

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

JOSE RIOS, individually and on behalf of
others similarly situated, and as an aggrieved
employee and Private Attorney General,

Plaintiff,

vs.

SERTA SIMMONS BEDDING, LLC, a
Delaware limited liability company and DOES
1 through 50, inclusive,

Defendant.

Case No.: CVRI2403064

*Assigned for all purposes to: Hon. Harold W.
Hopp, Dept. 1*

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT**

Complaint Filed: June 4, 2024
FAC Filed: August 12, 2024
SAC Filed: August 4, 2025
Trial Date: None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Jose Rios (“Plaintiff”), individually and on behalf of all other similarly situated and alleged aggrieved employees and as a representative of the State of California, on the one hand, and Defendant Serta Simmons Bedding LLC (“Defendant”) on the other hand in the lawsuit entitled *Jose Rios v. Serta Simmons Bedding, LLC*, filed in the Riverside County Superior Court, Case No. CVRI2403064. Plaintiff and Defendant are each a “Party” and, collectively, the “Parties.” This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

DEFINITIONS

1. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

2. “Action” means the court action entitled “*Jose Rios v. Serta Simmons Bedding, LLC*,” Riverside County Case No. CVRI2403064, initiated on or around June 4, 2024, and encompasses the claims asserted in the First Amended Complaint (“FAC”), the Second Amended Complaint (“SAC”), and the LWDA Letter.

3. “Class Counsel” means Heather M. Davis, Amir Nayebdadash, and Carlos Jimenez of Protection Law Group LLP.

4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of the Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed thirty-five (35%) of the Gross Settlement Amount, *i.e.* Two Hundred Twenty-Seven Thousand Five Hundred Dollars and No Cents (\$227,500.00) and the reimbursement of reasonable costs and expenses associated with the litigation and settlement of the Action, currently estimated to be Thirty Thousand Dollars and Zero Cents (\$30,000.00), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of reasonable costs and expenses in the amount set forth above.

1 5. “Class List” means a complete list of all Class Members that Defendant will in good
2 faith compile from its records and provide to the Settlement Administrator within fourteen (14)
3 calendar days after the Court enters an Order granting Preliminary Approval of this Settlement.
4 The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include
5 Class Member’s: (1) full name; (2) last known home address; (3) last known telephone number;
6 (4) social security number; (5) dates of employment (*i.e.*, hire dates, and, if applicable, re-hire
7 date(s) and/or separation date(s)); (6) total Workweeks during the Class Period; (7) total
8 Workweeks during the PAGA Period; and (8) any other reasonable information required by the
9 Settlement Administrator in order to effectuate the terms of the Settlement. This is a material term
10 of the Settlement Agreement and, if Defendant fails to comply, Plaintiff shall have the right to void
11 the Settlement Agreement. However, Defendant’s failure to produce the Class List by the deadline
12 stated herein shall not be considered a “failure to comply” that triggers Plaintiff’s right to void the
13 Settlement Agreement so long as Defendant produces the Class List.

14 6. “Class” or “Class Members” means all current and former hourly, non-exempt
15 employees of Defendant, excluding Drivers, employed in the state of California at any time during
16 the Class Period.

17 7. “Class Period” means the period from June 30, 2023, through and ending on
18 July 30, 2025, subject to Defendant’s election pursuant to paragraph 54 to conclude the Class
19 Period on an earlier date.

20 8. “Class Representative” means Plaintiff.

21 9. “Class Representative Enhancement Payment” means the amount that the Court
22 authorizes to be paid to Plaintiff in addition to his Individual Settlement Payment, in recognition
23 of the effort and risk he has taken in assisting with the prosecution of the Action and in exchange
24 for a General Release of his claims as provided herein. The Class Representative Enhancement
25 Payment is in addition to the severance being offered to other employees in connection with the
26 closure of the Moreno Valley facility.

27 10. “Court” means the Superior Court of the State of California for the County of
28 Riverside.

11. “Class Settlement” means that portion of the Settlement directed to the disposition of the class claims asserted in the Action.

12. “Defense Counsel” means Glenn Briggs, Kymberleigh Damron-Hsiao, and Stanley Stringfellow of Kading Briggs LLP.

13. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters Judgment on its Final Approval 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 object to the Settlement and at least one objection is not withdrawn, the day after the deadline for filing a notice of appeal from the Judgment, provided no appeal is filed; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. The Parties and their respective counsel waive all rights to appeal the Final Approval Order.

14. “Employer Taxes” means employer-funded taxes and contributions imposed on the wage portions of the Individual Settlement Payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.

15. “Final Approval” means the Court’s signed Order and Judgment granting final approval of this Settlement.

16. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

17. “General Release” means the broader release of all claims by Plaintiff in the Action, which is in addition to Plaintiff’s release of claims as a Participating Class Member.

18. “Gross Settlement Amount” means the sum of Six Hundred Fifty Thousand Dollars and Zero Cents (\$650,000.00) which shall be paid by Defendant into a Qualified Settlement Fund (“QSF”). The Gross Settlement Amount is non-reversionary and includes: (1) payments to the Class, (2) Class Counsel’s Fees and Costs, (3) Settlement Administration Costs, (4) Class Representative Enhance Payment to Plaintiff; and (5) the PAGA Payment to the LWDA and

PAGA Members. The Gross Settlement Amount is exclusive of Employer Taxes, which shall be paid by Defendant separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount plus any Employer Taxes shall be the maximum amount that Defendant is required to pay under the Settlement. In the event that the consideration due under this Agreement is not paid, then the Settlement is voidable at the option of Plaintiff. Payment shall be made per the terms of this Agreement. If the Agreement is voided, then the time for Plaintiff to bring class and/or aggrieved employee claims, will be tolled from the date that this Agreement is fully executed.

19. “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each Participating Class Member (“Individual Class Payment”) and any payment a PAGA Member is eligible to receive from the employee portion of the PAGA Payment (“Individual PAGA Payment”). Individual Settlement Payments shall be paid by a Settlement Check made payable to Participating Class Members and/or PAGA Members.

20. “Judgment” means the judgment entered by the Court based upon Final Approval.

21. “LWDA Letter” means Plaintiff’s correspondence of June 4, 2024 to the Labor and Workforce Development Agency (“LWDA”) seeking penalties against Defendant for violations of the California Labor Code under PAGA.

22. “Net Settlement Amount” means the funds available for Individual Class Payments, which shall be the amount remaining after the following amounts are deducted from the Gross Settlement Amount: (1) Class Counsel’s Fees and costs, (2) Settlement Administration Costs, (3) Class Representative Enhancement Payment; and (4) the PAGA Payment to the LWDA and PAGA Members.

23. “Notice” means the Notice of Class Action Settlement in a form substantially similar to the form attached hereto as **Exhibit A**, in both English and Spanish, that will be mailed to Class Members’ last known addresses and which will provide Class Members with information regarding the Action and information regarding the Settlement.

24. “PAGA” means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

1 25. “PAGA Payment” means the payment to the LWDA for its seventy-five percent
2 (75%) share of the total amount allocated toward penalties under the PAGA and Individual PAGA
3 Payments to the PAGA Members of their (25%) share of the total amount allocated toward
4 penalties under the PAGA, all of which are to be paid from the Gross Settlement Amount. The
5 Parties have agreed that Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross
6 Settlement Amount will be allocated toward penalties under the PAGA of which Thirty Thousand
7 Dollars and Zero Cents (\$30,000.00) will be paid to the LWDA and Ten Thousand Dollars and
8 Zero Cents (\$10,000.00) for Individual PAGA Payments. Individual PAGA Payments will be
9 distributed to PAGA Members on a *pro rata* basis based on Workweeks worked by the PAGA
10 Members within the PAGA Period. PAGA Members will receive payment from the employee
11 portion of the PAGA Payment and will be deemed to have released any claims arising out of PAGA
12 regardless of their decision to participate in the Class Settlement if the PAGA Payment is approved
13 by the Court.

14 26. “PAGA Period” means the period from June 4, 2023, through and ending on July
15 30, 2025.

16 27. “PAGA Members” means Class Members who were employed by Defendant
17 during the PAGA Period.

18 28. “PAGA Settlement” means that portion of the Settlement directed to the disposition
19 of the PAGA claims asserted in the Action.

20 29. “Participating Class Members” means all Class Members who do not submit a valid
21 and timely Request for Exclusion. No claim form is required for a Class Member to become a
22 Participating Class Member. Any Class Member who opts out of the Class Settlement by sending
23 the Administrator a valid and timely Request for Exclusion shall be a “Non-Participating Class
24 Member.”

