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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN LUIS OBISPO

CINDY COBURN, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

LA JOLLA RETAIL, INC., a corporation, LA JOLLA GROUP, INC., a corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 24CV-0064

[Assigned for All Purposes to the Honorable Tana L. Coates, Dept. 4]

DECLARATION OF BENJAMIN H. HABER IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Preliminary Approval Hearing:
Date:
Time:
Dept.: 4

Complaint filed: January 25, 2024
Trial date: Not set

DECLARATION OF BENJAMIN H. HABER

I, Benjamin H. Haber, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC ("WLF"), counsel for Plaintiff Cindy Coburn ("Plaintiff") in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On January 25, 2024, Plaintiff filed this putative class action against Defendants La Jolla Retail, Inc. and La Jolla Group, Inc. (collectively, the "Defendants") alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices (the "Class Action").

4. On March 5, 2024, Plaintiff provided written notice to the LWDA and Defendants the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. A true and correct copy of Plaintiff's March 5, 2024, letter to Defendants and the LWDA is attached hereto as **Exhibit 1**. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. Therefore, on October 18, 2024, Plaintiff filed a separate action in the Superior Court of California, County of San Luis Obispo, for civil penalties under PAGA, Case No. 24CV-0654 (the "PAGA Action").

5. On June 6, 2024, Defendants filed a Motion to Compel Arbitration to compel arbitration and stay the case. However, on August 7, 2024, the Court denied the Motion to Compel Arbitration.

6. On March 4, 2025, Defendants filed a Motion for Protective Order in the Class Action.

7. On March 12, 2025, Defendants filed a Demurrer to Plaintiff's Complaint in the PAGA Action. After being fully briefed, on July 13, 2025, the Court denied Defendants' Demurrer.

8. On April 3, 2025, Plaintiff filed Motions to Compel Further Responses for Special Interrogatories (Set One) and Requests for Production (Set One). The Motions to Compel were subsequently vacated after the tentative resolution was reached.

9. After conducting further discovery related to the motion for protective order, including taking multiple depositions, Plaintiff filed an Opposition to the Motion for Protective Order on September 11, 2025. The Motion for Protective Order was subsequently vacated after the successful mediation after the tentative resolution was reached.

10. On October 14, 2026, Plaintiff filed a First Amended Class and Representative Action Complaint in this Class Action adding the PAGA cause of action to the Class Action (the "Operative Complaint").

11. On February 26, 2026, the Parties subsequently participated in a private full-day mediation with Steven J. Rottman, Esq. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by the Parties.

12. The parties negotiated the terms of the Settlement over the next several months, which was finalized on September 9, 2026. A true and correct copy of the Parties' fully executed Class Action and PAGA Settlement Agreement and Class Notice ("Settlement Agreement") is attached hereto as **Exhibit 2**. On October 29, 2026, the Parties executed a First Amendment to the Settlement Agreement (the "First Amendment") to provide that the Class Notice will be mailed in English with a certified Spanish translation and to increase the cap on settlement administration costs from $10,650.00 to $12,950.00 to account for those costs, without changing the Gross Settlement Amount. A true and correct copy of the fully executed First Amendment is attached hereto as **Exhibit 5**. A true and correct copy of the Class Notice, as conformed by the First Amendment, is attached hereto as **Exhibit 6**.

13. On November 2, 2026, Plaintiff submitted a copy of the Settlement Agreement and the First Amendment to the LWDA. A true and correct copy of the confirmation of submission my

office received after submitting the Settlement Agreement and the First Amendment to the LWDA is attached hereto as **Exhibit 3**.

Investigation and Exposure Analysis

14. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiff's Counsel assessed the value of the class claims using the data and documents that Defendants produced in informal discovery, including the number of Class Members, the number of workweeks in the Class Period, the number of pay periods in the PAGA Period, Plaintiff's personnel file and documents concerning Plaintiff, Defendants' employee handbooks, Defendants' written wage-and-hour policies, job descriptions, and a random sampling of time and payroll records. Plaintiff's Counsel engaged an expert consultant to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

15. Defendants' records show that there are approximately 965 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery.

16. Plaintiff has alleged that Defendants maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendants applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices resulted in Labor Code violations, whether Defendants' conduct was intentional, and whether Class Members are entitled to damages and/or penalties. These common questions could be resolved using Class Members' time records, payroll records, testimony from Defendants' designated representative(s), and Class Members' testimony.

17. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks of succeeding at class certification and through trial affected the valuation of the claims for settlement purposes.

18. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims were based on the allegation that Defendants required Class Members to perform work duties while off the clock, without compensation. For example, Plaintiff alleged that Defendants required her and other Class Members to perform work tasks after clocking out, including turning on the alarm, performing bag checks, removing trash, and locking the facility door. For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel assumed that all unpaid worktime should have been paid at the overtime rate of pay and conservatively estimated that Defendants are liable for one (1) hour of unpaid worktime per workweek. This results in potential exposure for this claim of approximately $1,488,750.00 (50,000 workweeks x $19.85 average hourly rate of pay x 1 hour/workweek x 1.5 overtime rate). Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendants' time and payroll records, the risk of succeeding at class certification and trial was substantial. Accordingly, Plaintiff's Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately $238,200.00 ($1,488,750.00 x 40% x 40%).

19. Meal Periods: Plaintiff's meal period claim was based on the allegation that Defendants failed to provide Class Members with legally compliant meal periods or pay meal period premiums in lieu thereof. For example, Plaintiff alleged that Defendants required her and other Class Members to prioritize customer service which resulted in regularly missed and interrupted meal periods despite clocking out. Defendants dispute these allegations. Additionally, Plaintiff's Counsel's expert consultant determined there was a 15% meal period violation rate (for shifts over 6 hours) from the sampling of Defendants' time and payroll records, where meal periods were short, late, or missed and taking into account potentially waivable meals and premiums paid. Therefore, potential liability for the meal period claim is approximately $384,937.16 (129,282 shifts over 6 hours x $19.85 average hourly rate x 15% violation rate). After taking into account

the difficulty of certifying and proving meal period claims, as well as Defendants' contention that the claim lacks merit, Plaintiff's Counsel discounted this figure based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately $76,987.43 ($384,937.16 x 50% x 40%).

20. Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendants failed to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu thereof. For example, Plaintiff alleged that Defendants required her and other Class Members to prioritize sales goals and customer service which resulted in regularly interrupted and missed rest periods. Defendants dispute these allegations. Based on Plaintiff's allegations and Plaintiff's and other Class Members' experience working for Defendants, Plaintiff's Counsel applied a 75% violation rate to all qualifying shifts during the Class Period. Therefore, Defendants' potential liability for the rest period claim is approximately $2,866,945.43 (192,574 shifts of 3.5 hours or longer x $19.85 average hourly rate x 75% violation rate). However, Plaintiff's Counsel discounted this figure to account for the difficulty of certifying and proving rest period claims, particularly because rest periods do not have to be recorded, and to account for the possibility of Class Members voluntarily choosing to forego a rest period. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel discounted this claim based on a 40% chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic damage estimate of approximately $344,033.45 ($2,866,945.43 x 40% x 30%).

21. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendants failed to indemnify Class Members for expenses incurred as a direct result of performing their job duties for Defendants, such as mandatory use of personal cell phones for work purposes. For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendants were liable to each Class Member for $12.50 per workweek in unreimbursed expenses, for a total amount of approximately $625,000.00 ($12.50 x 50,000 workweeks). However, Defendants argued that these expenses were not required by Defendants, and that it could not have known that these expenses were being

incurred. Accordingly, Plaintiff's Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic damage estimate of approximately $56,250.00 ($625,000 x 30% x 30%).

22. In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-the-clock claim, meal period violations, rest period violations, and reimbursements are approximately $5,365,632.59. However, after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiff's Counsel estimates that Plaintiff's realistic, estimated recovery for these non-penalty wage claims is approximately $715,470.88.

23. Derivative Penalties: Plaintiff alleged that as a result of Defendants' failure to pay all wages owed, Defendants owed waiting time penalties and wage statement penalties. With respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated that Defendants' maximum potential liability is approximately $3,210,907.50. Defendants' maximum potential liability for waiting time penalties is approximately $2,063,407.50 ([495 employees x $19.85 average hourly rate of pay x 7.00 hours/day x 30 days) based on approximately 495 formerly employed Class Members during the 3-year statute of limitations period and an average shift length of seven (7) hours. Defendant's maximum potential liability for inaccurate wage statements is approximately $1,147,500.00 ([616 employees x 1 initial violation/employee x $50 for an initial violation] + [(11,783 pay periods - 616 initial violations) x $100 for each subsequent violation]) based on approximately 616 Class Members who worked during the 1-year statute of limitations period and approximately 11,783 pay periods in that statutory timeframe. In light of the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award the full $3,210,907.50 in statutory penalties given Defendants' defenses, the contested nature of Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying wage claims are realistically estimated to be approximately $715,470.88, such a disproportionate award would also raise due process concerns. As such, Plaintiff's counsel discounted these figures to account for the risk and uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation of approximately $123,804.45 for waiting time penalty claims ($2,063,407.50 x 30% x 20%), and

approximately $68,850.00 for wage statement penalty claims ($1,147,500.00 x 30% x 20%), or approximately $192,654.45 total for statutory penalties.

24. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendants' potential exposure could potentially reach $1,178,300.00, assuming the initial $100 penalty would apply for each of the 11,783 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. As such, Plaintiff's counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately $117,830.00 for PAGA penalties ($1,178,300.00 x 10%). The settlement allocates $75,000 of the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 7.5% of the Gross Settlement Amount and approximately 64% of the realistic PAGA allocation estimate for PAGA penalties ($75,000 / $117,830).

25. Using these estimated figures, Plaintiff's Counsel predicted that the realistic maximum recovery for all claims, including penalties, would be approximately $1,025,955.33. This means that the gross settlement amount represents approximately 97% of the realistic maximum recovery ($1,000,000.00 / $1,025,955.33). Considering the risk and uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class. Indeed, because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment.

26. Based on the figures in the Settlement Agreement, as amended by the First Amendment, the Net Settlement Amount available for class settlement payments is currently estimated to be $503,716.67 for approximately 965 Class Members. As a result, each Class Member would be eligible to receive an average net benefit of approximately $521.99. Based on the estimated Net Settlement Amount available for individual class payments and there being approximately 50,000 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is $10.07 ($503,716.67 / 50,000 workweeks).

/ / /

Plaintiff's Counsel's Qualifications

27. Plaintiff is represented by WLF. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

28. WLF was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600 employees. WLF is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

29. WLF is qualified to handle this Litigation because its attorneys are experienced in litigating Labor Code violations in individual, class action, and representative action cases. WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as class actions involving consumer rights and data privacy litigation.

30. I am a Partner at WLF. I graduated from the University of California, Los Angeles, in 2012 and received my Juris Doctor from the University of California, Hastings College of the Law (now the University of California College of Law, San Francisco) in 2016. During law school, I was a member of the executive board for the *Hastings Law Journal;* a student mediator at the San Francisco Superior Court, Small Claims Division; and a managing editor for *SCOCAblog,* which continues to be a leading online publication for analysis regarding trends and cases before the California Supreme Court. Since graduating from law school, I have focused my legal work primarily on wage-and-hour class and representative action litigation and have helped obtain more than one hundred class and representative action settlements on behalf of tens of thousands of workers in California. I was also selected as a "Southern California Rising Star" in 2024, 2025, and 2026.

31. I have been appointed as class counsel in numerous wage-and-hour class and representative action cases throughout California. Below is a non-exhaustive list of cases where I was appointed as class counsel or I and other members of WLF were appointed as class counsel:

a. *Colter v. Propulsion Controls Engineering*, San Diego County, Case No. 37-2020-00030682-CU-OE-CTL; Motion for Final Approval granted on October 28, 2022.

b. *Rodriguez v. Modesto Restaurant Group, LLC*, Stanislaus County, Case No. CV-21-000269; Motion for Final Approval granted on January 10, 2023.

c. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357; Motion for Final Approval granted on January 31, 2023.

d. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.

e. *Varez v. Valley Connection, LLC dba Carl's Jr.*, Merced County, Case No. 22CV-00985; Motion for Final Approval granted on April 27, 2023.

f. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.

g. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-OE-CTL; Motion for Final Approval granted on May 30, 2023.

h. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.

i. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.

j. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.

k. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.

l. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.

m. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.

n. *Gutierrez v. Next Level Door & Millwork, Inc.*, Riverside County, Case No. CVRI2105455; Motion for Final Approval granted on January 11, 2024.

o. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-

00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.

p. *Jackson, et al. v. Apple Valley Communications, Inc.*, *et al.*, San Bernardino County, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.

q. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520; Motion for Final Approval granted on February 22, 2024.

r. *Canton, et al v. John B. Sanfilippo & Sons, Inc.*, Merced County, Case No. 22-CV-01145; Motion for Final Approval granted on March 15, 2024.

s. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No. CIVSB2213347; Motion for Final Approval granted on April 2, 2024.

t. *Espinoza v. Delallo's Italian Foods, Inc.*, Butte County, Case No. 21CV02640; Motion for Final Approval granted on April 24, 2024.

u. *Meza v. Argus Management Company, LLC*, *et al.*, Los Angeles County, Case No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.

v. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951; Motion for Final Approval granted on July 11, 2024.

w. *Abarca-Rueda, et al. v. Foley Family Wines, Inc., et al.*, Sonoma County, Case No. S-CV-268148; Motion for Final Approval granted on August 21, 2024.

x. *Aguilar v. American Pasteurization Company, Inc., et al.*, Sacramento County, Case No. 34-2021-00312027-CU-OE-GDS; Motion for Final Approval granted on September 3, 2024.

y. *Hayes, et al. v. Gonzales Park, LLC, et al.*, Butte County, Case No. 21CV02456; Motion for Final Approval granted on May 1, 2024.

z. *Hernandez v. KW California, et al.*, Kern County, Case No. BCV-23-100346; Motion for Final Approval Granted on December 4, 2024.

aa. *Arias v. The Shyft Group GTB, LLC, et al.,* Los Angeles County, Case No.22STCV37390; Motion for Final Approval granted on December 3, 2024.

bb. *Barajas Maya v. United Facilities Group, Inc., et al.*, Santa Clara County, Case No. 22CV397353; Motion for Final Approval granted on November 22, 2024.

