement Class Members to opt-out by submitting a Request for Exclusion, as set forth in the Notice and Settlement Agreement, are approved. The time for Settlement Class Members to submit a Request for Exclusion shall be sixty (60) days after the date of the first mailing of the Notices. This date shall be extended by fourteen (14) calendar days if the Notice is returned as undeliverable and then remailed to a correct or forwarding address of a Settlement Class Member.

9. The procedures for Settlement Class Members to object to the Settlement, as set forth in the Notice and Settlement Agreement, are approved. The time for Settlement Class Members to object to the Settlement shall be sixty (60) days after the date of the first mailing of the Notices. This date shall be extended by fourteen (14) calendar days if the Notice is returned as undeliverable and then remailed to a correct or forwarding address of a Settlement Class Member. Settlement Class Members may appear at the Final Approval Hearing, on their own or through a counsel retained at their expense, to present their objection, whether or not they submitted a prior written objection as provided in the Settlement Agreement.

10. The procedures for Settlement Class Members to dispute the number of Workweeks and/or Pay Periods worked, as set forth in the Notice and Settlement Agreement, are approved. The time for Settlement Class Members to submit a Workweeks and/or Pay Periods Dispute shall be sixty (60) days after the date of the first mailing of the Notices. This date shall be extended by fourteen (14) calendar days if the Notice is returned as undeliverable and then remailed to a correct or forwarding address of a Settlement Class Member.

11. The Court preliminarily approves the distribution of the Gross Settlement Amount as set forth in the Settlement Agreement, all subject to the Court's final approval of the

Settlement at the Final Approval Hearing. Assuming the Settlement receives final approval, Defendant shall be required to pay only the Gross Settlement Amount in the total amount of $500,000.00 plus the employer's share of payroll taxes due as a result of this Settlement.

12. A Final Approval Hearing (the "Hearing") shall be held on May 14, 2027, at 9:00 a.m. in department 8A of the Superior Court for the State of California, County of Sacramento, located at 500 G Street, Sacramento, CA 95814. The purpose of such Hearing will be to: (a) determine whether the proposed Settlement should be finally approved by the Court as fair, reasonable and adequate; (b) determine the reasonableness of Class Counsel's request for attorneys' fees and litigation costs to be awarded; (c) determine the reasonableness of the Class Representatives' Service Award requested to be awarded; and (d) order entry of Judgment in the Action.

13. Class Counsel shall file and serve all papers in support of the Motion for Final Approval and any application for reimbursement of attorneys' fees and costs, including any costs associated with or incurred by the Settlement Administrator, at least sixteen (16) court days before the Final Approval hearing.

14. The Court reserves the right to continue the date of the Final Approval Hearing without further notice to the Settlement Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. However, Class Counsel or the Settlement Administrator will give notice to any objecting party of any continuance of the Final Approval Hearing.

15. All further proceedings in this Action shall be stayed except such proceedings necessary to review, approve, and implement this Settlement.

16. Neither the Settlement nor any statement, transaction or proceeding in connection with the negotiation, execution or implementation of the Settlement, shall be admissible in evidence for any reason except as provided in the Settlement Agreement. The Court has made no findings on the merits, and the Defendant has denied the allegations in the Operative Complaint.

17. The Court hereby approves the PAGA portion of the Settlement.

IT IS SO ORDERED.

Dated: _____, 2026

_____
Honorable Jill H. Talley
Judge of the Superior Court

EXHIBIT 1

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Michael J. Nader, SBN 200425
michael.nader@ogletree.com
Alexandra M. Asterlin, SBN 221286
alexandra.asterlin@ogletree.com
Paul M. Smith, SBN 306644
paul.smith@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
400 Capitol Mall, Suite 2800
Sacramento, CA 95814
Telephone: 916-840-3150
Facsimile: 916-840-3159

Sona P. Patel, SBN 334044
sona.patel@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071
Telephone: 213-239-9800
Facsimile: 213-239-9045

Attorneys for Defendant
BG RETAIL, LLC dba FAMOUS FOOTWEAR

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

ANGELA DIANA PONCE and ANTHONY CORRALES, on behalf of themselves and others similarly situated,

Plaintiff,

vs.

BG RETAIL, LLC dba FAMOUS FOOTWEAR, a Delaware limited liability company and DOES 1 through 50, inclusive,

Defendants.

Case No. 2:24-cv-00107-KJM-CKD

CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

Action Filed: November 29, 2023
Trial Date: TBD

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This Class and Representative Action Settlement Agreement and Release ("Agreement") resolves the action, *Angela Diana Ponce, Anthony Corrales, and Priscilla Arellano, on behalf of themselves and otherwise similarly situated, vs. BG Retail, LLC dba Famous Footwear*, case no. 2:24-cv-00107-KJM-CKD, currently pending in the United States District Court, Eastern District and the related actions filed in the Superior Court of the State of California, County of Sacramento, including the amended Complaint to be filed as discussed herein below, which will redefine the classes and add Natalie Esparza as a plaintiff.

This Agreement is entered into between Plaintiffs Angela Diana Ponce, Anthony Corrales, Priscilla Arellano, and Natalie Esparza ("Plaintiffs"), individually and on behalf of all others similarly situated, as well as on behalf of the State of California with respect to the Aggrieved Employees, and Defendant BG Retail, LLC dba Famous Footwear ("Defendant"). Plaintiffs and Defendant are collectively referred to herein as the "Parties."

This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the "Released Claims" (as defined below) on a class and representative action basis pertaining to the "Released Parties" (as defined below) upon and subject to the terms and conditions contained herein. This Agreement, which is contingent upon final Court approval, contains the essential terms of the Parties' agreement. Plaintiffs and Class Counsel believe, and the Parties have agreed, the settlement set forth in this Agreement confers substantial benefits upon the Class Members, Aggrieved Employees, and the State of California.

1. DEFINITIONS

1.1. **"Action"** means Plaintiff Anthony Corrales' PAGA letter and lawsuit alleging wage and hour violations and civil penalties alleging violations of PAGA against Defendant, initiated on November 29, 2023 and pending in the Superior Court of the State of California, County of Sacramento, Case No. 23CV012350; Plaintiff Angela Ponce's original and amended PAGA letters and lawsuit alleging wage and hour violations and civil penalties alleging violations of PAGA against Defendant, initiated on January 12, 2024, and pending in the Superior Court of the State of California, County of Sacramento, Case No. 24CV000555; the consolidated action on behalf of Anthony Corrales, Angela Ponce, and Priscilla Arellano alleging wage and hour

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violations and civil penalties for alleged violations of PAGA against Defendant, currently pending in the United States District Court for the Eastern District of California, Case No. 2:24-cv-00107-KJM-CKD (including the Consolidated Complaint and the Second Consolidated Complaint).

1.2. **"Class Counsel"** means D.Law, Inc. Class Counsel will also serve as PAGA Counsel for purposes of this case.

1.3 **"Class Counsel Award"** means the attorneys' fees for Class Counsel's litigation and resolution of the Action, and actual expenses and costs incurred and to be incurred by Class Counsel in connection with the Action.

1.4 **"Class Information"** or "**Class Data"** means information on the Class Members compiled from Defendant's records and provided to the Settlement Administrator in a Microsoft Excel spreadsheet, including each Class Member's full name; last known address; social security number; dates of employment; data available in Defendant's electronic records regarding pay periods and workweeks, to the extent available based upon existing electronic records, to allow the Settlement Administrator to determine the Workweeks and Pay Periods for each Class Member and each Aggrieved Employee.

1.5 **"Settlement Class Members"** means "All current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to the earlier of the following dates: (a) April 21, 2025, or (b) the date the Court enters judgment granting preliminary approval of the settlement."

1.6 **"Class Settlement"** means the settlement and resolution of the Released Class Claims.

1.7 **"Class Settlement Period"** means the period from December 1, 2022 to the earlier of the following dates: (a) April 21, 2025, or (b) the date the Court enters judgment granting preliminary approval of the settlement.

1.8 **"Class Representative Service Award"** means the amount the Court authorizes to be paid to the Class Representatives, in addition to their Individual Settlement Payment and/or

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Individual PAGA Payment and their General Release Settlement Payment, in recognition of their efforts and the risks attendant to assisting with the prosecution of the Action.

1.9 **"Court"** means the Superior Court of the State of California for the County of Sacramento.

1.10 **"Defendant"** means and includes BG Retail, LLC dba Famous Footwear.

1.11 **"Effective Date"** means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Member objects to the Settlement and no appeal was filed, the day after the deadline for filing a notice of appeal from the Judgment has expired; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur, or the day after the appeal is dismissed, whichever is earlier.

1.12 **"Final Approval Hearing"** means the final hearing at which the Court reviews the fairness, reasonableness, and adequacy of the Settlement, and decides whether the Settlement meets all requirements for final approval.

1.13 **"Final Judgment"** means a judgment issued by the Court approving this Agreement as binding upon the Parties following the Final Approval Hearing.