25 30. “Preliminary Approval” means the Court’s order granting preliminary approval of
26 this Settlement.

27 31. “Objection” means a Participating Class Member’s valid and timely written
28 objection to the Settlement in a form substantially similar to the form attached to the Notice, which

1 is attached hereto as **Exhibit A**, that will be mailed with the Notice to Class Members' last known
2 addresses in both English and Spanish. Non-Participating Class Members have no right to object
3 to the Settlement. For a written Objection to be valid, it must be submitted by the Response
4 Deadline and include: (a) the objector's full name, signature, address, telephone number, the
5 approximate dates of employment at Defendant in California, last four digits of the Class
6 Member's social security number or employee ID number; (b) the case name and number; (c) a
7 written statement of all grounds for the objection accompanied by legal support, if any, for such
8 objection; (d) copies of any papers, briefs, or other documents upon which the objection is based,
9 if any; and (e) a statement describing whether the objector intends to appear at the Final Approval
10 Hearing, either in person or through counsel at the Class Member's expense. In the alternative,
11 Participating Class Members may appear in Court (or hire an attorney to appear in Court at the
12 Class Member's expense) to present verbal objections at the Final Approval Hearing.

13 32. "Workweeks Dispute" means a Participating Class Member's valid and timely
14 written dispute to the number of Workweeks credited to the Participating Class Member during
15 either or both the Class Period or the PAGA Period. For a Workweeks Dispute to be valid, it must
16 be submitted in writing by the Response Deadline and include: (a) the Class Member's full name,
17 signature, address, telephone number, the approximate dates of employment at Defendant in
18 California, last four digits of the Class Member's social security number or employee ID number;
19 (b) the case name and number; (c) the number of Workweeks the Class Member believes he or she
20 worked during the Class Period and/or PAGA Period; and (d) any evidence corroborating the
21 Workweeks claimed.

22 33. "Operative Complaint" shall mean the First Amended Class Action and
23 Representative Action Complaint ("First Amended Complaint"), until such time as Plaintiff files
24 the Second Amended Class Action and Representative Action Complaint ("Second Amended
25 Complaint"), at which time it shall mean the Second Amended Complaint.

26 34. "Released Class Claims" means all claims, debts, liabilities, demands, obligations,
27 guaranties, actions, or causes of action of whatever kind or nature during the Class Period, whether
28 known or unknown, that were alleged in the Operative Complaint or that reasonably could have

1 been alleged, based on the facts stated in the Operative Complaint and that were ascertained in the
2 course of the Action, including those arising out of or related to: (1) all claims for failure to pay
3 minimum, straight-time, and/or overtime wages for all hours worked, including all off-the-clock
4 time both before clocking in for a shift, after clocking out for meal periods, and after clocking out
5 at the end of shift; (2) all claims for failure to provide compliant meal periods or compensation in
6 lieu thereof; (3) all claims for failure to authorize and permit compliant rest periods or compensation
7 in lieu thereof; (4) all claims for failure to pay overtime and/or meal and/or rest period compensation
8 based on the regular rate of pay; (5) all claims for failure to timely pay wages due upon termination
9 or resignation of employment; (6) all claims for failure to pay wages due upon regularly-scheduled
10 paydays; (7) all claims for non-compliant wage statements; and (8) all claims asserted through
11 California Business & Professions Code section 17200 *et seq.* arising out of the Labor Code
12 violations referenced in the Operative Complaint. The Released Class Claims include all related
13 claims of any kind for unpaid wages, premium pay, liquidated damages, statutory penalties, civil
14 penalties, restitution, interest, injunctive relief, punitive damages, and other damages, costs,
15 expenses, and attorneys' fees arising from the alleged violation of any provision of common or
16 statutory law that were or reasonably could have been raised as part of Plaintiff's claims in the
17 Operative Complaint, including but not limited to claims under California Labor Code sections
18 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194,
19 1194.2, 1197, 1197.1, and 1198, all provisions of the California Industrial Welfare Commission
20 Wage Orders that provide the same or similar protections, including but not limited to Wage Order
21 Nos. 1, 4, and 7, and section 17200 *et seq.* of the California Business and Professions Code.

22 35. "Released PAGA Claims" means all claims and remedies under the Private
23 Attorneys General Act of 2004, as amended, during the PAGA Period that were alleged in, or
24 reasonably could have been alleged in, or that were based on, arise from, or relate to the facts
25 alleged in Plaintiff's LWDA Letter and in the Operative Complaint, including any right, claim, or
26 demand for civil penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, 1199,
27 and 2699 and California Industrial Welfare Commission Wage Order Nos. 1, 4, and 7 in connection
28 with alleged violations of Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510,

512, 1174, 1194, 1194.2, 1197, 1198, and 1198.5, all provisions of the California Industrial Welfare Commission Wage Orders that provide the same or similar protections, including but not limited to Wage Order Nos. 1, 4, and 7, and section 17200 *et seq.* of the California Business and Professions Code. Plaintiff and PAGA Members will be bound by this release of PAGA claims even if they, or any of them, request to be excluded from the Class Settlement in accordance with paragraph 69.

36. “Released Parties” means Defendant and its former, present, and future owners, parents, affiliates, subsidiaries, officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, attorneys, accountants, insurers, reinsurers, and legal representatives.

37. “Request for Exclusion” means a valid and timely written statement submitted by a Class Member requesting to be excluded from the Class Settlement in a form substantially similar to the form attached to the Notice, which is attached hereto as **Exhibit A**, , that will be mailed with the Notice to Class Members’ last known addresses in both English and Spanish. The Request for Exclusion shall not be effective as to the Released PAGA Claims as Class Members have no right to exclude themselves (opt-out) of the PAGA Settlement.

38. “Response Deadline” shall be sixty (60) calendar days after the Settlement Administrator mails Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, Objections to the Settlement, or Workweek Disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion, Objection to the Settlement, or Workweeks Dispute.

39. “Settlement” means the disposition of the Action pursuant to this Agreement and the Judgment and comprises the Class Settlement and the PAGA Settlement.

40. “Settlement Administrator” means Apex Class Action Settlement Administrators. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

41. “Settlement Administration Costs” mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the class member Workweeks from the information contained in the Class List, calculating each Participating Class Member’s Individual Settlement Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs shall not exceed Eight Thousand Dollars and Zero Cents (\$8,000.00).

42. “Workweek” shall mean any calendar week during which a Class Member/PAGA Member worked at least one (1) day for Defendant during the Class Period and/or PAGA Period.

RECITALS

43. On June 4, 2024, Plaintiff initiated the Class Action by filing a Class Action Complaint alleging eight causes of actions against Defendant for: (1) failure to pay overtime wages; (2) failure to provide meal breaks or compensation in lieu thereof; (3) failure to provide rest breaks or compensation in lieu thereof; (4) failure to pay minimum wages; (5) failure to timely pay final wages; (6) failure to timely pay wages during employment; (7) failure to provide accurate itemized wage statements; and (8) unfair competition.

44. On June 4, 2024, Plaintiff transmitted pursuant to California Labor Code section 2699.3, his LWDA Letter, stating his intention to serve as proxy of the LWDA to recover civil penalties on behalf of PAGA Members for alleged Labor Code violations.

1 45. On August 12, 2024, after more than sixty-five (65) days had passed without any
2 communication from the LWDA in response to Plaintiff's LWDA Letter, Plaintiff filed the First
3 Amended Complaint, asserting a ninth cause of action for civil penalties under the PAGA. The
4 First Amended Complaint is, as of the execution of this Agreement, the Operative Complaint in
5 the Action.

6 46. Defendant denies the allegations in the current or proposed Operative Complaint,
7 denies any failure to comply with the laws identified in the current or proposed Operative
8 Complaint, and denies any and all liability for the causes of action alleged in the current or
9 proposed Complaint.

10 47. On April 30, 2025, the Parties participated in an all-day mediation presided over by
11 Monique Ngo-Bonnici, Esquire. The mediation was ultimately successful and the Parties agreed
12 to globally resolve all class and PAGA claims in the Action.

13 48. Prior to mediation, Plaintiff obtained, through informal discovery: (a) a statistically
14 significant sampling of time and payroll records; (b) the estimated number of current and former
15 putative Class Members, PAGA Members, and Workweeks (including during the PAGA Period)
16 for all Class Members and PAGA Members and the rates of pay for a substantial majority of Class
17 Members and PAGA Members; (c) wage-and-hour policy documents; (d) the number of meal
18 period premiums paid; and (e) demographic data (*i.e.*, Workweeks, shifts and shift length, meal
19 period premiums paid, and non-discretionary compensation paid) for Plaintiff. Plaintiff's
20 investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker*
21 *Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801, and *Kullar v. Foot Locker Retail, Inc.* (2008) 168
22 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

23 49. The Court has not granted class certification.