32. Daniel J. Kramer is a ninth-year Senior Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California and the Central, Eastern, Southern, and Northern Districts of California. He graduated from Stanford University with a Bachelor of Arts in History and Political Science, and received his Juris Doctor from Loyola Law School, Los Angeles in 2016. During law school, he was a research editor for the Loyola of Los Angeles International and Comparative Law Review. Before joining Wilshire Law Firm, he practiced briefly at a firm that focused on municipal law and code enforcement and then moved to a respected plaintiff-side firm to practice wage and hour class and representative action litigation.

33. He has several years of work experience litigating wage and hour class and representative actions, and has been appointed as class counsel in numerous cases, including inter alia:

a. *Hayes, et al. v. Gonzales Park, LLC, et al*., Butte County, Case No. 21CV02456; Motion for Final Approval granted on May 1, 2024.

b. *Hernandez v. KW California, et al*., Kern County, Case No. BCV-23-100346; Motion for Final Approval granted on December 4, 2024.

c. *Petrossian v. The Testing Company LLC*, Los Angeles County, Case No. 22STCV34526; Motion for Final Approval granted on December 23, 2024.

d. *Conchas Jimenez v. The Castine Group*, Santa Clara County, Case No. 21CV375173; Motion for Final Approval granted on February 6, 2025.

e. *Svay v. Certainteed, LLC*, Madera County, Case No. MCV093066; Motion for Final Approval granted on May 20, 2025.

f. *Chavira, et al. v. Mark III Construction, Inc.*, Sacramento County, Case No. 34-2021-00308972-CU-OE-GDS; Motion for Final Approval granted on January 30, 2026.

g. *Mendoza, et al. v. OSI Industries*, LLC, Riverside County, Case No. CVRI2203101; Motion for Final Approval granted on February 27, 2026.

34. Angela Leong is a 12-year Associate Attorney at Wilshire Law Firm, PLC. She is admitted to practice law in the State of California and the Central Districts of California. She graduated from the University of Macau with a Bachelor's Degree in English Communications, received a Master of Science from the Southern Illinois University Carbondale, and received her Juris Doctor from Whittier Law School in 2014. In the early years of her legal career, Ms. Leong advocated for low-income individuals, which eventually led her to pursue employment law. Angela's practice now focuses on litigating wage and hour class actions.

35. Trenten N. Bilodeaux is an Associate Attorney at WLF. He is currently in his sixth year of practice involving corporate entities in complex class action litigation in state and federal courts. He is admitted to practice before all courts in the State of California, the State of Oregon, and the United States District Court for the Northern, Eastern, and Central Districts of California. Over the course of his career, he has participated in numerous class action settlements for similar employment and wage claims as those present here. Prior to practice, he graduated cum laude with a Bachelor of Arts in Political Science from California State University, Chico before accepting a scholarship to attend the University of the Pacific, McGeorge School of Law where he achieved a J.D. and graduated with distinction in 2020.

No Conflicts

36. WLF has no actual or potential conflicts of interest with Class Members or the proposed Administrator, ILYM Group, Inc.

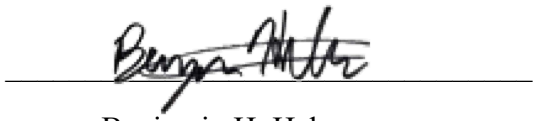
37. WLF is not aware of any pending matter or action against Defendants that may be extinguished or adversely affected by this Settlement.

Administrator

38. Plaintiff's Counsel sought bids from two (2) administrators, ILYM Group, Inc. and Apex Class Action LLC. The Parties selected ILYM Group, Inc. ILYM Group, Inc.'s bid to administer this Settlement, which includes certified Spanish translation of the Class Notice and mailing in English and Spanish, is $12,950.00. A true and correct copy of ILYM Group, Inc.'s bid is attached hereto as **Exhibit 4**.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 2, 2026 at Los Angeles, California.



Benjamin H. Haber

EXHIBIT 1

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March 5, 2024

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(*Via Online Submission*)

La Jolla Retail, Inc.
14350 Myford Road
Irvine, CA 92606
(*Via Certified Mail, Return Receipt Requested*)
#9489 0090 0027 6577 3074 56

Seyamack Kouretchian
Agent for Service of Process for:
La Jolla Retail, Inc.
1140 S. Coast Hwy 101
Encinitas, CA 92024
(*Via Certified Mail, Return Receipt Requested*)
#9489 0090 0027 6577 3074 63

La Jolla Group, Inc.
14350 Myford Road
Irvine, CA 92606
(*Via Certified Mail, Return Receipt Requested*)
#9489 0090 0027 6579 6139 51

Seyamack Kouretchian
Agent for Service of Process for:
La Jolla Group, Inc.
1140 S. Coast Hwy 101
Encinitas, CA 92024
(*Via Certified Mail, Return Receipt Requested*)
#9489 0090 0027 6579 6139 68

Re: ***Cindy Coburn v. La Jolla Retail, et al.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Cindy Coburn ("Plaintiff") to pursue a Labor Code Private Attorneys General Act ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employers, La Jolla Retail, Inc. and La Jolla Group, Inc. (collectively as "Defendants"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendants engaged in with respect to Plaintiff and all of Defendants' Aggrieved Employees.

Plaintiff wishes to pursue this action on behalf of herself as an aggrieved employee, on behalf of the State of California, as well as on behalf of all other persons who worked for Defendants in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees suffered the Labor Code violations described below.

Plaintiff's Employment with Defendants

Defendants own/owned and operate/operated an industry, business, and establishment within the State of California, including San Luis Obispo County. As such, and based upon all the facts and circumstances incident to Defendants' business in California, Defendants are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Plaintiff Cindy Coburn is a California resident who works for Defendants in San Luis Obispo County, California as an hourly-paid, non-exempt employee since March 2023. During Plaintiff's employment for Defendants, Defendants paid Plaintiff an hourly wage and classified her as non-exempt from overtime. Defendants typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff regularly worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Plaintiff's employment, Defendants failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to timely pay all final wages to Aggrieved Employees when Defendants they terminated their employment, failed to furnish accurate wage statements to Plaintiff, and failed to indemnify Plaintiff for expenditures. As discussed below, Plaintiff's experience working for Defendants was typical and illustrative.