1.14 **"General Release Settlement Payment"** means the payment made to each individual Plaintiff for the individual general release of their claims, which shall be each in the amount of $5,000.00 (Five-Thousand Dollars and Zero Cents).

1.15 **"Gross Settlement Amount"** or **"GSA"** means the total maximum amount payable under the terms of this Agreement by Defendant, which is the gross sum of $500,000.00 (Five Hundred Thousand Dollars and Zero Cents), subject to the "Modification Provision." The GSA includes all of the following: (a) the Individual Settlement Payments to Participating Class Members; (b) payment of the Settlement Administration Costs as approved by the Court; (c) the Class Representative Service Award to Plaintiffs, as approved by the Court; (d) Plaintiffs' General Release Settlement Payments; (e) the Class Counsel Award; and (f) the PAGA Payment.

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Payment of the amount necessary to cover the employer's portion of payroll taxes associated with the portion of the settlement allocated to wages shall be made by Defendant, separate and apart from the Gross Settlement Amount.

The Settlement Administrator will make all required tax deductions and payments using a Qualified Settlement Fund. As set forth herein, the Settlement Administrator will issue all of the above-referenced payments from the Qualified Settlement Fund in accordance with the applicable provisions of this Agreement.

1.16 **"Individual PAGA Payment"** means the amounts paid from the PAGA Payment to Aggrieved Employees, which in the aggregate shall be Ten Thousand Dollars ($10,000), constituting 25% of the PAGA Payment, as consideration for Settlement of claims for civil penalties under the PAGA.

1.17 **"Individual Settlement Payment"** means the amount paid from the Net Settlement Amount to a Participating Class Member. Any Class Member who timely submits a valid Request for Exclusion, pursuant to the procedures set forth herein, is not a Participating Class Member and is not eligible to receive an Individual Settlement Payment.

1.18 **"LWDA"** means the California Labor and Workforce Development Agency.

1.19 **"LWDA PAGA Payment"** means the amount of Thirty-Thousand Dollars and Zero Cents ($30,000.00) to be paid to the LWDA as its 75% share of the PAGA Payment, as consideration for Settlement of claims for civil penalties under PAGA.

1.20 **"Modification Provision"** - At the January 21, 2025 mediation date, Defendant represented that its data team extrapolated the total number of Workweeks of the Action for the Settlement Class from December 1, 2022 to January 21, 2025 (the "Data Period") as 43,804 workweeks and 1,628 Settlement Class Members and 1,577 Aggrieved Employees. If, prior to the date of the Final Approval Order, the Parties agree or the Court finds that the actual number of workweeks during the Data Period is equal to or greater than (10%) above 43,804 (i.e., more than 48,184) Defendant will either (at its exclusive discretion): (a) increase the Maximum Settlement Amount by the percentage (in whole number increments) that the actual number of workweeks exceeds 10% of the original estimate (e.g., if the total number of workweeks is

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10.3% above the original estimate, the Maximum Settlement Amount would be increased by 1%); or, (b) shorten the Settlement Period so that there is no increase above the 10% threshold.

1.21 "**Net Settlement Amount"** or **"NSA"** means the Gross Settlement Amount less the Court-approved Class Counsel Award, the Class Representative Service Award, the General Release Settlement Payments, the PAGA Payment, and the Settlement Administration Costs. The Net Settlement Amount is the total amount that will be paid to Participating Class Members in the form of Individual Settlement Payments.

The NSA shall be allocated as follows: (a) 20% as wages and (b) 80% as penalties and interest. The Settlement Administrator will be responsible for issuing a form W-2 to each Class Member for the amount each receives for unpaid "wages" and any IRS Form 1099s for the portion designated as "penalties and interest" required by law.

1.22 **"Notice of Class Action Settlement"** or **"Notice"** means the notice approved by the Parties and subject to Court approval, explaining the terms of this Agreement and the settlement process, which the Settlement Administrator will mail to each Settlement Class Member.

1.23 **"PAGA"** refers to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 et seq.

1.24 **"Aggrieved Employees"** means "All current and former individuals who were employed as non-exempt employees within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period from January 9, 2023 to the earlier of the following dates: (1) April 21, 2025, or (b) the date the Court enters judgment granting preliminary approval of the class settlement."

1.25 **"Amended PAGA Letter"** is the PAGA Letter, referenced in section 2.16 herein, which shall be filed by Plaintiffs with the LWDA three (3) calendar days after this Agreement is fully executed.

1.26 **"PAGA Payment"** means the portion of the Gross Settlement Amount that shall be allocated to claims under the PAGA, which the Parties have agreed shall be Forty Thousand

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Dollars and Zero Cents ($40,000.00). Of that sum, seventy-five percent (75%), *i.e.,* $30,000, shall be payable to the LWDA (i.e., the LWDA PAGA Payment) and the remaining twenty-five percent (25%), *i.e.,* $10,000, shall be used to pay the Individual PAGA Payments to Aggrieved Employees in settlement of all claims for PAGA penalties as defined in this Agreement.

1.27 **"PAGA Settlement Period"** means the period from January 9, 2023 to the earlier of the following dates: (1) April 21, 2025, or (b) the date the Court enters judgment granting preliminary approval of the class settlement."

1.28 **"Participating Class Members"** means those Settlement Class Members who do not file a valid and timely Request for Exclusion.

1.29 **"Parties"** means Plaintiffs and Defendant, collectively.

1.30 **"Pay Period"** means any pay period during the PAGA Settlement Period in which an Aggrieved Employee recorded performing any compensable work for Defendant as an hourly-paid or non-exempt employee, according to Defendant's records. Each Pay Period consists of two (2) Workweeks, as defined herein.

1.31 **"Plaintiffs"** means Anthony Corrales, Angela Diane Ponce, Priscilla Arellano, and Natalie Esparza.

1.32 **"Preliminary Approval Date"** means the date on which the Court issues an order granting preliminary approval of the proposed Settlement.

1.33 **"Qualified Settlement Fund"** or "**QSF"** means the account established by the Settlement Administrator, which the Parties agree shall at all times be treated as a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1, *et seq*.

1.34 **"Released Parties"** means and includes BG Retail, LLC dba Famous Footwear, its past, present, and/or future direct and/or indirect, owners, officers, directors, members, managers, employees, attorneys, agents, affiliates, representatives, insurers, investors, shareholders, parent companies, subsidiaries, divisions, predecessors, successors, assigns, and joint venturers.

1.35 **"Request for Exclusion"** means a Settlement Class Member's written letter indicating a request to be excluded from the Class Settlement.

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1.36 **"Response Deadline"** means the date sixty (60) calendar days (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed, as defined in section 4.2(b) of this Agreement) after the Settlement Administrator mails the Notice of Class Action Settlement to Settlement Class Members, which is the last date on which Settlement Class Members may timely: (a) submit a Request for Exclusion; (b) submit objections to the Settlement; or (c) dispute the information contained in the Notice of Class Action Settlement. If the thirtieth (30th) day falls on a Sunday or State or Federal holiday, then the deadline is extended to the next business day.

1.37 **"Settlement"** or "**Agreement"** means this Class and Representative Action Settlement Agreement and Release.

1.38 **"Settlement Administrator"** means Apex Class Action, LLC ("Apex"), the third-party company who is responsible for administering the settlement, mutually agreed to by the Parties and appointed by the Court upon Class Counsel's Motion for Preliminary Approval of this Settlement.

1.39 **"Settlement Administrator Costs"** means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

1.40 **"Workweek"** means any week during the Class Settlement Period in which a Settlement Class Member recorded performing any compensable work for Defendant as an hourly-paid or non-exempt employee, according to Defendant's records.

1.41 **"Workweeks and/or Pay Periods Dispute"** means a Settlement Class Member's written letter disputing the pre-printed information on the Notice of Class Action Settlement as to the number of the Settlement Class Member's Workweeks worked during the Class Settlement Period or the Aggrieved Employee's number of Pay Periods worked during the PAGA Settlement Period, and the dispute must: (a) contain the case name and number of the Action; (b) contain the Class Member's and/or Aggrieved Employee's full name, signature, address, telephone number, and last four (4) digits of Social Security number; (c) clearly state the dispute about the Workweeks/Pay Periods credited and what the Class Member and/or Aggrieved

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Employee contends is the correct number; (d) attach any documentation that supports Class Member's and/or Aggrieved Employee's position; and (e) be timely submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed, as defined below).

2. PROCEDURAL HISTORY

2.1 On November 28, 2023, Plaintiff Anthony Corrales filed his PAGA Letter with the LWDA ("Corrales PAGA letter).

2.2 On November 29, 2023, Plaintiff Anthony Corrales filed a complaint in the Superior Court of California, County of Sacramento, Case No. 23CV012350, alleging numerous representative wage and hour claims and a PAGA claim ("Corrales Complaint").

2.3 On January 12, 2024, Plaintiff Angela Ponce filed her PAGA letter with the LWDA ("Ponce PAGA letter").

2.4 On January 12, 2024, Plaintiff Angela Ponce filed a complaint in the Superior Court of California, County of Sacramento, Case No. 24CV000555, alleging numerous representative wage and hour claims and a PAGA claim ("Ponce Complaint").