24 50. The Parties, Class Counsel, and Defense Counsel represent that they are not aware
25 of any other pending matter or action asserting claims that will be extinguished or affected by the
26 Settlement.
27
28

NON-MONETARY TERMS

51. During the course of their investigation prior to mediation, Plaintiff became aware of additional facts besides those alleged in the operative complaints in the Action that potentially support the theories of liability alleged therein. Therefore, to give full effect to the Settlement and the releases herein, on August 4, 2025, the Parties filed a Second Amended Complaint, which asserts all theories of liability and related factual allegations necessary for purposes of Preliminary Approval, Final Approval, and the Released Class Claims. The Second Amended Class Action Complaint is the "Operative Complaint." Per the Parties' stipulation to file the Second Amended Complaint, Defendant is not required to respond to the Second Amended Complaint (unless otherwise ordered by the Court) and Plaintiff waives any right or remedy to seek default. Defendant agreed to Plaintiff filing the proposed Second Amended Complaint for settlement purposes only. In the event the Court does not approve the Settlement, the Parties agree that the Second Amended Complaint shall be withdrawn and the First Amended Complaint will once more be the Operative Complaint of the Action.

52. On April 9, 2025, Defendant announced the closure of its lone California facility in Moreno Valley where all Class Members, including Plaintiff, have worked, the result of which will be the termination of employment of all current employees. Pursuant to the current collective bargaining agreement between Defendant and the union representing Class Members in California, all Class Members will receive a severance payment if they sign a separation and release agreement. Defendant agrees that this Settlement and Agreement shall be carved out of these separation and release agreements, such that Class Members may receive the full benefit of both the severance and this Settlement.

TERMS OF AGREEMENT

53. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Enhancement Payment,

1 Class Counsel's Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as
2 specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement
3 Payments, or as a result of a potential increase in the number of Workweeks as set forth below in
4 paragraph 54, Defendant shall not be required to pay more than the Gross Settlement Amount plus
5 Employer Taxes. No portion of the Gross Settlement Amount will revert to Defendant.

6 54. Potential Increase to the Gross Settlement Amount: Based on a review of its
7 records, Defendant, in advance of mediation, estimated there were approximately 13,101
8 Workweeks (worked by approximately 179 Class Members) between June 30, 2023, and April 30,
9 2025, the date of the Parties' mediation. Should the actual number of Workweeks increase by more
10 than ten percent (10%) (*i.e.* by more than 1,310 additional Workweeks) through the end of the
11 Class Period, Defendant shall have the option to either: (1) increase the Gross Settlement Amount
12 on a *pro-rata* basis equal to the percentage increase in the total number of Workweeks worked by
13 the Class Members above Ten Percent (10%) or (2) conclude the Class Period at the conclusion of
14 the first pay period when total Workweeks exceeds 14,411. If Defendant elects option (1), the
15 Gross Settlement Amount shall increase proportionally by the number of Workweeks in excess of
16 14,411, multiplied by the Workweek Value. The "Workweek Value" is \$49.61, calculated by
17 dividing the original Gross Settlement Amount (\$650,000.00) by 13,101. Thus, if the total
18 Workweeks is 14,611, then the Gross Settlement Amount shall increase by \$9,922 (14,611 –
19 14,411 = 200 x \$49.61). If Defendant elects option (2), then there shall be no increase to the Gross
20 Settlement Amount.

21 55. Funding of the Gross Settlement Amount: Within thirty (30) calendar days of the
22 Effective Date of the Settlement, as defined in this Agreement, Defendant will deposit the Gross
23 Settlement Amount and Employer Taxes into a Qualified Settlement Fund ("QSF") to be
24 established by the Settlement Administrator. Defendant shall provide all information necessary for
25 the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-
26 digit state unemployment insurance tax ID number, and other information requested by the
27 Settlement Administrator, no later than fourteen (14) calendar days after the Effective Date. This
28 information shall be kept confidential from Plaintiff. Defendant may not vary from the Court

1 approved scheduling for the funding of the Gross Settlement Amount unless the Parties agree
2 otherwise; it is not anticipated there would be a need to alter the funding date. If Defendant has
3 an objection to the Court approved funding timeline, Defendant must seek *ex parte* relief from the
4 Court about its objection, unless Plaintiff agrees with Defendant otherwise.

5 56. Distribution of the Gross Settlement Amount: No later than fourteen (14) calendar
6 days of the funding of the Settlement, the Settlement Administrator will issue payments for:
7 (a) Individual Settlement Payments; (b) the PAGA Payment to the LWDA; (c) the Class
8 Representative Enhancement Payment; (d) Class Counsel's Fees and Costs; and (e) Settlement
9 Administration Costs. Disbursement of the Class Representative Enhancement Payment, Class
10 Counsel's Fees and Costs, and Settlement Administration Costs shall not precede disbursement of
11 the Individual Settlement Payments. Within ten (10) days after the Settlement Administrator
12 disburses all funds in the Gross Settlement Amount, the Settlement Administrator will provide
13 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
14 identification number only of all payments made under this Agreement. At least seven (7) days
15 before any deadline set by the Court, the Settlement Administrator will prepare and submit to Class
16 Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its
17 disbursement of all payments required under this Agreement. Class Counsel is responsible for
18 filing the Settlement Administrator's declaration in Court.

19 57. Class Counsel's Fees and Costs: Defendant agrees not to oppose any application or
20 motion by Class Counsel for attorneys' fees of not more than Two Hundred Twenty-Seven
21 Thousand Five Hundred Dollars and Zero Cents (\$227,500.00), plus the reimbursement of
22 reasonable costs and expenses associated with the litigation and settlement of the Action, in an
23 amount up to Thirty Thousand Dollars and Zero Cents (\$30,000.00), both of which will be paid
24 from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded
25 to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to
26 Participating Class Members as provided in this Agreement.

27 58. Class Representative Enhancement Payment: Defendant agrees not to oppose or
28 object to any application or motion by Plaintiff for Class Representative Enhancement Payment of

Ten Thousand Dollars and Zero Cents (\$10,000.00). The Class Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's individual claims and for his time, effort, and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative Enhancement Payment that is not awarded to the Class Representative shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement. The Class Representative Enhancement Payment is in addition to the severance being offered to other employees in connection with the closure of the Moreno Valley facility.

59. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Eight Thousand Dollars and Zero Cents (\$8,000.00). Any portion of the requested Settlement Administration Costs that is not awarded to the Settlement Administrator shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

60. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount will be used to satisfy the Individual Class Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$	650,000.00
Enhancement Payment:	\$	10,000.00
Class Counsel's Fees:	\$	227,500.00
Class Counsel's Costs:	\$	30,000.00
PAGA Payment	\$	40,000.00
Settlement Administration Costs:	\$	<u>8,000.00</u>
Estimated Net Settlement Amount	\$	334,500.00

61. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount plus the 25% portion of the PAGA Payment allocated for Individual PAGA Payments and shall be paid pursuant to the formula set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated share of the Net Settlement Amount: Participating Class Member's Workweeks ÷ Workweeks during Class Period × Net Settlement Amount.

b) Calculation of PAGA Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks during the PAGA Period for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The respective Workweeks for each PAGA Member will be divided by the total Workweeks for all PAGA Members, which will then be multiplied by the employee portion of the PAGA Payment to calculate each PAGA Member's Individual PAGA Payment: PAGA Member's Workweeks ÷ total Workweeks during PAGA Period x \$10,000.00 (the employee portion of the PAGA Payment). PAGA Members shall receive their Individual PAGA Payment and will be deemed to have released any claims arising out of PAGA regardless of whether they opt out of the Class Settlement.

c) Allocation of Individual Settlement Payments: All Individual Class

Payments will be allocated as follows: Twenty percent (20%) will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty percent (40%) shall be allocated as penalties. The portion of the Individual Class Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator. Also, for tax purposes, the Parties agree that 100% of each Individual PAGA Payment shall constitute penalties and each PAGA Member will be issued an IRS Form-1099 for such payment to him or her, if required by law. Individual Settlement Payments shall be paid exclusively from the QSF, pursuant to the settlement formulas set forth herein. Neither Counsel for Plaintiff nor Defendant intend anything contained in this

1 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement
2 be relied upon as such within the meaning of United States Treasury Department Circular 230 (31
3 C.F.R. Part 10, as amended) or otherwise.