Defendants Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendants required Plaintiff and the Aggrieved Employees to work "off-the-clock", uncompensated, by, for example, requiring Plaintiff and the Aggrieved Employees to continue working during unpaid meal periods. Some of this unpaid work should have been paid

at the overtime rate. In failing to pay for all hours worked, Defendants also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendants wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendants regularly, but not always, required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, uninterrupted, and duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Instead, Defendants continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff and the Aggrieved Employees permission to take a meal period. Accordingly, Defendants' policy and practice was not to provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation

of California's rest break laws.

Throughout the statutory period, Defendants have wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods. Defendants regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendants authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Defendants continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiff and the Aggrieved Employees permission to take a rest period. Accordingly, Defendants' policy and practice was to not authorize and permit Plaintiff and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendants also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendants systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendants, all wages for all rest periods not authorized and permitted by Defendants, and all wages for all hours worked. As a result, Defendants owe employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendants, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendants' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendants' records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendants. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendants to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendants' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Defendants failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages),

missed meal period premium wages, and missed rest period premium wages.

Defendants' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendants their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Defendants failed to furnish Plaintiff and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendants violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees

suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars ($4,000) per employee.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify his or her employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Defendants wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendants. Plaintiff and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses, including, without limitation, use of personal cellphone for work related purposes. Plaintiff and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendants, but Defendants failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiff and the Aggrieved Employees for necessary business expenditures.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendants violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and

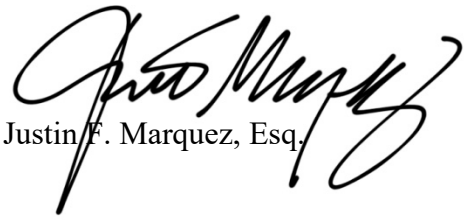
8. Labor Code § 2802 by failing to indemnify for necessary expenditures.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699(f)(2).

Plaintiff has placed Defendants on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM



Justin F. Marquez, Esq.

EXHIBIT 2

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CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Cindy Coburn ("Plaintiff") and defendants La Jolla Retail, Inc. and La Jolla Group, Inc. ("Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's class and representative action lawsuit alleging wage and hour violations against Defendants captioned *Cindy Coburn v. La Jolla Retail, Inc., et al.*, Court Case No. 24CV-0064, initiated on January 25, 2024 and pending in Superior Court of the State of California, County of San Luis Obispo, and (ii) the Plaintiff's representative action for civil penalties under the Private Attorneys General Act (Cal. Lab. Code section 2699, et seq.) based on the same alleged wage and hour violations, captioned *Cindy Coburn v. La Jolla Retail, Inc., et al.*, Case No. 24CV-0654, initiated on October 18, 2024 and pending in Superior Court of the State of California, County of San Luis Obispo.

1.2. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Aggrieved Employee" means all non-exempt, hourly individuals who worked for Defendants in California during the PAGA Period.

1.5. "Class" means all non-exempt, hourly individuals that worked for Defendants in California during the Settlement Class Period.

1.6. "Class Counsel" means Benjamin H. Haber, Daniel J. Kramer, Angela Leong, and Alan Wilcox of Wilshire Law Firm, PLC.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means Class Member identifying information in Defendants' possession including the Class member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

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1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation, if applicable, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from September 9, 2019 through February 26, 2026.

1.13. "Class Representatives" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.

1.14. "Class Representative Service Payment" means the payments to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of San Luis Obispo.

1.16. "Defendants" means named Defendants La Jolla Retail, Inc. and La Jolla Group, Inc..

1.17. "Defense Counsel" means David A. Peck and Danielle A. Pompeo of Coast Law Group LLP.

1.18. "Effective Date" means the date by 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: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

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1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means $1,000,000.00, which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments, and the Administrator's Expenses.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeksworked during the Class Period.

1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

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

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion."

1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period from March 5, 2023 through February 26, 2026.

1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

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1.33. "PAGA Notice" means Plaintiff's March 5, 2024 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($18,750.00) and the 75% to LWDA ($56,250.00) in settlement of PAGA claims.

1.35. "Participating Class Member" means a Class Member who does not submit avalid and timely Request for Exclusion from the Settlement.

1.36. "Plaintiff" means Cindy Coburn, the named plaintiff in the Action.

1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.40. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5.3 below.

1.41. "Released Parties" means: Defendants and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

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2. RECITALS.

2.1. On January 25, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to provide accurate itemized wage statements, failure to indemnify necessary business expenditures, and unfair business practices (the "Class Action"). On October 18, 2024, Plaintiff filed a PAGA representative action against Defendants for civil penalties under PAGA (the "PAGA action"). In order to effectuate the terms of this settlement agreement, the Parties will stipulate to file a First Amended Class and Representative Action Complaint ("FAC") to add the PAGA cause of action to the Class Action (the "Action"). Within seven (7) business days of the stipulation being granted and the FAC being filed, Plaintiff will file a Request for Dismissal, or the appropriate papers to dismiss the PAGA Action. The PAGA claims in the FAC will consist of the same claims based on Plaintiff's March 5, 2024 letter to Defendants and the LWDA. The First Amended Class and Representative Action Complaint will be the operative complaint in the Action (the "Operative Complaint"). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3. On February 26, 2026, the Parties participated in an all-day mediation presided over by Steven J. Rottman, Esq., which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, documents relevant to the case, including timekeeping records and payroll information for a sampling of the class, Defendants' policies relating to Plaintiff's claims, and Plaintiff's personnel files. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar"*).

2.5. The Court has not granted class certification.

2.6. 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.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay $1,000,000.00 and no more as the Gross Settlement Amount. Defendants are to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the

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Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $15,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 and 1/3%, which is currently estimated to be $333,333.33 and a Class Counsel Litigation Expenses Payment of not more than $60,000.00. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to

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exceed $10,650 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $10,650, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owedon their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $75,000.00 to be paid from the Gross Settlement Amount, with 75% ($56,250.00) allocated to the LWDA PAGA Payment and 25% ($18,750.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($18,750.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

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The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 965 Class Members who collectively worked a total of 50,000 Workweeks during the Class Period. There were 296 Aggrieved Employees who worked a total of 11,783 PAGA Pay Periods during the PAGA Period.