2.5 On March 15, 2024, Plaintiffs Angela Diana Ponce and Anthony Corrales filed a consolidated complaint in the U.S. District Court for the Eastern District of California, Case No. 2:24-cv-00107-KJM-CKD ("Consolidated Complaint").

2.6 On June 12, 2024, Plaintiffs Angela Diana Ponce and Priscilla Arellano filed an Amended PAGA Letter with the LWDA ("Ponce Amended PAGA letter").

2.7 On June 14, 2024, Plaintiffs Angela Diana Ponce, Anthony Corrales, and Priscilla Arellano filed a consolidated Second Amended Complaint in the U.S. District Court for the Eastern District of California, Case No. 2:24-cv-00107-KJM-CKD ("Amended Consolidated Complaint").

2.8 The Corrales PAGA letter, the Corrales Complaint, the Ponce PAGA letter, the Ponce Amended PAGA letter, the Consolidated Complaint, the Amended Consolidated

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Complaint, and the further amendments thereto as contemplated in this Agreement shall constitute the Action.

2.9 The Court has not granted class certification.

2.10 The same claims as those asserted in the Action were previously asserted against Defendant in a class and PAGA action lawsuit, which was settled. That prior action was *Luis Palencia Caba v. Caleres, Inc., BG Retail, LLC, and Kathy Martin* and was settled in the Sacramento County of the State of California, County of Sacramento, Case No. 34-2021-00301944 (the "*Caba Settlement*"). The *Caba Settlement* also included a release of the same PAGA claims asserted in the instant Action and that prior PAGA settlement was included in the *Caba Settlement*, and entitled *Maria Gamez-Martinez v. BG Retail, LLC*. The settlement period in the *Caba Settlement* was from June 1, 2017 to November 30, 2022.

2.11 On January 21, 2025, the Parties participated in a mediation session with Lou Marlin, Esq., a prominent mediator experienced in resolving wage-and-hour class and representative actions. As a result of the mediator's efforts, the Parties reached an agreement to settle all claims and causes of action alleged in the Action by Plaintiffs under the California Labor Code, the California Business and Professions Code, the applicable California Wage Order, and PAGA.

2.12 Before the mediation, Defendant produced extensive documentation including time and pay data, policy documents, class size information, PAGA size information, Pay Period and Workweek information, and information regarding the hourly rates of the Settlement Class Members. Defendant provided data, information, and documents sufficient to enable Plaintiffs and Class Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the potential damages arising from the claims made in this case.

2.13 The Parties, Class 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.

2.14 The Parties stipulate to remand the Action to the Superior Court of Sacramento, County of Sacramento.

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2.15 Following the remand, Plaintiffs agree to consolidate the Ponce Complaint with the Corrales Complaint, currently stayed in the Superior Court of California, County of Sacramento. Plaintiffs will thereafter file a First Amended Complaint in the consolidated action, which will allege all of the same class and PAGA claims and causes of action alleged thus far in the Action; however, Plaintiffs will redefine the Class as follows: "All current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to the earlier of the following dates: (a) April 21, 2025, or (b) the date the Court enters judgment granting preliminary approval of the settlement (the "Settlement Class")" and will add Natalie Esparza as a representative (the "Operative Complaint").

2.16 Plaintiffs further agree to file the Amended PAGA Letter that will allege all of the same PAGA claims thus far asserted in the Action; however, it will redefine the alleged group of Aggrieved Employees as follows: "All current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period of January 9, 2023 to the earlier of the following dates: (a) April 21, 2025 or (b) the date the Court enters the judgment granting preliminary approval of the class settlement (the "Settlement Class") and will add Natalie Esparza as a representative.

3. RELEASES OF CLAIMS

3.1 No Admission

Defendant expressly denies any liability or wrongdoing of any kind associated with the claims asserted in the Action. Defendant also disputes the damages and penalties claimed by Plaintiffs, and further contends that, for any purpose other than settlement, Plaintiffs' claims are not appropriate for class or representative treatment. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall be construed or used as an admission by or against Defendant as to the merits of the claims asserted in the Action or in any other proceeding.

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Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall constitute the accuracy of any allegation made by Plaintiff or their Counsel.

Defendant contends that, at all times, it has complied with all applicable state, federal, and local laws related to the Settlement Class Members' employment. Defendant has entered into this Settlement to avoid the cost, risk, and inconvenience of further litigation. Nothing contained in this Settlement, nor the fact of this Settlement itself, shall be construed or deemed as an admission of liability, or wrongdoing on the part of the Defendant, collectively or individually. The Parties expressly agree that this Settlement shall not constitute any basis for subsequent violation PAGA penalty rates in any subsequent PAGA litigation against Defendant.

Pursuant to California Evidence Code sections 1152 and 1154, this Settlement shall be inadmissible as evidence in any proceeding; except the Settlement may be filed and used in this litigation or any related litigation as necessary to approve, interpret, or enforce this Settlement, or in any subsequent action against or by Defendant to support a stay of such subsequent action, or to establish a defense of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

3.2 Benefits to Class and Aggrieved Employees.

Class Counsel investigated the facts relevant to the Action, including reviewing documents and information provided by Defendant. Based on their own independent investigation and evaluation, Class Counsel believes the Settlement with Defendant is fair, reasonable, and adequate, and in the best interest of the Settlement Class, in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding a class trial, and numerous potential appellate issues. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising from or relating to the Action on the terms set forth herein.

Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's time, energy, and resources

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have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiffs in the Actions. Defendant has also taken into account the risks of further litigation in reaching the decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims set forth by Plaintiffs in the Actions, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims in the Action.

3.3 Settlement of Disputed Claims

This Agreement is a compromise of disputed claims. Defendant has claimed and continues to claim that the Released Claims have no merit and do not give rise to liability. Plaintiffs and Participating Class Members and Aggrieved Employees have claimed and continue to claim that the Released Claims have merit and give rise to liability on the part of Defendant. Nothing contained in this Agreement, no documents referred to herein, and no action taken to carry out this Agreement, may be construed or used as an admission by or against the Participating Class Members or Class Counsel as to the merits or lack thereof of the claims asserted in this Action.

3.4 Release for All Participating Class Members

Upon the Effective Date and full funding of the Gross Settlement Amount, all Participating Class Members (regardless of whether they are Aggrieved Employees), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims under any state, local, or federal law or administrative agency that were or could have been alleged based on the allegations, claims, and causes of action in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts contained in the Operative Complaint of the Action (including those theories asserted in the Amended PAGA Letter to the LWDA), including all of the following claims for relief: (a) failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510

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(including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records); (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of final wages and associated waiting time penalties under sections 201 to 203 of the Labor Code; (j) violation of Business & Professions Code § 17200 *et seq.* and (k) any other claims or penalties under the wage and hour laws pleaded in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts pleaded in the Operative Complaint of the Action; and (l) all statutory penalties, liquidated damages, punitive damages, interest, attorneys' fees and costs, expenses, restitution, and equitable and declaratory relief based upon the allegations asserted in the Operative Complaint of the Action; and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Operative Complaint of the Action, the applicable Wage Orders as to the facts alleged in the proposed complaint, and the California Unfair Competition Law ("Released Class Claims"). The Released Class Claims will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment or cashes and deposits any Individual Settlement Payment check. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Settlement Period.

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3.5 Release by Plaintiffs

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs fully and finally release the Released Parties from all known and unknown claims against the Released Parties, as well as any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, grievances, wages, vacation payments, severance payments, obligations, commissions, overtime payments, debts, profit sharing claims, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in state or federal law, equity or otherwise, whether known or unknown, which Plaintiffs now own or hold or has at any time owned or held against the Released Parties, including specifically, but not exclusively, and without limiting the generality of the foregoing, any and all claims known or unknown, suspected or unsuspected: (1) arising out of Plaintiffs' respective employments with Defendant or termination of that employment; or (2) arising out of or in any way connected with any claim, loss, damage, or injury whatsoever, known or unknown, suspected or unsuspected, resulting from any act or omission by or on the part of Defendant or the Released Parties, committed or omitted by Defendant or the Released Parties on or before the date this Agreement is executed by Plaintiffs. Furthermore, without limiting the generality of the foregoing, Plaintiffs also specifically agree and acknowledge they are waiving any right to recovery based on state or federal age, sex, race, color, national origin, marital status, religion, veteran status, disability, sexual orientation, medical condition, genetic condition, or other antidiscrimination laws, rules, regulations, or ordinances, including, but not limited to, Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, the Fair Credit Reporting Act, the Americans with Disabilities Act, the WARN Act, the Equal Pay Act, the Employee Retirement Income Security Act, California Business and Professions Code section 17200, et seq., the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), and the Older Workers Benefit Protection Act, as amended ("OWBPA") (except a claim relating to whether this release or waiver is valid under the ADEA and except for any claims under the ADEA that may arise after the date this Agreement is executed by Plaintiffs), the California Labor Code and any similar state or local laws, such as the California Fair Employment and Housing Act, California Family Medical Leave Act, the California Family

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Rights Act, and all of their implementing regulations and interpretive guidelines, as well as in common law, including laws related to discrimination, harassment, or retaliation, whether known or unknown, and whether anticipated or unanticipated, arising from or relating to the Plaintiffs' relationships, or the termination of the relationships, with any Released Party through the date this Agreement is executed by Plaintiffs for any type of relief ("Plaintiffs' Released Claims"). For the avoidance of doubt, this is a complete and general release of all claims to the maximum extent permitted by law. The scope of this release does not include claims for unemployment insurance, disability, social security, and workers' compensation.