4 62. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
5 Class Members under this Settlement Agreement, as well as any other payments made pursuant to
6 this Settlement Agreement, will not modify any previously credited hours or service under any
7 employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts
8 will not form the basis for additional contributions to, benefits under, or any other monetary
9 entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The
10 payments made under the terms of this Settlement Agreement shall not be applied retroactively,
11 currently, or on a going forward basis as salary, earnings, wages, or any other form of
12 compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs.
13 The Released Parties retain the right to modify the language of their benefit plans, policies, and
14 bonus programs to effectuate this intent and to make clear that any amounts paid pursuant to this
15 Settlement Agreement are not for "hours worked," "hours paid," "hours of service," or any similar
16 measuring term as defined by applicable plans, policies, and bonus programs for purposes of
17 eligibility, vesting, benefit accrual, or any other purpose and that additional contributions or
18 benefits are not required by this Settlement.

19 63. Settlement Administration Process: The Parties agree to cooperate in the
20 administration of the Settlement and to make all reasonable efforts to control and minimize the
21 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
22 provide the following services:

- 23 a) Establish and maintain a Qualified Settlement Fund.
- 24 b) Calculate the Individual Class Payment each Participating Class Member is eligible
25 to receive and the Individual PAGA Payment each PAGA Member shall receive.
- 26 c) Print and mail the Notice.
- 27 d) Conduct additional address searches for mailed Notices that are returned as
28 undeliverable.

e) Process Requests for Exclusion and field inquiries from Class Members.

f) Print and issue Settlement Payment Checks and prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.

g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process, which declarations the Settlement Administrator shall provide no later than five (5) days before the date they must be filed with the Court.

h) Provide weekly status reports to counsel for the Parties.

i) Posting a notice of final judgment online at Settlement Administrator's website.

j) Translate the Notice from English to Spanish.

64. Confidentiality of the Class List. Neither Plaintiff nor Class Counsel shall have any right to the Class List or any of the data therein and the Settlement Administrator shall not share the Class List with Plaintiff or Class Counsel, except Class Counsel shall be provided the data of any individual Class Member who contests the Settlement or disputes the amount of his or her Individual Class Payment or the number of Workweeks worked. To protect Class Members' privacy rights, the Settlement Administrator must maintain the Class List in confidence, use the Class List only for purposes of this Settlement and for no other purpose, and restrict access to the Class List to its employees who need access to the Class List to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel and the Settlement Administrator if it discovers that the Class List omitted Class Member identifying information and to provide corrected or updated Class List as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class List to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues relating to missing or omitted Class List.

65. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

1 66. Confirmation of Contact Information in the Class List: Prior to mailing, the
2 Settlement Administrator will perform a search based on the National Change of Address Database
3 for information to update and correct for any known or identifiable address changes. Any Notice
4 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline
5 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto
6 and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no
7 forwarding address is provided, the Settlement Administrator will promptly attempt to determine
8 the correct address using a skip-trace or other search using the name, address, telephone number,
9 and/or Social Security number of the Class Member involved and will then perform a single re-
10 mailing. If any notice sent to a Class Member by the Settlement Administrator is returned as
11 undeliverable to a current employee, then Defendant shall make all reasonable efforts to obtain the
12 current address from the Class Member and provide the same within seven (7) calendar days of
13 notice from the Settlement Administrator.

14 67. Notice: All Class Members will be mailed a Notice. Each Notice will provide:
15 (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal
16 terms; (c) the Class definition; (d) the total number of Workweeks each respective Class Member
17 worked for Defendant during the Class Period and, if applicable, PAGA Period; (e) each Class
18 Member's estimated Individual Settlement Payment and the formula for calculating Individual
19 Settlement Payments; (f) the dates which comprise the Class Period and PAGA Period; (g) the
20 deadlines by which the Class Member must postmark Requests for Exclusion, Objections to the
21 Settlement, or Workweek Disputes; (h) the claims to be released, as set forth herein; and (j) the
22 date for the final approval hearing.

23 68. Disputed Information on Notice: Class Members will have an opportunity to
24 dispute the information provided in their Notice. To the extent Class Members dispute the number
25 of Workweeks with which they have been credited or the amount of their Individual Settlement
26 Payment, Class Members may produce evidence to the Settlement Administrator showing that
27 such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's
28 records will be presumed determinative. However, if a Class Member produces evidence to the

contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class Member and the Parties will make the final decision as to the number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member may be entitled, in the event that Defendant cannot make this determination themselves. If the Parties do not agree, the dispute will be submitted to the Court.

69. Request for Exclusion Procedures: Any Class Member wishing to opt out from the Class Settlement must sign a written Request for Exclusion to the Settlement Administrator by the Response Deadline. To be effective, the Request for Exclusion must be postmarked by the Response Deadline and received by the Settlement Administrator and contain: (a) the Class Member's name, signature, address, telephone number, dates of employment with Defendant in California, and the last four digits of the Class Member's Social Security number and/or the Employee ID number; (b) the case name and number; and (c) a clear statement requesting to be excluded from the settlement of the class claims similar to the following: "I wish to exclude myself from the class settlement reached in the matter of *Jose Rios v. Serta Simmons Bedding, LLC*, filed in the Riverside County Superior Court, Case No. CVRI2403064. I understand that, by excluding myself, I will not receive money from the settlement of my individual claims and waive my right to object to the settlement." All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request exclusion from the Class Settlement will be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court and deemed effective under this Agreement. The Request for Exclusion shall not be effective as to the Released PAGA Claims.

70. Defective Submissions: If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s) if otherwise timely submitted. The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of (a) the Response

1 Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later,
2 to postmark a revised Request for Exclusion. If a Class Member responds to a cure letter by filing
3 a defective claim, then the Settlement Administrator will have no further obligation to give notice
4 of a need to cure. If the revised Request for Exclusion is not postmarked within that period, it will
5 be deemed untimely.

6 71. Defendant's Right to Rescind: If Class Members representing more than the
7 aggregate total of five percent (5.0%) of the Class Members opt out of the Class Settlement,
8 Defendant may, at its election, rescind the Settlement Agreement and all actions taken in
9 furtherance of it will be thereby null and void. Defendant shall meet and confer with Class Counsel
10 before withdrawing from the Settlement pursuant to this provision. If Defendant exercises its right
11 to rescind the Agreement, Defendant shall be responsible for all Settlement Administration Costs
12 incurred to the date of rescission. In such a case, the Parties and any funds to be awarded under
13 this Settlement Agreement shall be returned to their respective statuses as of the date and time
14 immediately prior to the execution of this Agreement and the Parties shall proceed in all respects
15 as if this Settlement Agreement had not been executed, except that any fees already incurred by
16 the Settlement Administrator shall be paid by Defendant.

17 72. Settlement Terms Bind All Class Members Who Do Not Opt Out: Upon the
18 complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively
19 opt out of the Class Settlement by submitting a timely and valid Request for Exclusion will be
20 bound by all of its terms, including those pertaining to the Released Class Claims, as well as any
21 Judgment that may be entered by the Court if it grants Final Approval to the Settlement. Class
22 Members who opt out of the Class Settlement shall not be bound by such Judgment or release,
23 other than as to the Released PAGA Claims. The names of Class Members who have opted out of
24 the settlement shall be disclosed to Class Counsel and Defense Counsel and noted in the proposed
25 Judgment submitted to the Court.

26 73. Objection Procedures: To object to the Settlement, a Participating Class Member
27 must postmark a valid Objection to the Settlement Administrator on or before the Response
28 Deadline. The Objection must be signed by the Participating Class Member and contain all

1 information required by this Settlement Agreement including the employees full name, address,
2 telephone number, the last four digits of their social security number and/or Employee ID number,
3 and the specific reason including any legal grounds for the Participating Class Member's objection.
4 The postmark date will be deemed the exclusive means for determining that the Objection is timely.
5 Participating Class Members who fail to object in the manner specified above will be foreclosed
6 from making a written objection but shall still have a right to appear at the final approval hearing
7 in order to have their objections heard by the Court. At no time will any of the Parties or their
8 counsel seek to solicit or otherwise encourage Participating Class Members to submit written
9 objections to the Settlement or appeal from the Order and Judgment. Class Counsel will not
10 represent any Class Members with respect to any objections to this Settlement.