4.2. Class Data. Not later than 7 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 7 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA

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Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update therecipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. In addition to the claims released under Sections 5.2 and 5.3 below, Plaintiff and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, agree to a general release of any and all claims, transactions, or occurrences against Released Parties—which will include without limitation any and all claims which in any way relate to Plaintiff's employment with Defendants, under State or Federal law, in tort, common law, statute, contract, or equity, whether pled in the Operative Complaint in the Action or not, including but not limited to any claims under the Fair Labor Standards Act, Title VII of the Civil Rights Act, Americans with Disabilities Act, the Fair Employment and Housing Act, the Age Discrimination and Employment Act, the California Labor Code, or any Industrial Welfare Commission Wage Order now

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existing or arising in the future, based on any act, omission, event, primary right, occurrence, or nonoccurrence from the beginning of time to the date of execution hereof ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> 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.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, wages, premiums, liquidated damages, or penalties alleged or that could have been alleged against Released Parties arising out of the facts and allegations at issue in the Operative Complaint in the Action, including but not limited to, state wage and hour claims for any and all violations of California's Labor Code and Unfair Competition Law based on Defendants' alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; (vii) Unfair Competition law violations; and (viii) all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible, including, but not limited to, the California Labor Code and the applicable Wage Orders. This Release shall apply to Plaintiff and the Participating Class Members during the Class Period. Except as set forth in Section 5.3 of this Agreement, 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 Period.

5.3 Release by Aggrieved Employees:

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All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts and allegations stated in the PAGA action, the PAGA Notice submitted on March 5, 2024, including any and all claims for civil penalties involving any alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; and (vii) failure to properly pay and calculate paid sick leave, including Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5 1194, 1197, 1197.1, 1198, 1198.5, 2699, 2699.3, 2802, and 2810.5 during the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; (vi) its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval within a reasonable time after the full execution of this Agreement; obtaining a prompt hearing date for the

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Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsiblefor delivering the Court's Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court'sconcerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods inthe Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with Spanish translation, if applicable, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and

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the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/herrepresentative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator

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can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claimpreclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel (with contact information redacted) and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel FeesPayment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

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7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to presentverbal objections at the Final Approval Hearing. A Participating Class Memberwho elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payments, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information (but not contact information) of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid), with contact information redacted.

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeksand/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE** Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, (1) there are 965 Class Members who worked 50,000 Total Workweeks during the Class Period and (2) there were 296 Aggrieved Employees who worked 11,783 Pay Periods during the PAGA Period. If, during the course of this Settlement process, the total number of Workweeks increases by more than 5% (i.e. more than 52,500 Workweeks), then the GSA will be increased by an amount proportional to the increase in Workweeks worked in excess of the estimated Workweeks stated above. For example, if the final number of total Workweeks is 7% more than the estimated number of Workweeks stated above, then the GSA will increase by 7%.

9. **DEFENDANTS' 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, Defendants may, but are not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, 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, Defendants will remain responsible for paying all

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Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of their election to withdraw not later than ten days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer inperson or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the

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appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph,as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or

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subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 No Publicity. Plaintiff and his respective counsel also will not post any information identifying Defendants by name about the settlement on social media or their firms' websites (Class Counsel may report the result using generic language such as "provider of climate control solutions").

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

12.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary toimplement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim,

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demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.11 Agreement Binding on Successors. This Agreement will be binding upon, andinure to the benefit of, the successors of each of the Parties.

12.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Partyon the basis that the Party was the drafter or participated in the drafting.

12.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.16 Headings. The descriptive heading of any section or paragraph of this Agreementis inserted for convenience of reference only and does not constitute a part of this Agreement.

12.17 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in

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this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by emailor messenger, addressed as follows:

To Plaintiff:

Benjamin H. Haber
benjamin.haber@wilshirelawfirm.com
Daniel J. Kramer
daniel.kramer@wilshirelawfirm.com
Angela Leong
angela.leong@wilshirelawfirm.com
Alan Wilcox
alan.wilcox@wilshirelawfirm.com
WILSHIRE LAW FIRM PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 784-3830
Facsimile: (213) 381-9989

To Defendants:

David A. Peck
dave@coastlaw.com
Danielle A. Pompeo
danielle@coastlaw.com
COAST LAW GROUP LLP
1140 South Coast Hwy 101
Encinitas, CA 92024
Tel.: (760) 942-8505
Fax: (760) 942-8515

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

12.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this

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Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 forthe entire period of this settlement process.

Dated: 9/1/2026

Signed by:
F10BD9B7CC73417...
Cindy Coburn
Plaintiff

Dated: 9/1/2026

WILSHIRE LAW FIRM PLC
Benjamin H. Haber
Daniel J. Kramer
Angela Leong
Alan Wilcox
Attorneys for Plaintiff

Dated: 9/9/2026

La Jolla Retail, Inc.
By (name and title): Daniel Neukomm, President

Dated: 9/9/2026

La Jolla Group, Inc.
By (name and title): Daniel Neukomm, President

Dated: 9/9/2026

COAST LAW GROUP LLP
David A. Peck
Danielle A. Pompeo
Attorneys for Defendants

EXHIBIT A

Docusign Envelope ID: A76ADF5D-F54D-8B00-801D-5AED98C02A1B

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

Cindy Coburn v. La Jolla Retail, Inc., et al., Case No. 24CV-0064

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 La Jolla Retail, Inc. and La Jolla Group, Inc. ("Defendants") for alleged wage and hour violations (Plaintiff and Defendants are collectively, "the Parties"). The Action was filed by a former Defendants' employee Cindy Coburn ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of current or former hourly-paid or non-exempt distribution employees ("Class Members") who worked for Defendants during the Class Period (September 9, 2019 through February 26, 2026); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current or former hourly-paid or non-exempt employees who worked for Defendants during the PAGA Period (March 5, 2023 through February 26, 2026) ("Aggrieved Employees").

The proposed Settlement has two main parts:

(1) A Class Settlement requiring Defendants to fund Individual Class Payments;
(2) A PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on the definition of the Class and Defendants' records:

Based on Defendants' records, and the Parties' current assumptions, your Individual Class 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 Defendants' records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendants' records showing that you worked _____ workweeks during the Class Period and you worked _____ pay periods during the PAGA Period. If you believe that you worked more workweeks or during more pay periods during either period, you can submit a challenge 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 act. 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 Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved

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Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.

(2) **Opt-Out of the Class Settlement**. If you are a Class Member, you can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

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, if you are a Class Member, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is _____.**	If you are a Class Member, and don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **6** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants 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	All 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 Plaintiff who pursued the Action on behalf of the Class. You are

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Written Objections Must be Submitted by _____.	not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **7** of this Notice.
You Can Participate in the _____ 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 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by _____.**	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by_____. See Section **4** of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Defendants' employee. The Action accuses Defendants of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and during employment, failing to reimburse reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Benjamin H. Haber, Daniel J. Kramer, Angela Leong, and Alan Wilcox of Wilshire Law Firm, PLC. ("Class Counsel.")

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of

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disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendants Will Pay $1,000,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 7 days after the Judgment entered by the Court becomes 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, Plaintiff 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 $333,333.33 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $60,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

   B. Up to $15,000.00 as Class Representative Service Award for filing the Action, working with Class Counsel and representing the Class. The Class Representative Service Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

   C. Up to $10,650.00 to the Administrator for services administering the Settlement.

   D. Up to $75,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

   Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

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

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 20% of each Individual Class 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. Defendants 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 Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

   Although Plaintiff and Defendants 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 Class Payments and Individual PAGA 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 is 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). If you are a Class Member, you will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than_____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating ClassMembers) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

   You cannot opt-out of the PAGA portion of the 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 PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the

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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. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Administrator. The Court has appointed a neutral company, _____ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer theSettlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the Released Class Claims released under the Settlement. This means that if you are a Class Member, unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or related entities for wages based on the Class Period facts and allegations, as alleged in the Action and resolved by this Settlement.