Plaintiffs' release set forth herein includes a waiver of all rights under California Civil Code §1542, which provides:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

Plaintiffs may hereafter discover claims or facts in addition to, or different from, those which they know or believe to exist, but Plaintiffs expressly agree to fully, finally, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist against the Released Parties at the time prior to the execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiffs' respective employments with Defendant.

3.6. Release for All Aggrieved Employees

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, as representatives of the State of California and on behalf of the LWDA and all Aggrieved Employees, fully and finally release the Released Parties from all claims for statutory PAGA civil penalties that could have been sought by the LWDA for the violations alleged in Plaintiffs' Amended PAGA Letter, including all claims for PAGA penalties that were alleged or which reasonably could have been alleged based on the facts alleged in the Operative Complaint and the Amended PAGA Letter to the LWDA that accrued during the PAGA Period, including (a)

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failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510 (including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records; (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of final wages under Labor Code 204 and associated waiting time penalties under sections 201 to 203 of the Labor Code; and (j) civil penalties under PAGA ("Released PAGA Claims"). The Released PAGA Claims will take effect whether or not an Aggrieved Employee receives his or her Individual PAGA Payment or cashes and deposits any Individual PAGA Payment check.

4. MOTION FOR PRELIMINARY APPROVAL

4.1 Preparation.

Class Counsel shall be responsible for preparing the Motion for Preliminary Approval. Class Counsel agrees to provide Counsel for Defendant with drafts of all documents they intend to submit in support of their Motion for Preliminary Approval at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on such papers. Class Counsel further agrees to reasonably cooperate with Defendant's Counsel to address and resolve the comments from Counsel for Defendant.

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4.2 Settlement Administrator

Within ten (10) calendar days following the date the Court grants Preliminary Approval of this Agreement, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing the Notice of Class Action Settlement to the Settlement Class Members. The Settlement Administrator shall maintain the Class Information as private and confidential and shall not disclose such data to any persons or entities, other than Counsel for Defendant, except relevant information can be provided to Class Counsel, on an individual basis only, and only when necessary for Class Counsel to respond to specific inquiries or requests from individual Class Members.

The Class Information is being supplied solely for purposes of the administration of the Settlement set forth in this Agreement and cannot be used by the Settlement Administrator or Class Counsel for any other purpose. The Parties agree that the Class Information will not be used to solicit Class Members to file any claim, charge, or complaint of any kind whatsoever against Defendant and will only be used to administer the Settlement under the terms provided herein.

Notwithstanding the above, within five (5) calendar days of receipt of the Class Information, the Settlement Administrator shall verify in writing to Class Counsel and Counsel for Defendant the total number of Workweeks within the Data Period for purposes of determining whether the Modification Provision is triggered.

a. Notice by First Class Mail

Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within five (5) calendar days of receipt of the Class Information, the Settlement Administrator will mail copies of the Notice of Class Action Settlement to all Settlement Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Settlement Class Member, including performing a skip-trace to identify any updated addresses. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be

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the best mailing address for each Settlement Class Member. The form of the proposed Notice of Class Action Settlement will be agreed to by the Parties, and subject to Court approval and modification as necessary to fulfill the Parties' desire to resolve the case.

b. Undeliverable Notices

Any Notice of Class Action Settlement returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address affixed thereto. If no forwarding address is affixed, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address, and/or Social Security Number of the Class Member whose notice was undeliverable, and shall then re-mail all returned, undelivered mail within five (5) calendar days of receiving notice that a Notice of Class Action Settlement was undeliverable. Class Members who receive a re-mailed Notice of Class Action Settlement shall have their Response Deadline extended fourteen (14) calendar days from the date of re-mailing or original Response Deadline.

c. Disputes regarding Individual Settlement Payments and Individual PAGA Payments

Class Members and Aggrieved Employees will have the opportunity, should they disagree with the number of Workweeks or Pay Periods stated on their Notice of Class Action Settlement by submitting a Workweeks and/or Pay Periods Dispute, postmarked on or before the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed). If there is a Workweeks and/or Pay Periods Dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility of each Class Member and Aggrieved Employee for, and the amounts of, their Individual Settlement Payment and Individual PAGA Payment under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment and Individual PAGA Payment will be binding upon the Parties. In the absence of circumstances indicating fraud, manipulation, or destruction, Defendant's records will be given a rebuttable presumption of accuracy.

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d. Disputes regarding Administration of Settlement

Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to attempt to resolve the dispute without involving the Court.

e. Exclusions

The Notice of Class Action Settlement shall state that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed). The Request for Exclusion must: (1) contain the name, address, and telephone number of the Class Member requesting exclusion; (2) contain a statement expressing that the Class Member elects to be excluded from the Settlement; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed) and returned to the Settlement Administrator at the specified address.

The date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed) shall be bound by all terms of the Settlement and any Final Judgment entered in this Action.

Any Class Member who requests to be excluded from the Class Settlement will not be entitled to any recovery under the Class Settlement and will not be bound by the terms of the Class Settlement or have any right to object to or appeal the Class Settlement.

Any Request for Exclusion has no effect on the PAGA Settlement. Any Class Member who is also considered an Aggrieved Employee will still be issued their Individual PAGA Payment and be bound by the PAGA Settlement, regardless of whether they submit a Request for Exclusion.

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No later than seven (7) calendar days after the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed), the Settlement Administrator will provide counsel for the Parties with a complete list of all members of the Class who have timely submitted a Request for Exclusion.

g. Objections

The Notice of Class Action Settlement shall state that Participating Class Members who wish to object to the Settlement may do so in person (or other method of personal appearance permitted by the court, e.g., remote appearance) at the Final Approval Hearing and/or in writing. Any written objection ("Notice of Objection") must be mailed to the Settlement Administrator by the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed). The date of mailing on the envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received.

The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name and address of the objecting Settlement Class Member; (2) the factual and/or legal basis for the objection; and (3) whether the Settlement Class Member intends to appear at the Final Approval Hearing. Class Counsel will ensure that any Notice of Objection received by the Settlement Administrator by the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed) is filed with the Court along with the Motion for Final Approval.

Any of the Parties may file a response to any objection before the Final Approval Hearing. Any attorney who represents an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant with this notice no later than the Response Deadline. Any Settlement Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

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4.3. No Solicitation of Settlement Objections of Exclusions

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement or file Requests for Exclusion, or to appeal from the Court's Final Judgment.

5. FINAL APPROVAL

5.1 Final Approval Hearing and Entry of Final Judgment

Upon expiration of the Response Deadline (plus an additional 14 days for Class Members whose Notice of Class Action Settlement is re-mailed), with the Court's permission, a Final Approval Hearing shall be conducted to determine final approval of the Settlement along with the amount properly payable for: (a) the Class Counsel Award; (b) the Class Representative Service Award; (c) General Release Settlement Payments; (d) Individual Settlement Payments; (e) Individual PAGA Payment and LWDA PAGA Payment, and (e) Settlement Administrator Costs.

5.2. Final Approval Order

Plaintiffs will request, and Defendant will concur in said request, that the Court enter, after the Final Approval Hearing, a Final Approval Order and a Final Judgment. Plaintiffs will request that the Final Approval Order certify the Settlement Class; find that this Agreement is fair, just, adequate, and in the best interests of the Class; and require the Parties to carry out the provisions of this Agreement. The Parties shall jointly prepare the proposed Final Approval Order.

Plaintiffs shall be responsible for preparing the Motion for Final Approval, and any Motion requesting Class Counsel Award and Class Representative Service Award, supporting declarations, and exhibits thereto, for final approval by the Court. Plaintiffs agree to provide Counsel for Defendant with drafts of all documents they intend to submit in support of their Motion for Final Approval and application for attorney fees and costs at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on such papers. Plaintiffs further agree to reasonably consider the comments from

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Counsel for Defendant. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement that will result in entry of the Final Approval Order.

5.3. Nullification of Agreement

In the event: (a) the Court denies preliminary approval of the Settlement; (b) the Court denies final approval of the Settlement; (c) the Court refuses to enter a Final Judgment as provided herein; or (d) the Settlement does not become final for any other reason, this Agreement shall be null and void and any order or judgement entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. The Parties agree that, should the Court fail to approve the Settlement, for any reason, they will attend mediation again before the same mediator in an effort to reach a settlement that will be approved by the Court.