11 74. Certification Reports Regarding Individual Settlement Payment Calculations: The
12 Settlement Administrator will provide Defense Counsel and Class Counsel a weekly report which
13 certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b)
14 the number of Notices returned and re-mailed; and (c) whether any Class Member has submitted a
15 challenge to any information contained in the Notice. Additionally, the Settlement Administrator
16 will provide to counsel for both Parties any updated reports regarding the administration of the
17 Settlement Agreement as needed or requested.

18 75. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
19 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
20 eighty (180) calendar days. The Individual Settlement Payments provided to Participating Class
21 Members and PAGA Members shall prominently state the expiration date or a statement that the
22 Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a statement
23 may be made in a letter accompanying the Individual Settlement Payment. Expired Individual
24 Settlement Payments will not be reissued, except for good cause and as mutually agreed by the
25 Parties in writing. If a Participating Class Member or PAGA Member does not cash his or her
26 Settlement Check within 180 days, the uncashed funds, subject to Court approval, shall be
27 distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property
28 Law, California Civil Code § 1500 *et. seq.* for the benefit of those Participating Class Members

1 and PAGA Members who did not cash their checks until such time that they claim their property.
2 The Parties agree that this disposition results in no “unpaid residue” under California Civil
3 Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class
4 Members and PAGA Members, whether or not they all cash their Settlement Checks. Therefore,
5 Defendant will not be required to pay any interest on such amounts. The Parties agree no unclaimed
6 funds will result from the Settlement. If any Settlement Checks are returned undelivered without
7 a USPS forwarding address, the Settlement Administrator shall conduct an address search for all
8 such Participating Class Members and/or PAGA Members. Within seven (7) days of receiving a
9 returned check, the Settlement Administrator must re-mail checks to the USPS forwarding address
10 provided or to an address ascertained through the address search. The Settlement Administrator
11 need not take further steps if the re-mailed Settlement Checks are returned as undelivered. The
12 Settlement Administrator shall promptly send a replacement check to any Participating Class
13 Member/PAGA Member whose original check was lost or misplaced if requested by the
14 Participating Class Member/PAGA Member prior to the void date. As of the date the Settlement
15 Administrator mails Individual Settlement Payments, the Settlement Administrator must include
16 in its weekly reports the number of checks mailed.

17 76. Administration of Taxes by the Settlement Administrator: The Settlement
18 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
19 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant
20 to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll
21 taxes and penalties to the appropriate government authorities.

22 77. Tax Liability: Defendant makes no representation as to the tax treatment or legal
23 effect of the payments called for hereunder and Plaintiff and Participating Class Members are not
24 relying on any statement, representation, or calculation by Defendant or by the Settlement
25 Administrator in this regard. Plaintiff, Participating Class Members, PAGA Members, Class
26 Counsel, and Settlement Administrator understand and agree that they will be solely responsible
27 for the payment of any taxes and penalties assessed on the payments described herein. Defendant’s
28 share of any employer payroll taxes and other required employer withholdings due on the

1 Individual Settlement Payments, including, but not limited to, Defendant's FICA and FUTA
2 contributions (*i.e.*, Employer Taxes), shall be paid separate and apart from the Gross Settlement
3 Amount.

4 78. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
5 the "acknowledging party" and each Party to this Agreement other than the acknowledging party,
6 an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written
7 communication or disclosure between or among the Parties or their attorneys and other advisers,
8 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
9 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
10 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
11 his, her, or its own independent legal and tax counsel for advice (including tax advice) in
12 connection with this Agreement, (b) has not entered into this Agreement based upon the
13 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
14 entitled to rely upon any communication or disclosure by any attorney or advisor to any other Party
15 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
16 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
17 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
18 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
19 including any transaction contemplated by this Agreement.

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

24 80. Release by Participating Class Members: Upon the funding of the Gross Settlement
25 Amount and all applicable Employer Taxes, Participating Class Members shall fully and finally
26 release and discharge the Released Parties from the Released Class Claims that arose during the
27 Class Period. This release shall be binding on all Participating Class Members. Participating Class
28 Members do not release by virtue of this Agreement 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. The foregoing exception shall have no effect on the releases of claims that Class Members and PAGA Members have agreed to in other executed agreements. The Released Class Claims are also intended to include in their effect the release of all Released Class Claims whether or not Plaintiff and/or any Participating Class Member knows or suspects them to exist. With respect to the Released Class Claims, Plaintiff and Participating Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims and causes of action in this case which are the subject matter of the Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Class Claims and, by virtue of this Agreement, Plaintiff and Participating Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released all of the Released Class Claims as defined above.

81. Release by Plaintiff, State of California, LWDA, and PAGA Members: Upon the funding of the Gross Settlement Amount and all applicable Employer Taxes, Plaintiff, the LWDA, the State of California, through Plaintiff as its agent and/or proxy, any another representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, shall fully and finally release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as the Action and covering the same time.

82. General Release by Plaintiff: Upon the funding of the Gross Settlement Amount and all applicable Employer Taxes, Plaintiff for himself and his current and former spouses, heirs, and assigns, fully and finally releases and discharges the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, transactions, occurrences,

1 and expenses of any nature and description whatsoever, known or unknown, suspected or
2 unsuspected, asserted or that might have been asserted, whether in tort, contract, equity, or
3 otherwise, arising out of Plaintiff's employment with Defendant, the payment of wages during that
4 employment, the cessation of that employment, and/or the violation of any federal, state, or local
5 statute, rule, ordinance, or regulation. Such claims include but are not limited to any and all
6 Released Class Claims and Released PAGA Claims. This General Release includes, but is not
7 limited to, all claims for lost wages and benefits, emotional distress, restitution, penalties, punitive
8 damages, and attorneys' fees and costs (except those provided by this Settlement Agreement)
9 arising under federal, state, local, or common law regarding wages, hours, and conditions of
10 employment, breach of contract, discrimination, harassment, retaliation, and wrongful termination,
11 such as, by way of example only, (as amended) 42 U.S.C. § 1981, Title VII of the Civil Rights Act
12 of 1964, the Americans with Disabilities Act ("ADA"), the Age Discrimination in Employment
13 Act ("ADEA"), and the California Fair Employment and Housing Act ("FEHA"); and the law of
14 contract and tort. If Plaintiff discovers facts in addition to or different from those he now knows or
15 believes to be true with respect to the subject matter of this General Release, those claims will
16 remain released and forever barred. Specifically, Plaintiff waives all rights and benefits afforded
17 by California Civil Code Section 1542, which provides:

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

24 Notwithstanding the foregoing, Plaintiff does not waive or release any claim which cannot be
25 waived or released as a matter of law by private agreement. Accordingly, this General Release
26 does not extend to any claims or actions to enforce this Agreement or to any claims for vested
27 benefits, unemployment benefits, disability benefits, social security benefits, or workers'
28 compensation benefits that arose at any time or that are based on occurrences outside the Class

1 Period. Further, nothing in this Agreement shall prevent Plaintiff from filing a charge or complaint
2 with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA,
3 EEOC, NLRB, the California Civil Rights Department (“CRD”), the California Division of Labor
4 Standards Enforcement (“DLSE”), or any other federal, state, or local agency charged with the
5 enforcement of any employment or other applicable laws. Plaintiff, however, understands that, by
6 signing this Agreement, he waives the right to recover any damages or to receive other relief in
7 any claim or suit brought by or through any federal, state, or local agency on his behalf to the
8 fullest extent permitted by law, but expressly excluding any monetary award or other relief
9 available from the SEC/OSHA, including an SEC/OSHA whistleblower award, or other awards or
10 relief that may not lawfully be waived.

11 83. Nullification of Settlement Agreement: In the event that: (a) the Court does not
12 grant Preliminary Approval or Final Approval; (b) the Court conditions Preliminary Approval or
13 Final Approval on material changes to the terms relating to the monetary sums to be paid in the
14 Settlement, the Released Class Claims, the Class Period, and Defendant’s right to nullify the
15 Settlement Agreement (the “Basic Settlement Terms”); (c) the Court strikes or does not approve
16 any material term of this Settlement Agreement; (d) Defendant exercises its right to rescind the
17 Settlement Agreement based on an excessive number of opt-outs, as described herein above; or
18 (e) the Settlement does not become final as written and agreed to by the Parties for any other
19 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will
20 be null and void, all amounts deposited into the QSF will be returned to Defendant, and the Parties
21 shall be returned to their original respective positions. Any order or judgment entered by the Court
22 in furtherance of this Settlement Agreement will likewise be treated as void from the beginning
23 and the Stipulations and Recitals contained herein shall be of no force or effect and shall not be
24 treated as admissions by the Parties or their counsel. Should the Court fail to approve this
25 Settlement for any reason, the Parties agree that they will return to and attend mediation with a
26 mutually agreed-upon mediator in an effort to reach a settlement that may be approved by the
27 Court, unless the Parties are able to resolve the issue without resort to a mediator.