   The Participating Class Members will be bound by the following release:

   All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, wages, premiums, liquidated damages, or penalties alleged or that could have been alleged against Released Parties arising out of the facts and allegations at issue in the Operative Complaint in the Action, including but not limited to, state wage and hour claims for any and all violations of California's Labor Code and Unfair Competition Law based on Defendants' alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; (vii) Unfair Competition law violations; and (viii) all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible, including, but not limited to, the California Labor Code and the applicable Wage Orders. This Release shall apply to Plaintiff and the Participating Class Members during the Class Period. Except as set forth in Section 5.3 of this Agreement, 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 Period.

10. PAGA Release. After the Court's judgment is final, and Defendants have paid the Gross Settlement, the LWDA, State of California, and all Aggrieved Employees will be barred from asserting any of the Released PAGA Claims against Defendants and Released Parties,

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whether or not they exclude themselves from the Settlement. This means that the LWDA, State of California, and all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or their related entities based on the PAGA Period facts and allegations alleged in the Action and resolved by this Settlement.

The LWDA, State of California, and Aggrieved Employees will be bound by the following release:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts and allegations stated in the PAGA action, the PAGA Notice submitted on March 5, 2024, including any and all claims for civil penalties involving any alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; and (vii) failure to properly pay and calculate paid sick leave, including Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5 1194, 1197, 1197.1, 1198, 1198.5, 2699, 2699.3, 2802, and 2810.5during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked byall 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 Administrator will calculate Individual PAGA Payments by (a) dividing $18,750.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until _____to challenge the number of Workweeks (if you are a Class Member) and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

   You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not

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be returned to you. The 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 Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

2. Non-Participating Class Members. The 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 Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

If you are a Class Member, you 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 Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Cindy Coburn v. La Jolla Retail, Inc., et al.,* Case No. 24CV-0064, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by_____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. 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 Plaintiff and Defendants are asking the Court to approve. At least 16 days before the _____Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, which states the amount Class Counsel is requesting for attorneys' fees and litigation expenses and the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____(url)_____ or the Court's website_____(url)_____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for

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Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wishto object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff is too high or too low. **The deadline for sending written objections to the Administrator is_____**. Be sure to tell the Administrator whatyou object to, why you object, and any facts that support your objection. Make sure you identify the Action *Cindy Coburn v. La Jolla Retail, Inc., et al.,* Case No. 24CV-0064, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the 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. 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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____at __(time)__ in Department 4 of the San Luis Obispo County Superior Court located at 1050 Monterey Street, San Luis Obispo, CA 93408. 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, Plaintiff, and the 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) either personally or remotely via ZOOM. 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 Administrator's website_____beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiff 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____(specify entity)_____'s website at _____(url)___. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://www.slo.courts.ca.gov/online-services/online-case-lookup) and entering the Case Number for the Action, Case No. 24CV-0064.

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

Class Counsel:
Benjamin H. Haber
benjamin.haber@wilshirelawfirm.com

Docusign Envelope ID: A76ADF5D-F54D-8B00-801D-5AED98C02A1B

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Angela Leong
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WILSHIRE LAW FIRM PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 784-3830
Facsimile: (213) 381-9989

Settlement
Administrator:Name of
Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10.WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the 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 for instructions on how to retrieve the funds.

11.WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 3

Outlook

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>
Date Mon 11/2/2026 10:11 AM
To Giancarlo Recinos' Team <Giancarlorecinosteam@wilshirelawfirm.com>

11/02/2026 10:10:37 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 11/02/2026 10:10:37 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1014844-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cdariane.rose%40wilshirelawfirm.com%7Cbc0d6dd4d04f42af8fef08df390caace%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639292398718185526%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMiIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=dvcx40M%2FcZ3%2BhLY0R9ZiMExLXLPjTztew5QnF%2BSseCY%3D&reserved=0

EXHIBIT 4

CLASS ACTION ADMINISTRATION

ILYM GROUP

Case Name: Coburn v. La Jolla Retail, Inc., et al.

Wednesday, May 27, 2026

Requesting Attorney:
Daniel Kramer, Esq.
Wilshire Law Firm, PLC
daniel.kramer@wilshirelawfirm.com
800.926.9799

ILYM Group Contact:
Tony Rogers
ILYM Group, Inc.
trogers@ilymgroup.com
714.878.8836

Estimate For Administrative Solutions: Class & PAGA

KEY ASSUMPTIONS	
Total Number of Class Members	970
Estimated Percentage of Remails	15%
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes
NCOA	Yes
Case Duration (Years)	1

Summary of ILYM Group, Inc.'s Fees & Expenses

Case Startup:	$650.00
Project Management:	$3,670.00
Notification & Mailing:	$2,591.40
Distribution (Includes EIN, Bank Acct * /QSF Setup):	$5,023.60
Case Conclusion:	$1,015.00
Estimated ILYM Fees & Expenses:	**$12,950.00**

CLASS ACTION ADMINISTRATION

ILYM GROUP

Case Name: Coburn v. La Jolla Retail, Inc., et al.

Wednesday, May 27, 2026

Requesting Attorney's Name: Daniel Kramer, Esq.

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	$150.00	2	$300.00
Programming of Class Database	Hourly	$175.00	2	$350.00
**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ $150.00 per hour.*			**Subtotal**	**$650.00**
PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	$120.00	5	$600.00
Staff Hours for Processing Returned Mail	Hourly	$70.00	2	$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	$70.00	2	$140.00
Report Processing	Hourly	$70.00	2	$140.00
Certified Spanish Translation	Flat Fee	$1,250.00	1	$1,250.00
ILYM Group Static Website	Flat Fee	$750.00	1	$750.00
NCOA	Flat Rate	$300.00	1	$300.00
Toll Free Customer Service Representative	Flat Fee	$350.00	1	$350.00
Weekly Reports	Flat Rate	$750.00	1	Waived
			Subtotal	**$3,670.00**
NOTIFICATION & MAIILING				
Fulfillment of Notice, English & Spanish	Per Piece	$1.25	970	$1,212.50
USPS First Class Postage	Per Piece	$1.04	970	$1,008.80
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	$1.50	126	$189.15
Storage, Photocopies, Deliveries	Flat Fee	$180.95	1	$180.95
			Subtotal	**$2,591.40**

CLASS ACTION ADMINISTRATION
ILYM GROUP

Case Name: Coburn v. La Jolla Retail, Inc., et al.

Wednesday, May 27, 2026

Requesting Attorney's Name: Daniel Kramer, Esq.