6. MONETARY TERMS AND FUNDING

6.1. Funding of Qualified Settlement Fund

No later than three (3) calendar days after being notified of the Court's final approval, the Settlement Administrator shall send Defendant's Counsel electronic wiring instructions for paying the Gross Settlement Amount into the QSF. The Settlement Administrator will also inform Defendant of the amount to be sent to the QSF to pay for the employer's share of payroll taxes. No later than thirty (30) calendar days after the Effective Date, Defendant shall fund the QSF.

6.2. Net Settlement Amount

The Net Settlement Amount will be determined by the Settlement Administrator by subtracting the Class Counsel Award, Class Representative Service Award, General Release Settlement Payments, Individual PAGA Payment, LWDA PAGA Payment, and Settlement Administrator Costs from the Gross Settlement Amount, plus any increase based on the Modification Provision.

This is a non-reversionary Settlement in which Defendant will pay the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant. The employer's share of payroll taxes and other required withholdings from Individual Settlement Payments,

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including but not limited to the FICA and FUTA contributions, if applicable, shall be paid separately from, and in addition to, the Gross Settlement Amount. Any award of less than the amounts requested for enhancements, administrative costs, litigation costs, or attorneys' fees will be returned to the Net Settlement Amount and distributed to the Participating Class Members.

6.3. Individual Settlement Payments

Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula as follows:

Initial NSA allocation. The NSA will be distributed to the settlement class members on a pro rata basis based on the number of Workweeks worked by each individual Class Member during the Class Period. After preliminary approval of the Settlement, using the Class Information, the Settlement Administrator will compute the total number of Workweeks of all Settlement Class Members collectively during the Class Settlement Period, and this sum shall be known as the Workweek Total; (ii) the Settlement Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value for each Workweek (the "Workweek Value"); and (iii) the Settlement Administrator will multiply the number of Workweeks of a Settlement Class Member during the Class Settlement Period by the Workweek Value to determine that Settlement Class Member's estimated pre-tax Individual Settlement Payment.

Final Approval. After final approval of the Settlement, the Settlement Administrator will again make the calculations set forth above to determine each Participating Class Member's final post-tax Individual Settlement Payments.

Individual Settlement Payments after all tax withholdings consistent with this Agreement shall be mailed by regular First-Class U.S. Mail to each Participating Class Member's last known mailing address within five (5) calendar days after Defendant fully funds the settlement.

6.4. PAGA Payment

A total amount of $40,000.00 from the Gross Settlement Amount will be allocated as the PAGA Payment to be paid as penalties under PAGA, of which seventy-five percent (75%), *i.e,*

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$30,000, will be the LWDA PAGA Payment to be paid to the LWDA, and the remaining twenty-five (25%), *i.e.,* $10,000, shall be distributed to the Aggrieved Employees as Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall be added to the Net Settlement Amount and any additional amount ordered by the Court shall be paid from the Gross Settlement Amount. In no event shall Defendant be required to pay in excess of the Gross Settlement Amount in such circumstances.

The LWDA PAGA Payment will be paid to the LWDA within five (5) calendar days after Defendant fully funds the Gross Settlement Amount.

The Individual PAGA Payment is to be distributed to the Aggrieved Employees as Individual PAGA Payments and shall be distributed based on a pro rata share based on the number of Pay Periods during the PAGA Settlement Period. To establish the pay period value, the Settlement Administrator will first determine the total number of Pay Periods during the PAGA Settlement Period. The pay period value will be equal to 25% of the PAGA Payment divided by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Settlement Period. The pay period value will be rounded to the nearest cent. The amount of the Individual PAGA Payment to be paid to each Aggrieved Employee will be determined by multiplying the pay period value by the Aggrieved Employee's total number of Pay Periods during the PAGA Settlement Period. Individual PAGA Payments shall be mailed by regular First-Class U.S. Mail to each Aggrieved Employee's last known mailing address within five (5) calendar days after Defendant fully funds the Gross Settlement Amount. All payments to the PAGA Group shall be designated as penalties, and thus not wages.

6.5. Class Representative Service Award and General Release Settlement Payments

Plaintiffs will make an application to the Court for a Class Representative Service Award of up to $5,000 per Plaintiff, and for a General Release Settlement Payment of $5,000 per Plaintiff. The Class Representative Enhancement Award and General Release Settlement Payments shall be paid to Plaintiffs from the Gross Settlement Amount no later than five (5) calendar days after Defendant fully funds the Gross Settlement Amount. The Class

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Representative Service Award shall be in addition to the Plaintiffs' Individual Settlement Payments as a Participating Class Member, Individual PAGA Payment as an Aggrieved Employee, and the General Release Settlement Payments. Any amount requested by Plaintiffs for the Class Representative Service Award and/or General Release Settlement Payment that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement. In the event the Court reduces or does not approve the requested Class Representative Service Award and/or General Release Settlement Payment, Plaintiffs and Class Counsel shall not have the right to modify or revoke the Settlement, or to appeal such order, nor will Plaintiffs or Class Counsel seek, request, or demand an increase to the Gross Settlement Amount on that basis.

6.6. Class Counsel Award

Class Counsel will file a motion for attorney fees in the amount of up to one-third of the Gross Settlement Amount, which is currently estimated to be $166,666.67 (One Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and Sixty-Seven Cents), increased by the Modification Provision, if applicable, and for the reimbursement of reasonable litigation costs and expenses associated with Class Counsel's prosecution of this matter in addition to attorneys' fees, to be paid from the Gross Settlement Amount. Class Counsel shall be paid the Class Counsel Award no later than five (5) calendar days after Defendant fully funds the Gross Settlement Amount. Any amount requested by Class Counsel for the Class Counsel Award and not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement.

This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorney fees and costs and, in the event that the Court reduces or does not approve the requested Class Counsel Award, Plaintiffs shall not have the right to modify or revoke the Settlement, nor will Plaintiffs seek, request, or demand an increase to the Gross Settlement Amount on that basis. The settlement will still be binding.

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6.7. Tax Treatment

The Settlement Administrator will report each payment made from the Qualified Settlement Fund to state and federal government authorities, including the Internal Revenue Service, to the extent required by law. All Individual Settlement Payments shall be allocated as follows: 20% as wages and 80% as penalties and interest. The 20% portion of Settlement Payments shall be subject to required withholdings and deductions by the Settlement Administrator and shall be reported on a Form W-2 (and such other state or local tax reporting forms as may be required by law) with respect to the year of payment as wage income to the Participating Class Member by the Settlement Administrator on behalf of the Qualified Settlement Fund. All Individual PAGA Payments shall be allocated as 100% penalties for which a Form 1099 will be issued if required. The Settlement Administrator shall issue an I.R.S. Form 1099 if required for the remaining payments under this Agreement. Defendant shall solely be responsible for paying the employer's share of payroll taxes on the amounts allocated as wages, which amount shall be paid separately from the Gross Settlement Amount. Plaintiffs, any Participating Class Member, and any Aggrieved Employee who receives any Individual Settlement Payment or Individual PAGA Payment should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Participating Class Members, Aggrieved Employees, and Class Counsel shall be solely responsible for the reporting and payment of their share of any federal, state, and/or local income tax or other tax or any other withholdings, if any, on any of the payments made pursuant to this Settlement. The Notice will advise each Class Member and Aggrieved Employee to seek his/her own personal tax advice prior to acting in response to the Notice, and Defendant, Plaintiffs, and each Class Member and Aggrieved Employee will have an adequate opportunity to seek tax advice, prior to acting in response to the Notice.

6.8. No Tax Advice

Defendant has not made any representations as to the taxability to any Settlement Class Members of any portion of the Individual Settlement Payments, to any Aggrieved Employees regarding the Individual PAGA Payments, the payment of any attorney fees and expenses to

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Class Counsel, or the payment of the Class Representative Service Award to the Class Representatives. Neither Plaintiffs, Class Counsel, nor Defendant's 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.

6.9. Unclaimed Settlement Payment

After one hundred and eighty (180) calendar days of the mailing of the Individual Settlement Payments and Individual PAGA Payment checks, any remaining funds attributable to unclaimed, undeliverable, or expired Individual Settlement Payment checks and/or Individual PAGA Payment checks shall be transmitted to the California Controller's Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash their Individual Settlement Payment check or Individual PAGA Payment check. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement will be paid out to Participating Class Members, whether or not they all cash their Individual Settlement Payments, and Defendant will not be required to pay any interest on said amount.

6.10. Settlement Administrator Costs

The Settlement Administrator has provided a settlement administration quote for $16,500.00. Upon filing the motion for Final Approval, Plaintiffs will request the Court to award an amount equal to the actual administration costs. The Settlement Administrator shall have the authority and obligation to make payments, credits, and disbursements to Participating Class Members and Aggrieved Employees in the manner set forth herein, calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Parties agree to cooperate in the Settlement Administration process and to make reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement. The Settlement Administrator shall be paid the Settlement Administrator Costs no later than five (5) calendar days after Defendant fully funds the Gross Settlement Amount. Any amount requested for the

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Settlement Administrator Costs and not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement.