84. Preliminary Approval Hearing and Motion for Preliminary Approval: Plaintiff will obtain a hearing before the Court to request preliminary approval of the Settlement Agreement and the entry of an order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary approval of the proposed Settlement Agreement, and (c) setting a date for a “Final Approval/Settlement Fairness Hearing.” The Preliminary Approval will provide for the Notice to be sent to all Class Members as specified herein. In conjunction with the preliminary approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed Notice, the Request for Exclusion, and the Objection to the Settlement attached as **Exhibit A**. Defendant agrees that it will not oppose Plaintiff’s Motion for Preliminary Approval. 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 and conferring in good faith to modify the Agreement and otherwise satisfy the Court’s concerns. However, if the Parties are unable to agree to modifications to the Agreement that satisfy the Court’s concerns, then the failure by the Court to fully and completely approve the Agreement will result in this Settlement Agreement and all obligations under this Settlement Agreement being nullified and voided. Not later than four (4) days prior to filing Plaintiff’s Motion for Preliminary Approval, Class Counsel will prepare and to deliver to Defendant Plaintiff’s memorandum in support of the Motion for Preliminary Approval and proposed order granting same. Defense Counsel will prepare and deliver to Class Counsel prior to the date Plaintiff files his Motion for Preliminary Approval a signed declaration (i) identifying any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement or (ii) averring that they are not aware of any such other pending matters or actions. Class Counsel and Defense Counsel will expeditiously meet and confer in good faith to resolve any disagreements concerning the Motion for Preliminary Approval. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval not later than 30 days after the full execution of this Agreement.

85. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the deadlines to postmark Requests for Exclusion, Objections to the Settlement, or Workweek Disputes, and not later than sixteen (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. (1), a proposed Final Approval, and a proposed Judgment (collectively “Motion for Final Approval”). Not later than four (4) days prior to filing Plaintiff’s Motion for Final Approval, Class Counsel shall provide drafts of Plaintiff’s memorandum in support of the Motion for Final Approval and proposed Order and Judgment granting same. Class Counsel and Defense Counsel will expeditiously meet and confer in good faith to resolve any disagreements concerning the Motion for Final Approval. 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, not later than five (5) court days prior to the Final Approval Hearing or as otherwise ordered or accepted by the Court. The Court will conduct a Final Approval/Settlement Fairness Hearing to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Class Counsel’s Fees and Costs; (c) the Class Representative Enhancement Payments; and (d) the Settlement Administration Costs. Any failure by the Court to fully and completely approve the Settlement Agreement as to all of the Action or the entry of any Order by another Court with regard to any of the Action which has the effect of modifying material terms of this Agreement as described above or preventing the full and complete approval of the Settlement Agreement as written and agreed to by the Parties will result in this Agreement and all obligations under this Agreement being null and void. Defendant agrees it shall not oppose the granting of the Motion for Final Approval, provided Defendant has not exercised their right to rescind pursuant to the terms of this Agreement.

86. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment and Effective Date of this Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the

1 interpretation and enforcement of the terms of the Settlement, (b) Settlement administration
2 matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth
3 in this Settlement.

4 87. Use of Class Data. Information provided to Class Counsel pursuant to California
5 Evidence Code section 1152 and all copies and summaries of the Class-related data and documents
6 provided to Class Counsel by Defendant in connection with the mediation, other settlement
7 negotiations, or in connection with the Settlement (hereafter, "Class Data") may be used only with
8 respect to this Settlement and for no other purpose and may not be used in any way that violates
9 any existing contractual agreement, statute, or rule of court. Class Counsel shall not be required to
10 return or destroy any copies of Class Data but shall be required to take all reasonable steps to
11 maintain the confidentiality and security of such documents and information. Furthermore, neither
12 Plaintiff nor Class Counsel shall produce, disclose, transmit, or otherwise share Class Data with
13 any third party without providing at least ten (10) days' written notice to Defendant and Defense
14 Counsel. Moreover, they shall notify SSB within 48 hours of their receipt of any demand by
15 subpoena or in discovery for production of same and shall refrain from producing Class Data in
16 response to such demands absent a court order.

17 88. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
18 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
19 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

20 89. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute
21 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
22 agreements in relation to settlement terms may be deemed binding on the Parties.

23 90. Amendment or Modification: This Settlement Agreement may be amended or
24 modified only by a written instrument signed by counsel for all Parties or their successors-in-
25 interest.

26 91. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant
27 and represent they are expressly authorized by the Parties whom they represent to negotiate this
28 Settlement Agreement and to take all appropriate action required or permitted to be taken by such

Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court and/or mediator Monique Ngo-Bonnici, Esq., to resolve such disagreement.

92. Binding on Successors and Assigns: This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

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

95. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

1 97. Waiver of Certain Appeals: Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, the Parties, their respective counsel, and all Participating Class
3 Members who did not object to the Settlement as provided in this Agreement waive all rights to
4 appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the
5 right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
6 The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or
7 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this
8 Agreement will be suspended until such time as the appeal is finally resolved and the Judgment
9 becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
10 However, either party may appeal any court order that materially alters the Settlement Agreement's
11 terms. If appealed and the reviewing Court vacates, reverses, or modifies the Judgment in a manner
12 that requires a material modification of this Agreement (including, but not limited to, the scope of
13 release to be granted by Class Members), this Agreement shall be null and void. The Parties shall
14 nevertheless expeditiously work together in good faith to address the appellate court's concerns
15 and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional
16 settlement administration expenses reasonably incurred after remittitur. An appellate decision to
17 vacate, reverse, or modify the Court's award of the Class Representative Enhancement Payment,
18 Class Counsel's Fees and Costs, and/or the Settlement Administration Costs shall not constitute a
19 material modification of the Judgment within the meaning of this paragraph, as long as the Gross
20 Settlement Amount remains unchanged.

21 98. Class Action Certification for Settlement Purposes Only: The Parties agree to
22 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the
23 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
24 that certification for purposes of the Settlement is not an admission that class action certification
25 is proper under the standards applied to contested certification motions and that this Agreement
26 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
27 should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according
28 to the Settlement's terms.

1 99. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
2 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
3 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it
4 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
5 pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached
6 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
7 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor
8 any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as
9 an admission or concession by Defendant of any such violations or failures to comply with any
10 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
11 Agreement and its terms and provisions shall not be offered or received as evidence in any action
12 or proceeding to establish any liability or admission on the part of Defendant or to establish the
13 existence of any condition constituting a violation of, or a non-compliance with, federal, state,
14 local, or other applicable law. Except as set forth elsewhere herein, in the event that this Agreement
15 is not approved by the Court or any appellate court, is terminated, or otherwise fails to be
16 enforceable, Plaintiff will not be deemed to have waived, limited, or affected in any way any
17 claims, rights, or remedies in the Action and Defendant will not be deemed to have waived, limited,
18 or affected in any way any of its objections or defenses in the Action. The Parties shall be restored
19 to their respective positions in the Action prior to the execution of this Settlement Agreement.

20 100. Captions: The captions and section numbers in this Agreement are inserted for the
21 reader's convenience and in no way define, limit, construe, or describe the scope or intent of the
22 provisions of this Agreement.

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

27 102. Enforcement Action: In the event that one or more of the Parties institutes any legal
28 action or other proceeding against any other Party or Parties to enforce the provisions of this

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

4 103. Neutral Employment Reference: Defendant agrees that it will provide a neutral
5 reference regarding any future employment references related to Plaintiff. In the event that any
6 potential or future employers of Plaintiff request a reference regarding Defendant's employment
7 of Plaintiff, Defendant shall only provide Plaintiff's dates of employment and final job title.
8 Defendant shall not refer to the Action or this Settlement.

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

14 105. Representation By Counsel: The Parties acknowledge that they have been
15 represented by counsel throughout all negotiations that preceded the execution of this Agreement
16 and that this Agreement has been executed with the consent and advice of counsel and reviewed
17 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
18 Agreement.

19 106. All Terms Subject to Final Court Approval: All amounts and procedures described
20 in this Settlement Agreement herein will be subject to final Court approval.