Activity	Rate Type	Unit Cost	Volume	Amount
DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	$150.00	4	$600.00
Account Reconciliation & Distribution Reporting	Hourly	$125.00	4	$500.00
Check, Stub & Release - Print & Mail (W2/1099)	Per Check	$1.00	970	$970.00
USPS First Class Postage	Per Piece	$0.76	970	$737.20
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	$1.50	78	$116.40
Preparation of Taxes	Hourly	$120.00	5	$600.00
Annual Filing of Tax Return	Per Year	$1,500.00	1	$1,500.00

**Additional Bank fees may apply*

Subtotal **$5,023.60**

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	$100.00	1	$100.00
Project Manager Final Reporting	Hourly	$120.00	2	$240.00
Process Unclaimed Funds	Flat Fee	$550.00	1	$550.00
Declaration	Hourly	$125.00	1	$125.00

Subtotal **$1,015.00**

Estimated ILYM Fees & Expenses: $12,950.00

ILYM Group's Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Clients instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT 5

FIRST AMENDMENT TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

Cindy Coburn v. La Jolla Retail, Inc., et al.

San Luis Obispo County Superior Court, Case No. 24CV-0064 (related PAGA action, Case No. 24CV-0654)

This First Amendment ("Amendment") is made by and between plaintiff Cindy Coburn ("Plaintiff") and defendants La Jolla Retail, Inc. and La Jolla Group, Inc. ("Defendants") (together, the "Parties"). It amends the Class Action and PAGA Settlement Agreement and Class Notice finalized on September 9, 2026 (the "Agreement"). Capitalized terms not defined in this Amendment have the meanings given in the Agreement.

RECITALS

A. Section 3.2.3 of the Agreement provides that the Administrator, ILYM Group, Inc. ("ILYM"), will be paid an Administration Expenses Payment of not more than $10,650 absent a showing of good cause and Court approval. Item C of the Class Notice (Exhibit A to the Agreement) likewise states that up to $10,650.00 will be paid to the Administrator.

B. Sections 1.11 and 7.4.2 of the Agreement provide that the Class Notice will be mailed to Class Members in English "with a Spanish translation, if applicable," and Section 7.8 requires the Administrator to establish and maintain a settlement website, email address, and toll-free telephone number.

C. The Parties have determined that the Class Notice must be provided with a certified Spanish translation. ILYM's written estimate dated May 27, 2026, for administering this Settlement with a certified Spanish translation of the Class Notice, mailing in English and Spanish, a static settlement website, and a toll-free customer service line, is $12,950.00.

D. The Administration Expenses Payment of $10,650 in the Agreement was based on ILYM's estimate for English-only notice and does not include the cost of Spanish translation.

E. Section 12.10 of the Agreement permits it to be amended by an express written instrument signed by all Parties or their representatives and approved by the Court.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. **Administration Expenses Payment (Section 3.2.3).** Section 3.2.3 of the Agreement is amended by replacing each reference to "$10,650" with "$12,950." As amended, the Administrator will be paid an Administration Expenses Payment not to exceed $12,950 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment of less than $12,950, the Administrator will retain the remainder in the Net Settlement Amount.

2. **Definition of Administration Expenses Payment (Section 1.3).** The definition of "Administration Expenses Payment" is amended so that the Administrator's "not to exceed" bid referenced in that definition is a bid in the amount of $12,950.00, to be submitted to the Court in connection with the Motion for Preliminary Approval pursuant to Section 6.1 of the Agreement.

3. **Spanish Translation of the Class Notice (Sections 1.11 and 7.4.2).** The words "if applicable" are deleted from Sections 1.11 and 7.4.2. The Administrator will mail the Class Notice to all Class Members in English, together with a certified Spanish translation, in the form attached as Exhibit A, as amended by this Amendment.

4. **Class Notice (Exhibit A).** Item C of the Class Notice is amended to state: "Up to $12,950.00 to the Administrator for services administering the Settlement." Any other dollar figure in the Class Notice that is calculated using the Administration Expenses Payment will be calculated using $12,950.00. Plaintiff will submit a conformed Class Notice with the Motion for Preliminary Approval.

5. **No Change to the Gross Settlement Amount.** The Gross Settlement Amount remains $1,000,000.00. The increase in the Administration Expenses Payment is paid from, and not in addition to, the Gross Settlement Amount, and Defendants have no obligation to pay any amount beyond the Gross Settlement Amount (other than the employer-side payroll taxes provided for in the Agreement) as a result of this Amendment. No portion of the Gross Settlement Amount will revert to Defendants. Assuming the Court approves each of the maximum amounts requested, the Net Settlement Amount is currently estimated to be $503,716.67 ($1,000,000.00 less $333,333.33 in attorneys' fees, $60,000.00 in litigation costs, $15,000.00 for the Class Representative Service Payment, $12,950.00 in Administration Expenses, and $75,000.00 in PAGA Penalties).

6. **Class Counsel.** The definition of "Class Counsel" in the Agreement and the Plaintiff notice address in Section 12.18 identify Alan Wilcox of Wilshire Law Firm, PLC. The Motion for Preliminary Approval and Proposed Order identify Trenten N. Bilodeaux instead. The definition of "Class Counsel" and the notice address for Plaintiff in Section 12.18 are amended to replace Alan Wilcox with Trenten N. Bilodeaux.

7. **Court Approval.** In accordance with Section 12.10 of the Agreement, this Amendment is subject to Court approval. Plaintiff will submit this Amendment to the Court with the Motion for Preliminary Approval and will request that the Court approve it as part of the Agreement. If the Court declines to approve this Amendment, the Agreement as originally executed will remain in effect, and the Parties will meet and confer in good faith in accordance with Section 12.7 of the Agreement regarding any modification necessary to implement the Settlement.

8. **No Other Changes.** Except as expressly modified by this Amendment, all terms and conditions of the Agreement remain in full force and effect. This Amendment is part of the Agreement, and references in the Agreement to "this Agreement" include this Amendment. If this Amendment conflicts with the Agreement, this Amendment controls.

9. **Authority; Counterparts.** Class Counsel and Defense Counsel each represent that they are authorized by their respective clients to execute this Amendment, consistent with Section 12.6 of the Agreement. This Amendment may be executed in counterparts, including electronically (such as by DocuSign) or by email, in accordance with Section 12.19 of the Agreement, and all counterparts together constitute one instrument. This Amendment is governed by California law in accordance with Section 12.12 of the Agreement.

Docusign Envelope ID: 746FA38F-272E-89D7-8112-40E982964C0C

IT IS SO AGREED.

Dated: October 29, 2026

Signed by:
F10BD9B7CC73417...
Cindy Coburn, Plaintiff

Dated: October ___, 2026

LA JOLLA RETAIL, INC.

By: _____

Name: _____

Title: _____

Dated: October ___, 2026

LA JOLLA GROUP, INC.