6.11. Settlement Administrator Duties

In addition to establishing the Qualified Settlement Fund, the Settlement Administrator shall be responsible for the following: creating a plan of settlement administration and settlement fund distribution; using the Class Information to calculate each Class Member's approximate Individual Settlement Payment and each Aggrieved Employee's Individual PAGA Payment; ascertaining the identity and whereabouts of the Class Members and mailing Notice of Class Action Settlement out to them; communicating with Class Members as necessary; printing and mailing the Notice of Class Action Settlement and tax forms to the Participating Class Members and Aggrieved Employees, as directed by the Court (including, but not limited to, the DE 9, the DE 9C, 1099s, W-2s and W-3s); receiving and reporting requests for exclusion and objections; processing and disbursing payments to Plaintiffs, Class Counsel, Participating Class Members, the LWDA and Aggrieved Employees; notifying the Parties of, and resolving any disputes regarding, the calculation of Settlement Class Members' Individual Settlement Payments or Aggrieved Employees' Individual PAGA Payments; complying with all tax reporting notice and filing requirements; carrying out all other duties related to the Qualified Settlement Fund's documentation and filing; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; providing status reports as needed, among other administrative duties; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

Defendant and their Counsel shall have no responsibility for validating or ensuring the accuracy of the Settlement Administrator's work. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel shall not bear any responsibility for any errors or omissions in the calculation or distribution of the Individual Settlement Payments, Individual PAGA Payments, or any other distribution of monies contemplated by this Agreement.

7. ADDITIONAL TERMS

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7.1. Defendant's Right to Withdraw

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant will confer with Class Counsel before any cancellation. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect. The Parties agree to cooperate to obtain preliminary and final approval of the Settlement.

7.2. No Publicity

Plaintiffs and Class Counsel agree not to disclose or publicize the Settlement, including the Term Sheet, the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means that Plaintiffs and Class Counsel will not issue press releases, communicate with or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Plaintiffs' Counsel to prove adequacy as class counsel in other actions, or for purposes of seeking court approval of comparable wage and hour settlements, Plaintiffs' Counsel may disclose information available in the public venue about the Action and Settlement.

7.3. No Other Actions

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Other than the instant Action, Plaintiffs and Plaintiffs' counsel represent that they do not currently represent any other current or former employees of Defendant in connection with any actual or planned claims, charges, complaints or other matters against Defendant or any Released Party. The Parties acknowledge, understand, and agree the representation in this paragraph is essential to this Settlement and this Settlement would not have been entered were it not for this representation.

7.4. No Effect of Employee Benefits

The Class Representative Service Award, Individual Settlement Payments, and Individual PAGA Payments shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the respective Plaintiffs, Participating Class Members, and Aggrieved Employees. The Parties agree that any Class Representative Service Award, Individual Settlement Payments, and Individual PAGA Payments paid to Plaintiffs, Participating Class Members, and Aggrieved Employees under the terms of this Settlement do not represent any modification of any previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by the Defendant. Further, any Class Representative Service Award, Individual Settlement Payments, and Individual PAGA Payments shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by the Defendant.

7.5. Representation

All of the Parties have been represented by counsel throughout all negotiations which preceded the execution of this Settlement, and all Parties have been advised by counsel prior to entering into this Settlement.

7.6. Exhibits and Headings

The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or

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sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

7.7. Interim Stay of Proceedings

Upon full execution of this Agreement, the Parties agree to jointly request the Court to stay proceedings except for the proceedings necessary to implement and complete the Settlement.

7.8. Amendment or Modification

This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

7.9. Entire Agreement

This Agreement and any attached Exhibits constitute the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits. The Parties are entering into this Agreement based solely on the representations and warranties herein and not based on any promises, representation, and/or warranties not found herein.

7.10. Authorization to Enter into Agreement

Counsel for all Parties are expressly authorized by the Parties whom they represent to negotiate this Agreement and take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement.

The Parties will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Agreement on behalf of the Defendant represents and warrants that she or she is authorized to sign this Agreement on behalf of the Defendant. Plaintiffs represent and warrant that they are each

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authorized to sign this Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

7.11. Binding on Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7.12. California Law Governs

All terms of this Agreement and the Exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

7.13. Counterparts

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

7.14. Jurisdiction of the Court

Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all connected orders and judgments.

7.15. Invalidity of Any Provision

Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

7.16. Neutral Reference

If a person or entity inquires about Plaintiffs' employment with Defendant, Defendant agrees to only provide a neutral reference that provides only Plaintiffs' dates of employment and last held position with Defendant.

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/ / /

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7.17. Operative Complaint Drafts

Class Counsel agrees to provide Counsel for Defendant with drafts of the Operative Complaint at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on it.

7.18. Attorneys' Fees and Costs

Except as otherwise specifically provided for herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and costs.

WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and the Aggrieved Employees, and Defendant have executed this Agreement as of the dates below.

Date: 8/22/2025

PLAINTIFF ANTHONY CORRALES

DocuSigned by:
32BE60A3FFE54BA...

Anthony Corrales

Date: _____

PLAINTIFF ANGELA DIANE PONCE

_____
Angela Diane Ponce

Date: _____

PLAINTIFF PRISCILLA ARELLANO

_____
Priscilla Arellano

Date: _____

PLAINTIFF NATALIE ESPARZA

_____
Natalie Esparza

Date: _____

DEFENDANT BG RETAIL, LLC

_____
Thomas Burke
Authorized Agent for
Defendant BG Retail, LLC

Docusign Envelope ID: 8549CA3E-7B38-426C-BF82-C18A52BAC94E

7.17. Operative Complaint Drafts

Class Counsel agrees to provide Counsel for Defendant with drafts of the Operative Complaint at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on it.

7.18. Attorneys' Fees and Costs

Except as otherwise specifically provided for herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and costs.

WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and the Aggrieved Employees, and Defendant have executed this Agreement as of the dates below.

Date: _____

PLAINTIFF ANTHONY CORRALES

_____
Anthony Corrales

Date: 9/3/2025

PLAINTIFF ANGELA DIANE PONCE

DocuSigned by:
_____
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Angela Diane Ponce

Date: _____

PLAINTIFF PRISCILLA ARELLANO

_____
Priscilla Arellano

Date: _____

PLAINTIFF NATALIE ESPARZA

_____
Natalie Esparza

Date: _____

DEFENDANT BG RETAIL, LLC

_____
Thomas Burke
Authorized Agent for
Defendant BG Retail, LLC

Docusign Envelope ID: 5C8EA4C7-7D0D-4AEA-97AC-2D35181C7324

7.17. Operative Complaint Drafts

Class Counsel agrees to provide Counsel for Defendant with drafts of the Operative Complaint at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on it.

7.18. Attorneys' Fees and Costs

Except as otherwise specifically provided for herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and costs.

WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and the Aggrieved Employees, and Defendant have executed this Agreement as of the dates below.

Date: _____

PLAINTIFF ANTHONY CORRALES

_____
Anthony Corrales

Date: _____

PLAINTIFF ANGELA DIANE PONCE

_____
Angela Diane Ponce

Date: 8/25/2025

PLAINTIFF PRISCILLA ARELLANO

Signed by:
_____
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Priscilla Arellano

Date: _____

PLAINTIFF NATALIE ESPARZA

_____
Natalie Esparza

Date: _____

DEFENDANT BG RETAIL, LLC

_____
Thomas Burke
Authorized Agent for
Defendant BG Retail, LLC

Docusign Envelope ID: EE082E00-F757-47C7-A251-0E475A43E739

7.17. Operative Complaint Drafts

Class Counsel agrees to provide Counsel for Defendant with drafts of the Operative Complaint at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on it.

7.18. Attorneys' Fees and Costs

Except as otherwise specifically provided for herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and costs.

WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and the Aggrieved Employees, and Defendant have executed this Agreement as of the dates below.

Date: _____

PLAINTIFF ANTHONY CORRALES

_____
Anthony Corrales

Date: _____

PLAINTIFF ANGELA DIANE PONCE

_____
Angela Diane Ponce

Date: _____

PLAINTIFF PRISCILLA ARELLANO

_____
Priscilla Arellano

Date: 9/3/2025

PLAINTIFF NATALIE ESPARZA

Signed by:
_____
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Natalie Esparza

Date: _____

DEFENDANT BG RETAIL, LLC

_____
Thomas Burke
Authorized Agent for
Defendant BG Retail, LLC

Docusign Envelope ID: DFEEECFE-70F2-4C38-8064-508EB880387B

APPROVED AS TO FORM:

Date: September 3, 2025

D.LAW, INC.