21 107. Cooperation and Execution of Necessary Documents: The Parties agree to
22 cooperate to promote participation in the Settlement, and in seeking court approval of the
23 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
24 Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any
25 settlement agreement waivers or "Pick-Up Stix" agreements from any Class Member prior to the
26 funding of the Gross Settlement Amount concerning claims released via this Agreement or enter
27 into any arbitration agreement with any Class Member that covers the claims released via this
28 Agreement during the Settlement approval process prior to the funding of the Gross Settlement

Amount and that the Parties will work in good faith to reach an agreement approved by the Court. However, this provision does not preclude Defendant from obtaining waivers and releases in exchange for the severance payments to be paid to current employee Class Members in conjunction with the closure of the Moreno Valley facility and cessation of manufacturing operations in California.

108. Confidentiality: The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel agree that they will not, neither will they cause or permit another person to, issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press or otherwise publicize in any medium, including on any website or social media platform, or disclose, directly or indirectly, specially or generally, to any person, corporation, association, government agency, or other entity about the fact, amount, or terms of the Settlement Agreement. Nothing in this Settlement Agreement shall limit (1) Defendant's ability to fulfill disclosure obligations reasonably required by law or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement, (2) Class Counsel's communications with the Class Members in furtherance of approval of this Settlement, (3) disclosure to the Parties' respective attorneys, accountants, or spouses or to counsel in a related matter (if any), all of whom will be instructed to keep the Settlement and this Agreement confidential, (4) the ability of the Parties and their respective counsel to report income to appropriate taxing authorities, or (5) in response to an order, inquiry, or subpoena of any court or state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, 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 with any 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.

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

110. Submission to the LWDA: The Settlement Agreement shall be submitted by Plaintiff to the LWDA within the time limits required and prescribed by law.

Dated: _____

PLAINTIFF

By: _____
Jose Rios

Dated: _____

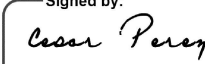
PROTECTION LAW GROUP, LLP

By: _____
Heather Davis, Esq.
Amir Nayebdadash, Esq.
Carlos Jimenez, Esq.

Attorneys for Plaintiff
JOSE RIOS

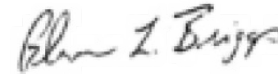
Dated: 8/5/2025

DEFENDANT SERTA SIMMONS BEDDING, LLC

Signed by:

By: _____
Name: Cesar Perez
Title: Chief Financial Officer

Dated: 8/5/2025

KADING BRIGGS LLP

By: 
Glenn L. Briggs, Esq.
Kymberleigh Damron-Hsiao, Esq.
Stanley G. Stringfellow II, Esq.

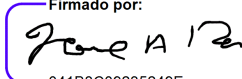
Attorneys for Defendant
SERTA SIMMONS BEDDING, LLC

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

110. Submission to the LWDA: The Settlement Agreement shall be submitted by Plaintiff to the LWDA within the time limits required and prescribed by law.

Dated: 8/5/2025

PLAINTIFF

By: 
 041B3C09235249E...
 Jose Rios

Dated: August 5, 2025

PROTECTION LAW GROUP, LLP

By: 
 Heather Davis, Esq.
 Amir Nayebdadash, Esq.
 Carlos Jimenez, Esq.

Attorneys for Plaintiff
 JOSE RIOS

Dated: _____

DEFENDANT SERTA SIMMONS BEDDING, LLC

By: _____
 Name: _____
 Title: _____

Dated: _____

KADING BRIGGS LLP

By: _____
 Glenn L. Briggs, Esq.
 Kymberleigh Damron-Hsiao, Esq.
 Stanley G. Stringfellow II, Esq.

Attorneys for Defendant
 SERTA SIMMONS BEDDING, LLC

Exhibit A

NOTICE OF PROPOSED CLASS AND PAGA ACTION SETTLEMENT

Jose Rios v. Serta Simmons Bedding LLC

Riverside County Superior Court Case No. CVRI2403064

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To:	All current and former hourly, non-exempt employees of Defendant Serta Simmons Bedding LLC (“Defendant”), excluding Drivers, employed in the state California at any time between June 30, 2023, and ending on July 30, 2025.
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BASIC INFORMATION

1. What is this settlement about?

Plaintiff Jose Rios (“Plaintiff”) filed a class action lawsuit against Defendant Serta Simmons Bedding LLC, entitled *Jose Rios v. Serta Simmons Bedding LLC*, Riverside County Superior Court Case No. CVRI2403064 on June 4, 2024. The lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to keep accurate records, and maintained unfair business practices. With this action, Plaintiff also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). Defendant denies all alleged violations and deny that they owe Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people, called the Class Representatives (in this case Plaintiff), sue on behalf of people who appear to have similar claims. All these people are referred to as Class Members. In a class action, one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Riverside County Superior Court (the “Court”) is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On **[DATE OF PRELIMINARY APPROVAL]** the Court granted preliminary approval of the Settlement, appointed Plaintiff as the Class Representative, and appointed his attorneys at Protection Law Group LLP as counsel for the Class (“Class Counsel”).

The Court has not yet determined whether it will approve the settlement. Instead, the Court has only determined that the settlement is within the range that could be approved and therefore Notice should be provided to the Class Members. The Court will make a final determination whether to approve the settlement at the Final Approval Hearing.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you are a current or former hourly, non-exempt employee, who is not a Driver, who worked for Defendant in California at any time between June 30, 2023 through and July 30, 2025.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Six Hundred Fifty Thousand Dollars and Zero Cents (\$650,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or Two Hundred Twenty-Seven Thousand Five Hundred Dollars and Zero Cents (\$227,500.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00);
- C. **Enhancement Payment to the Class Representative** of \$10,000.00;
- D. **Settlement Administration Costs** which are currently estimated to be Eight Thousand Dollars and Zero Cents (\$8,000.00); and
- E. **PAGA Penalties** in the amount of Forty Thousand Dollars and Zero Cents (\$40,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount (\$30,000.00) shall be paid to the California Labor and Workforce Development Agency (“LWDA”). The remaining twenty-five percent (25%) (\$10,000.00) will be distributed to current and former hourly, non-exempt employees, who are not Drivers, who worked for Defendant in California at any time between June 4, 2023 through and July 30, 2025.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment,” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly, non-exempt employee, other than as a Driver, of Defendant between June 30, 2023 through and July 30, 2025. (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Class Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest and forty percent (40%) penalties. The wage portion of the Individual Class Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of your Individual Class Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

Your Individual PAGA Payment will be apportioned as one hundred percent (100%) penalties. The penalties portion of your Individual PAGA Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX workweeks during the class period. Your Individual Settlement Payment is \$XXX.XX (Settlement Class Member’s Qualifying Workweeks ÷ All Qualifying Workweeks x Net Settlement Amount). This amount is an estimate and is subject to change.

You worked **XXX** workweeks during the PAGA period. Your Individual PAGA Payment is **\$XXX.XX** (PAGA Class Member's Qualifying Workweeks during the PAGA Period ÷ All Qualifying Workweeks during the PAGA Period x Employee Share of PAGA Penalties). This amount is an estimate and is subject to change.

This amount was determined based on Defendant's records of your employment between June 30, 2023 through and July 30, 2025, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period or PAGA Period, you must provide your current address, telephone number, the last four digits of your Social Security Number or complete Employee ID, and any documentation (i.e., payroll or time keeping records, and paycheck stubs) you have supporting such dispute by **[DATE]**. All disputes regarding your workweeks will be resolved and decided by the Settlement Administrator following consultation with the Parties. However, the Court shall review and could reverse the Settlement Administrator's initial determination. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]

[Address]

[Telephone No].

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the final approval by the Court of this Settlement Agreement and remittance of the Gross Settlement Amount by Defendant to the Settlement Administrator, Participating Class Members shall fully release and discharge the Released Parties from any and all Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members. Participating Class Members do not release by virtue of this Agreement 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. The foregoing exception shall have no effect on the releases of claims that Class Members and PAGA Members have agreed to in other executed agreements. The Released Class Claims are also intended to include in their effect the release of all Released Class Claims whether or not Plaintiff and/or any Participating Class Member knows or suspects them to exist. With respect to the Released Class Claims, Plaintiff and Participating Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims and causes of action in this case which are the subject matter of the Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Class Claims and, by virtue of this Agreement, Plaintiff and Participating Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released all of the Released Class Claims as defined above.

Additionally, Plaintiff, the LWDA, the State of California, through Plaintiff as its agent and/or proxy, any another representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, shall fully and finally release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as the Action and covering the same time.

The "Released Parties" means Defendant Serta Simmons Bedding LLC and its former, present, and future owners, parents, affiliates, subsidiaries, officers, directors, members, managers, employees, consultants, partners, shareholders,

joint venturers, agents, predecessors, successors, assigns, attorneys, accountants, insurers, reinsurers, and legal representatives.