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM AND CONTENT:

Dated: October 29, 2026

WILSHIRE LAW FIRM, PLC

By: _____

Benjamin H. Haber

Daniel J. Kramer

Angela Leong

Class Counsel

Dated: October ___, 2026

COAST LAW GROUP LLP

By: _____

David A. Peck

Danielle A. Pompeo

Attorneys for Defendants

Docusign Envelope ID: FC5D7577-2A88-8DC0-82F2-9FE4965676B0

IT IS SO AGREED.

Dated: October ___, 2026

Cindy Coburn, Plaintiff

Dated: October 28, 2026

LA JOLLA RETAIL, INC.

By: Nathan Boroff

Name: Nathan Boroff

Title: CEO

Dated: October 28, 2026

LA JOLLA GROUP, INC.

By: Nathan Boroff

Name: Nathan Boroff

Title: CEO

APPROVED AS TO FORM AND CONTENT:

Dated: October ___, 2026

WILSHIRE LAW FIRM, PLC

By:

Benjamin H. Haber

Daniel J. Kramer

Angela Leong

Class Counsel

Dated: October 28, 2026

COAST LAW GROUP LLP

By: Danielle Pompeo

David A. Peck

Danielle A. Pompeo

Attorneys for Defendants

EXHIBIT 6

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

Cindy Coburn v. La Jolla Retail, Inc., et al., Case No. 24CV-0064

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 La Jolla Retail, Inc. and La Jolla Group, Inc. ("Defendants") for alleged wage and hour violations (Plaintiff and Defendants are collectively, "the Parties"). The Action was filed by a former Defendants' employee Cindy Coburn ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of current or former hourly-paid or non-exempt distribution employees ("Class Members") who worked for Defendants during the Class Period (September 9, 2019 through February 26, 2026); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current or former hourly-paid or non-exempt employees who worked for Defendants during the PAGA Period (March 5, 2023 through February 26, 2026) ("Aggrieved Employees").

The proposed Settlement has two main parts:

(1) A Class Settlement requiring Defendants to fund Individual Class Payments;
(2) A PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on the definition of the Class and Defendants' records:

Based on Defendants' records, and the Parties' current assumptions, your Individual Class 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 Defendants' records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendants' records showing that you worked _____ workweeks during the Class Period and you worked _____ pay periods during the PAGA Period. If you believe that you worked more workweeks or during more pay periods during either period, you can submit a challenge 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 act. 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 Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.

(2) **Opt-Out of the Class Settlement.** If you are a Class Member, you can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

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, if you are a Class Member, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is _____.**	If you are a Class Member, and don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **6** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants 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 _____.**	All 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 Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

You Can Participate in the _____ 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 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by _____.**	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by_____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Defendants' employee. The Action accuses Defendants of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and during employment, failing to reimburse reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Benjamin H. Haber, Daniel J. Kramer, Angela Leong, and Trenten N. Bilodeaux of Wilshire Law Firm, PLC. ("Class Counsel.")

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants 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, Defendants do not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily

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

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

1. Defendants Will Pay $1,000,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 7 days after the Judgment entered by the Court becomes 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, Plaintiff 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 $333,333.33 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $60,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

   B. Up to $15,000.00 as Class Representative Service Award for filing the Action, working with Class Counsel and representing the Class. The Class Representative Service Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

   C. Up to $12,950.00 to the Administrator for services administering the Settlement.

   D. Up to $75,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

   Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

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

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 20% of each Individual Class 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. Defendants 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 Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendants 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 Class Payments and Individual PAGA 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 is 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). If you are a Class Member, you will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

   You cannot opt-out of the PAGA portion of the 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 PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

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. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Administrator. The Court has appointed a neutral company, _____ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform

other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the Released Class Claims released under the Settlement. This means that if you are a Class Member, unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or related entities for wages based on the Class Period facts and allegations, as alleged in the Action and resolved by this Settlement.

   The Participating Class Members will be bound by the following release:

   All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, wages, premiums, liquidated damages, or penalties alleged or that could have been alleged against Released Parties arising out of the facts and allegations at issue in the Operative Complaint in the Action, including but not limited to, state wage and hour claims for any and all violations of California's Labor Code and Unfair Competition Law based on Defendants' alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; (vii) Unfair Competition law violations; and (viii) all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible, including, but not limited to, the California Labor Code and the applicable Wage Orders. This Release shall apply to Plaintiff and the Participating Class Members during the Class Period. Except as set forth in Section 5.3 of this Agreement, 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 Period.

10. PAGA Release. After the Court's judgment is final, and Defendants have paid the Gross Settlement, the LWDA, State of California, and all Aggrieved Employees will be barred from asserting any of the Released PAGA Claims against Defendants and Released Parties, whether or not they exclude themselves from the Settlement. This means that the LWDA, State of California, and all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or their related entities based on the PAGA Period facts and allegations alleged in the Action and resolved by this Settlement.

    The LWDA, State of California, and Aggrieved Employees will be bound by the following release:

    All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and

assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts and allegations stated in the PAGA action, the PAGA Notice submitted on March 5, 2024, including any and all claims for civil penalties involving any alleged (i) failure to pay for all hours worked (including minimum, straight time, and overtime wages); (ii) meal period violations; (iii) rest period violations; (iv) failure to timely pay final wages during employment and upon separation of employment; (v) wage statement violations; (vi) failure to reimburse business expenses; and (vii) failure to properly pay and calculate paid sick leave, including Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5 1194, 1197, 1197.1, 1198, 1198.5, 2699, 2699.3, 2802, and 2810.5during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked byall 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 Administrator will calculate Individual PAGA Payments by (a) dividing $18,750.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks (if you are a Class Member) and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

   You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' 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 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 Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

2. Non-Participating Class Members. The 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 Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

If you are a Class Member, you 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 Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Cindy Coburn v. La Jolla Retail, Inc., et al.,* Case No. 24CV-0064, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by_____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. 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 Plaintiff and Defendants are asking the Court to approve. At least 16 days before the _____Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, which states the amount Class Counsel is requesting for attorneys' fees and litigation expenses and the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____(url)_____ or the Court's website_____(url)_____.

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 Award may wishto object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff is too high or too low. **The deadline for sending written objections to the Administrator is_____**. Be sure to tell the Administrator whatyou object to, why you object, and any facts that support your objection. Make sure you identify the Action *Cindy Coburn v. La Jolla Retail, Inc., et al.,* Case No. 24CV-0064, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the 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. 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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at (time) in Department 4 of the San Luis Obispo County Superior Court located at 1050 Monterey Street, San Luis Obispo, CA 93408. 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, Plaintiff, and the 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) either personally or remotely via ZOOM. 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 Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiff 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 (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://www.slo.courts.ca.gov/online-services/online-case-lookup) and entering the Case Number for the Action, Case No. 24CV-0064.

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

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Telephone: (213) 784-3830
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Settlement Administrator:Name of Company:

Email Address:
Mailing Address:
Telephone:
Fax Number:

10.WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the 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 for instructions on how to retrieve the funds.

11.WHAT IF I CHANGE MY ADDRESS?

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