Attorneys for Plaintiffs
ANTHONY CORRALES
ANGELA DIANA PONCE
PRISCILLA ARELLANO
NATALIE ESPARZA

Date: _____

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

By: /s/
Michael J. Nader
Alexandra M. Asterlin
Paul M. Smith
Sona P. Patel

Attorneys for Defendant
BG RETAIL, LLC dba FAMOUS FOOTWEAR

7.17. Operative Complaint Drafts

Class Counsel agrees to provide Counsel for Defendant with drafts of the Operative Complaint at least five (5) calendar days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on it.

7.18. Attorneys' Fees and Costs

Except as otherwise specifically provided for herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and costs.

WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and the Aggrieved Employees, and Defendant have executed this Agreement as of the dates below.

Date: _____

PLAINTIFF ANTHONY CORRALES

_____
Anthony Corrales

Date: _____

PLAINTIFF ANGELA DIANE PONCE

_____
Angela Diane Ponce

Date: _____

PLAINTIFF PRISCILLA ARELLANO

_____
Priscilla Arellano

Date: _____

PLAINTIFF NATALIE ESPARZA

_____
Natalie Esparza

Date: 9/2/25

DEFENDANT BG RETAIL, LLC

_____
Thomas Burke
Authorized Agent for
Defendant BG Retail, LLC

APPROVED AS TO FORM:

Date: _____

D.LAW, INC.

_____
Attorneys for Plaintiffs
ANTHONY CORRALES
ANGELA DIANA PONCE
PRISCILLA ARELLANO
NATALIE ESPARZA

Date: 9/3/2025

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

By: /s/
Michael J. Nader
Alexandra M. Asterlin
Paul M. Smith
Sona P. Patel

Attorneys for Defendant
BG RETAIL, LLC dba FAMOUS FOOTWEAR

AMENDMENT TO CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

This shall serve as an amendment to the Class and Representative Action Settlement Agreement and Release ("Settlement Agreement" or "Settlement") entered into in September 2025 between Plaintiffs Anthony Corrales, Angela Diane Ponce, Priscilla Arellano, and Natalie Esparza (collectively "Plaintiffs"), on behalf of themselves and all other similarly situated Settlement Class Members and as representatives of the State of California and Aggrieved Employees, as defined in the Settlement Agreement, and Defendant BG Retail, LLC dba Famous Footwear ("Defendant) (Plaintiffs and Defendant are collectively referred to as "the Parties"). All other settlement terms remain the same.

The following provisions of the Settlement Agreement are hereby amended and superseded as follows:

- **3.4 Release for All Participating Class Members**

Upon the Effective Date and full funding of the Gross Settlement Amount, all Participating Class Members (regardless of whether they are Aggrieved Employees), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims under any state, local, or federal law or administrative agency that were or could have been alleged based on the allegations, claims, and causes of action in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts contained in the Operative Complaint of the Action, including all of the following claims for relief: (a) failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510 (including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow

employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records); (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of final wages and associated waiting time penalties under sections 201 to 203 of the Labor Code; (j) violation of Business & Professions Code § 17200 *et seq.* and (k) any other claims or penalties under the wage and hour laws pleaded in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts pleaded in the Operative Complaint of the Action; and (l) all statutory penalties, liquidated damages, punitive damages, interest, attorneys' fees and costs, expenses, restitution, and equitable and declaratory relief based upon the allegations asserted in the Operative Complaint of the Action; and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Operative Complaint of the Action, the applicable Wage Orders as to the facts alleged in the proposed complaint, and the California Unfair Competition Law ("Released Class Claims"). The Released Class Claims will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment or cashes and deposits any Individual Settlement Payment check. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Settlement Period.

- **3.6. Release for All Aggrieved Employees**

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, as representatives of the State of California and on behalf of the LWDA and all Aggrieved Employees, fully and finally release the Released Parties from all claims for statutory PAGA

civil penalties that could have been sought by the LWDA for the violations alleged in Plaintiffs' Amended PAGA Letter, including all claims for PAGA penalties that were alleged or which reasonably could have been alleged based on the facts alleged in the Amended PAGA Letter to the LWDA that accrued during the PAGA Period, including (a) failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510 (including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records; (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of wages under Labor Code 204 and associated waiting time penalties under sections 201 to 203 of the Labor Code; (j) failure to provide suitable seating under Labor Code § 1198 and Paragraph 14 of the applicable IWC Wage Orders; (k) failure to provide one day's rest from seven under Labor Code §§ 551, 552, 556, and 558; and (l) civil penalties under PAGA ("Released PAGA Claims"). The Released PAGA Claims will take effect whether or not an Aggrieved Employee receives his or her Individual PAGA Payment or cashes and deposits any Individual PAGA Payment check.

APPROVED AS TO FORM:

Date: April 10, 2026

D.LAW, INC.

Attorneys for Plaintiffs
ANTHONY CORRALES
ANGELA DIANA PONCE
PRISCILLA ARELLANO
NATALIE ESPARZA

Date: April 10, 2026

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

By:
Michael J. Nader
Alexandra M. Asterlin
Paul M. Smith
Sona P. Patel

Attorneys for Defendant
BG RETAIL, LLC dba FAMOUS FOOTWEAR

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Anthony Corrales et al. v. BG Retail, LLC dba Famous Footwear
Sacramento County Superior Court of California – Case No. 23CV012350

The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer.
YOU ARE NOT BEING SUED.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant BG Retail, LLC dba Famous Footwear ("Defendant" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by former BG Retail, LLC dba Famous Footwear employees Angela Diana Ponce, Anthony Corrales, Priscilla Arellano, and Natalie Esparza (collectively referred to as "Plaintiffs") and seeks payment of (1) back wages and other relief for a class of all current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025 ("Settlement Class Members"); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current and former individuals who were employed as non-exempt employees within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period from January 9, 2023 to April 21, 2025 ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Settlement Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Settlement Payment is estimated to be $____ (less withholding) and your Individual PAGA Payment is estimated to be $____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records, you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Settlement Period.)

The above estimates are based on Defendant's records showing that **you worked _____ workweeks as a non-exempt employee** during the Class Settlement Period of December 1, 2022 to April 21, 2025 and **you worked _____ pay periods as a non-exempt employee** during the PAGA Settlement Period of January 9, 2023 to April 21, 2025. If you believe that you worked more workweeks or pay periods during either respective period, you can submit a dispute by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are

affected whether you act or not. Please read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys. The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Settlement Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

1. SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Defendant that are covered by this Settlement (discussed below).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is _____, 2026**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a non-participating class member and no longer eligible for an Individual Settlement Payment. Non-participating class members cannot object to any portion of the proposed Settlement. See Section **7** on pg. 9 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by _____, 2026**	All Settlement Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Settlement Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section **8** on pgs. 9 and 10 of this Notice.

You Can Participate in the _____, 2026 Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **9** on pgs. 10 and 11 of this Notice.
You Can Dispute the Calculation of Your Workweeks and/or Pay Periods Written Disputes Must be Submitted by _____, 2026	The amount of your Individual Settlement Payment and PAGA Payment (if any) depends on how many Workweeks (and pay periods, if any), you worked as a non-exempt employee during the Class Settlement Period and how many Pay Periods you worked as a non-exempt employee during the PAGA Settlement Period. The number of Class Settlement Period Workweeks and number of PAGA Settlement Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____, 2026. See Section **5** on pgs. 8 and 9 of this Notice.

2. WHAT IS THE ACTION ABOUT?

Plaintiffs are former BG Retail, LLC dba Famous Footwear employees. The Action alleges Defendant violated California labor laws by: (1) Failing to Pay Minimum Wages; (2) Failing to Pay All Overtime Wages at the Legal Overtime Pay Rate; (3) Failing To Provide All Meal Periods; (4) Failing to Authorize and Permit All Rest Periods; (5) Derivatively Failing To Timely Furnish Accurate Itemized Wage Statements; (6) Failing to Keep Required Payroll Records Under Labor Code Sections 1174 and 1174.5; (7) Failing to Fully Reimburse Work Expenses; (8) Violations of Labor Code Section 203; and (9) Unfair Business Practices. Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code sections 2698, et seq.) based on the same eight claims above as well as (1) Failure to Provide Suitable Seating under Labor Code § 1198 and Paragraph 14 of the applicable IWC Wage Orders; (2) Failure to Provide One Day's Rest from Seven under Labor Code §§ 551, 552, 556, and 558; and (3) Untimely Payment Of Wages under Labor Code 204. Plaintiffs are represented by the attorneys of D.Law, Inc. in the Action ("Class Counsel").

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

3. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits.

In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case), rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

4. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay $500,000.00 as the Gross Settlement Amount ("Gross Settlement"). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Gross Settlement to pay the Individual Settlement Payments, Individual PAGA Payments, Class Representative Service Awards, General Release Settlement Payments, Class Counsel's attorney's fees and expenses, the Settlement Administrator's Costs, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement, not more than 30 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

    A. Up to one-third of the Gross Settlement to Class Counsel for attorneys' fees (currently estimated at $166,666.67) and reimbursement for their litigation expenses, which is currently estimated to be $25,000.00. To date, Class Counsel have worked and incurred expenses on the Action without payment.