The “Released Class Claims” means all claims, debts, liabilities, demands, obligations, guaranties, actions, or causes of action of whatever kind or nature during the Class Period, whether known or unknown, that were alleged in the Operative Complaint or that reasonably could have been alleged, based on the facts stated in the Operative Complaint and that were ascertained in the course of the Action, including those arising out of or related to: (1) all claims for failure to pay minimum, straight-time, and/or overtime wages for all hours worked, including all off-the-clock time both before clocking in for a shift, after clocking out for meal periods, and after clocking out at the end of shift; (2) all claims for failure to provide compliant meal periods or compensation in lieu thereof; (3) all claims for failure to authorize and permit compliant rest periods or compensation in lieu thereof; (4) all claims for failure to pay overtime and/or meal and/or rest period compensation based on the regular rate of pay; (5) all claims for failure to timely pay wages due upon termination or resignation of employment; (6) all claims for failure to pay wages due upon regularly-scheduled paydays; (7) all claims for non-compliant wage statements; and (8) all claims asserted through California Business & Professions Code section 17200 *et seq.* arising out of the Labor Code violations referenced in the Operative Complaint. The Released Class Claims include all related claims of any kind for unpaid wages, premium pay, liquidated damages, statutory penalties, civil penalties, restitution, interest, injunctive relief, punitive damages, and other damages, costs, expenses, and attorneys’ fees arising from the alleged violation of any provision of common or statutory law that were or reasonably could have been raised as part of Plaintiff’s claims in the Operative Complaint, including but not limited to claims under California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and 1198, all provisions of the California Industrial Welfare Commission Wage Orders that provide the same or similar protections, including but not limited to Wage Order Nos. 1, 4, and 7, and section 17200 *et seq.* of the California Business and Professions Code.

“Released PAGA Claims” means all claims and remedies under the Private Attorneys General Act of 2004, as amended, during the PAGA Period that were alleged in, or reasonably could have been alleged in, or that were based on, arise from, or relate to the facts alleged in Plaintiff’s LWDA Letter and in the Operative Complaint, including any right, claim, or demand for civil penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, 1199, and 2699 and California Industrial Welfare Commission Wage Order Nos. 1, 4, and 7 in connection with alleged violations of Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, and 1198.5, all provisions of the California Industrial Welfare Commission Wage Orders that provide the same or similar protections, including but not limited to Wage Order Nos. 1, 4, and 7, and section 17200 *et seq.* of the California Business and Professions Code. Plaintiff and PAGA Members will be bound by this release of PAGA claims even if they, or any of them, request to be excluded from the Class Settlement.

The Released PAGA Claims also includes a release from the State of California (to the extent Plaintiff is permitted to provide such a release for the State of California for the PAGA period).

The “Class Period” during which the release of Released Class Claims pertains is between June 30, 2023 through and ending on July 30, 2025.

The “PAGA Period” during which the release of Released PAGA Claims pertains is between June 4, 2023 through and ending on July 30, 2025.

All PAGA Members shall release the claims arising under PAGA regardless of whether they submit a request for exclusion as the request for exclusion does not apply to this claim.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims, then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does

not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the Class and the release of Released Class Claims you must submit a written request for exclusion. This written request must include your name, address, telephone number and the last four digits of your social security number and/or employee ID number. Your request for exclusion must also include a clear statement that you do not wish to be included in this action such the following: “I wish to exclude myself from the class settlement reached in the matter of “*Jose Rios v. Serta Simmons Bedding LLC*, Riverside County Superior Court Case No. CVRI2403064, I understand that by excluding myself, I will not receive money from the settlement of my individual claims.” You may use the exclusion form included with this notice.

Your request for exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone or any means other than those described in this Notice.

[Settlement Administrator]

[Address]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of the Released Class Claims.

9. If I don’t exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendant and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

You will not receive money for the class claims. You will still receive your portion of the PAGA Payment if eligible because the request for exclusion does not apply to this claim.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved Protection Law Group, LLP, as Class Counsel. The attorneys whose contact information is set forth below can provide you with information regarding the settlement:

PROTECTION LAW GROUP LLP

Carlos Jimenez, Esq.

Stephanie Papayanis

Kiryl Karpiuk

149 Sheldon Street

El Segundo, California 90245

Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys’ fees of up to \$227,500.00 and reimbursement of litigation costs/expenses of up to \$30,000.00. This amount is subject to Court approval and the Court may award less than the requested amount.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court I want to object to the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you should mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, the specific reason for your objection accompanied by legal support, if any, copies of any papers, briefs, or other documents upon which your objection is based, and a statement of your intention to appear at the Final Approval Hearing in person or through counsel at your expense. You may use the objection form included with this notice. Even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you. If you submit a request for exclusion and an objection, the request for exclusion will control and you will lose any right to object to the Settlement and will not be bound by any terms of the Settlement.

Whether your dispute, written objection, or request for exclusion are timely will be determined solely based on the postmark date(s). Any untimely dispute, written objection, and/or request for exclusion may not be considered. However, even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may, but do not have to, attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [], 2025, at the Riverside County Superior Court located at 4050 Main Street, Riverside, California 92501 in Department 1. The Final Approval Hearing date may be continued without further notice to Class Members.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

The Court's Order and Judgment approving the settlement, whether favorable or not, will bind all Class Members who do not request exclusion.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at [www. \[REDACTED\] .com](http://www. [REDACTED] .com).

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement and you will release the Released Class Claims and Released PAGA Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or the Released Parties about the Released Class Claims or Release PAGA Claims ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days from the date on the check, these funds will be transferred to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500 *et. seq.* for the benefit of those Participating Class Members and PAGA Members who did not cash their checks until such time that they claim their property.

If you lose your check or it is damaged in the mail, contact the Settlement Administrator.

GETTING MORE INFORMATION

18. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by (1) viewing the settlement located on the Settlement Administrator's website at _____; (2) contacting the Settlement Administrator or Class Counsel; or (3) reviewing the Declaration of Carlos Jimenez in Support of Plaintiff Jose Rios' Motion for Preliminary Approval of Class Action and PAGA Settlement, to which the Settlement Agreement is attached, available at the Court, located at 4050 Main Street, Riverside, California 92501 in Department 1 or online at <https://epublic-access.riverside.courts.ca.gov/public-portal/?q=user/login&destination=node/379> (you will need to create a free online account).

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE

REQUEST FOR EXCLUSION

Jose Rios v. Serta Simmons Bedding LLC

Riverside County Superior Court Case No. CVRI2403064

I, [Class Member], want to OPT OUT of the Class in the lawsuit entitled *Jose Rios v. Serta Simmons Bedding LLC*, Superior Court of the State of California, County of Riverside, Case No. CVRI2403064. I understand that, by excluding myself from the Class, I will neither receive an Individual Class Payment, as described in the accompanying Class Notice, nor have the right to object to the Class Settlement. Additionally, if I am a PAGA Member, I also understand that I am not excluding myself from the PAGA Settlement and that I will receive an Individual PAGA Payment.

Print Name of Class Member or
Representative

Last Four Digits of
Social Security Number

Address

Telephone Number

Signature

Date

**TO BE EFFECTIVE, PLEASE RETURN THIS TO THE ADMINISTRATOR BY [DATE], 2025,
AT THE FOLLOWING ADDRESS:**

[Insert name and address of administrator]

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

OBJECTION TO THE SETTLEMENT

Jose Rios v. Serta Simmons Bedding LLC

Riverside County Superior Court Case No. CVRI2403064

I, [Class Member], object to the Class Settlement in the lawsuit entitled *Jose Rios v. Serta Simmons Bedding LLC*, Superior Court of the State of California, County of Riverside, Case No. CVRI2403064.

1. The specific reason(s) I object to the Class Settlement (with supporting legal authorities, if any):

(Attach additional pages, if necessary)

2. I am including copies of any papers, briefs, or other documents upon which my objection is based.

3. Regarding the Final Approval Hearing presently scheduled for January 15, 2026:

- ☐ I will attend in person or by videoconference.
- ☐ My attorney will attend on my behalf.
- ☐ I will not attend and no one will attend on my behalf.

Print Name of Class Member or
Representative

Last Four Digits of
Social Security Number

Address

Telephone Number

Signature

Date

**TO BE EFFECTIVE, PLEASE RETURN THIS TO THE ADMINISTRATOR BY [DATE], 2025,
AT THE FOLLOWING ADDRESS:**

[Insert name and address of administrator]

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]