    B. Up to $5,000.00 to each Plaintiff as a Class Representative Service for filing the Action, working with Class Counsel and representing the Settlement Class, and up to $5,000.00 to each Plaintiff as a General Release Settlement Payment for the general release of their individual claims. The Class Representative Service Award and General Release Settlement Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Settlement Payment and any Individual PAGA Payment.

    C. Up to $16,500.00 to the Settlement Administrator for services administering the Settlement.

    D. Up to $40,000.00 for the PAGA Payment, allocated 75% to the LWDA

PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees, based on their PAGA Settlement Period Pay Periods.

3. Net Settlement Amount Distributed to Participating Class Members. After making the above deductions in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement (the "Net Settlement Amount") by making Individual Settlement Payments to Participating Class Members based on their Class Settlement Period Workweeks.

4. Taxes Owed on Payments to Participating Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Settlement Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms by the Settlement Administrator. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Payments on IRS 1099 Forms.

   Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than _____, 2026, that you wish to opt-out. The easiest way to notify the Settlement Administrator is to send a written and signed Request for Exclusion by the_____, 2026, otherwise known as the Response Deadline. The Request for Exclusion should be a letter from a Settlement Class Member or his/her representative setting forth a Settlement Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Settlement Class Members (i.e., non-participating class members) will not receive Individual Settlement Payments, but will preserve their rights to personally pursue the Released Class Claims against Defendant.

   You cannot opt-out of the PAGA portion of the Settlement. Settlement Class Members

who exclude themselves from the Class Settlement (non-participating class members) remain eligible for Individual PAGA Payments and are required to give up their right to assert the Released PAGA Claims against Defendant.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Settlement Class Members will not release any claims against Defendant.

8. Settlement Administrator. The Court has appointed a neutral company, Apex Class Action, LLC (the "Settlement Administrator") to send this Notice, calculate and make payments, and process Settlement Class Members' Requests for Exclusion. The Administrator will also decide Settlement Class Member Disputes over Workweeks and/or Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.

   The Settlement Administrator's contact information is contained in **Section 10** on page 11 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be bound by the following release:

   > Upon the Effective Date and full funding of the Gross Settlement Amount, all Participating Class Members (regardless of whether they are Aggrieved Employees), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Defendant and its past, present, and/or future direct and/or indirect, owners, officers, directors, members, managers, employees, attorneys, agents, affiliates, representatives, insurers, investors, shareholders, parent companies, subsidiaries, divisions, predecessors, successors, assigns, and joint venturers (collectively, the "Released Parties") from all claims under any state, local, or federal law or administrative agency that were or could have been alleged based on the allegations, claims, and causes of action in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts contained in the Operative Complaint of the Action, including all of the following claims for relief: (a) failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510 (including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and

missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records); (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of final wages and associated waiting time penalties under sections 201 to 203 of the Labor Code; (j) violation of Business & Professions Code § 17200 *et seq.* and (k) any other claims or penalties under the wage and hour laws pleaded in the Operative Complaint of the Action or which reasonably could have been alleged based on the facts pleaded in the Operative Complaint of the Action; and (l) all statutory penalties, liquidated damages, punitive damages, interest, attorneys' fees and costs, expenses, restitution, and equitable and declaratory relief based upon the allegations asserted in the Operative Complaint of the Action; and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Operative Complaint of the Action, the applicable Wage Orders as to the facts alleged in the proposed complaint, and the California Unfair Competition Law ("Released Class Claims"). The Released Class Claims will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment or cashes and deposits any Individual Settlement Payment check. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Settlement Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be bound by the following release:

    Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, as representatives of the State of California and on behalf of the LWDA and all Aggrieved Employees, fully and finally release the Released Parties from all claims for statutory PAGA civil penalties that could have been sought by the LWDA for the violations alleged in Plaintiffs' Amended PAGA Letter, including all claims for PAGA penalties that were alleged or which reasonably could have been alleged based on the facts alleged in the Amended PAGA Letter to the LWDA that accrued during the PAGA Period, including (a) failure to pay all time worked at the correct rate of pay (including minimum wages, regular wages, overtime wages, and premiums for meal periods and rest periods); (b) failure to pay minimum wages (including reporting time pay, on-call pay, and standby pay); (c) failure to pay wages and overtime under Labor Code § 510 (including double time wages, reporting time pay, on-call pay, and standby pay); (d) meal-period

liability under Labor Code § 226.7 (including late, short, and missed first meal periods as well as late, short, and missed second meal periods as well as failure to pay meal period premiums at the regular rate of pay); (e) rest-break liability under Labor Code § 226.7 (including late, short, and missed rest period, as well as failure to pay rest period premiums at the regular rate of pay and failure to allow employees to leave the premises); (f) violation of Labor Code § 226(a) for improper or inaccurate wage statements; (g) failure to keep required payroll records under Labor Code §§1174, 1174.5, and 1198 (including failure to maintain accurate time and wage records; (h) reimbursement of necessary expenditures under Labor Code § 2802 (including but not limited to cell phone usage and costs for vehicle maintenance, mileage, and fuel, personal protective equipment such as knee pads, gloves, and a fan); (i) penalties pursuant to Labor Code § 203 as well as all claims for untimely payment of wages under Labor Code 204 and associated waiting time penalties under sections 201 to 203 of the Labor Code; (j) failure to provide suitable seating under Labor Code § 1198 and Paragraph 14 of the applicable IWC Wage Orders; (k) failure to provide one day's rest from seven under Labor Code §§ 551, 552, 556, and 558; and (l) civil penalties under PAGA ("Released PAGA Claims"). The Released PAGA Claims will take effect whether or not an Aggrieved Employee receives his or her Individual PAGA Payment or cashes and deposits any Individual PAGA Payment check.

5. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Payments. The Settlement Administrator will calculate Individual Settlement Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing $10,000.00 (25%) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Settlement Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Disputes. The number of Class Workweeks you worked during the Class Settlement Period and the number of PAGA Pay Periods you worked during the PAGA Settlement Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until _____, 2026, to dispute the number of Workweeks and/or Pay Periods credited to you. You can submit your dispute by signing and sending a letter to the Settlement Administrator via mail or fax. **Section 10** on page 11 of this Notice has the Settlement Administrator's contact information.

   You need to support your dispute by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the

documents will not be returned to you. The Settlement Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Settlement Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

6. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Settlement Class Member who does not opt-out), including those who also qualify as Aggrieved Employees. The single check will combine the Individual Settlement Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

   Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 10 on page 11 of this Notice has the Settlement Administrator's contact information.

7. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Settlement Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Anthony Corrales et al. v. BG Retail, LLC dba Famous Footwear*, and include your identifying information (full name, address, and telephone number). You must make the request yourself. If someone else makes the request on your behalf, it will not be valid. **Your Request for Exclusion must be postmarked by _____, 2026, or it will be invalid.** Section 10 on page 11 of the Notice has the Settlement Administrator's contact information.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 court days before the _____, Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Awards stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as a Class Representative Service Award and General Release Settlement Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 10 on pg. 11 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website

_____ or the Court's website https://prod-portal-sacramento-ca.journaltech.com/public-portal/.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Awards may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **Your written objection must be postmarked by _____, 2026**. If your written objection is not postmarked by _____, 2026, then you will have been deemed to have waived any written objections. You must tell the Settlement Administrator in writing your full name and address, what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Anthony Corrales et al. v. BG Retail, LLC dba Famous Footwear* and include your name and current address, state whether you intend to appear at the Final Approval Hearing, and sign the objection. Section 10 on pg. 11 of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing (or using other methods of personal appearance permitted by the Court). You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing. If you fail to present an objection in person at the Final Approval Hearing on _____, 2026, then you will have been deemed to have waived any objections at the Final Approval Hearing.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on _____, at 9:00 a.m. in Department 8A of the Sacramento Superior Court, located at 500 G Street, Sacramento, CA 95814. You may also attend the Final Approval Hearing via Zoom or by phone. To join by Zoom, use the following Zoom link: https://saccourt-ca-gov.zoomgov.com/my/sscdept23. To join by phone, call (833) 568-8864 (ID: 16108301121). At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) personally. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

10. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under

the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Settlement Administrator's website at _____.

You can also contact Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to https://prod-portal-sacramento-ca.journaltech.com/public-portal/ and entering the Case Number for the Action, Case No. 23CV012350.

Class Counsel:
Roman Shkodnik, Esq.
Amanda Fazio, Esq.
Enoch J. Kim, Esq.
Arianna N. Razi, Esq.
D.LAW, INC.
250 N Madison Avenue., 2nd Floor
Pasadena, CA 91101
Telephone: (818) 962-6465
Email: r.shkodnik@d.law
a.fazio@d.law
e.kim@d.law
a.razi@d.law

Settlement Administrator:
Apex Class Action, LLC
[Mailing Address]
[Telephone]
[Fax Number]

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

11. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund at https://ucpi.sco.ca.gov/ or (916) 445-5361 for instructions on how to retrieve the funds.

12. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.