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*Admitted Pro Hac Vice
on November 6, 2023*

Attorneys for Defendant
Wal-Mart Associates, Inc.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE**

STEPHEN RIVERS, an individual on behalf
of himself and all other similarly situated,

Plaintiff,

v.

WAL-MART ASSOCIATES, INC., a
corporation; and DOES 1 through 10,
inclusive,

Defendant.

Case No.: CVRI2304209

**CLASS AND PAGA ACTION
SETTLEMENT AGREEMENT**

Assigned to the Hon. Harold W. Hopp
Dept. 1

1 This Class and PAGA Action Settlement Agreement (“Agreement”) is made by and
2 between Plaintiff Stephen Rivers (“Plaintiff”) and Defendant Wal-Mart Associates, Inc.
3 (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or
4 individually as “Party.”

5 **1. DEFINITIONS**

6 1.1. “Action” means the Plaintiff’s lawsuit against Defendant, captioned *Rivers v.*
7 *Wal-Mart Associates, Inc.*, Case No. CVRI2304209, initiated on August 16, 2023, and pending
8 in the Superior Court of the State of California, County of Riverside.

9 1.2. “Administrator” means Phoenix Settlement Administrators the neutral entity
10 Plaintiff, through Class Counsel, has selected to administer the Settlement.

11 1.3. “Administration Expenses Payment” means the amount the Administrator will be
12 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
13 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
14 with Preliminary Approval of the Settlement.

15 1.4. “Aggrieved Employees” means all persons within California who worked
16 remotely for Defendant as a salaried (exempt) employee at any time during the PAGA Period.

17 1.5. “Class” means all persons within California who worked remotely for Defendant
18 as a salaried (exempt) employee at any time during the Class Period.

19 1.6. “Class Counsel” means George S. Azadian and Ani Azadian of Azadian Law
20 Group, PC.

21 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
22 mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees
23 and expenses, respectively, incurred to prosecute the Action.

24 1.8. “Class Data” means Class Member identifying information in Defendant’s
25 custody, possession, or control, including the Class Member’s (1) name; (2) last known
26 address(es); (3) Social Security Number(s); (4) Workweeks worked during the Class Period; and
27 (5) Pay Periods worked during the PAGA Periods.
28

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

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

1.11. “Class Notice” means the court approved NOTICE OF CLASS AND PAGA ACTION SETTLEMENT AND DATE FOR FINAL APPROVAL HEARING, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from August 16, 2019 through August 9, 2024.

1.13. “Class Representative” means Stephen Rivers, the named Plaintiff in the Action, who is seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Riverside.

1.16. “Defendant” means Wal-Mart Associates, Inc., the named Defendant in the Action

1.17. “Defense Counsel” means Aaron T. Winn, Natalie F. Bare, and Brittany M. Ranelli of Greenberg Traurig, LLP.

1.18. “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment; or (b) if a timely appeal from the Judgment is filed, the day after the highest appellate court affirms the Judgment and issues a remittitur or if remanded, the day after the deadline for filing a notice of appeal following any further proceedings after remand.

1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

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

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

1.22. “Gross Settlement Amount” means \$1,200,000 (One Million Two Hundred Thousand Dollars) which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 9.1 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and Administrator’s Expenses.

1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

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

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

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

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

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

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

1.30. “Objection Form” means the Notice of Objection Form, substantially in the form attached hereto as **Exhibit C**.

1.1. “PAGA Period” means the period from August 16, 2022 through August 9, 2024.

1.2. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).

1.3. “PAGA Notice” means Plaintiff’s August 16, 2023 letter to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.4. “PAGA Penalties” means the total PAGA civil penalties to be paid from the Gross Settlement Amount (\$50,000), 25% of which (\$12,500) shall be allocated to the Aggrieved Employees and 75% of which (\$37,500) shall be allocated to the LWDA.

1.5. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.6. “Pay Period” means any pay period during which, according to Defendant’s records, an Aggrieved Employee performed work for Defendant for at least one day during the PAGA Period.

1.1. “Plaintiff” means Stephen Rivers, the named plaintiff in the Action.

1.2. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.3. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

1.4. “Released Class Claims” means the claims being released as described in Paragraph 5.1 below.

1.5. “Released PAGA Claims” means the claims being released as described in Paragraph 5.2 below.

1.6. “Released Parties” means Defendant and each of its former, present and future subsidiaries, parent corporations, affiliates, predecessors, insurers, agents, employees, successors, assigns, officers, officials, directors, employers, consultants, partners, joint venturers,

1 attorneys, accountants, insurers, reinsurers, personal representatives, executors, and
2 shareholders, including pension, profit sharing, savings, health, and other employee benefits
3 plans of any nature, the successors of such plans, and those plans' respective former, present, and
4 future trustees and administrators, agents, employees, fiduciaries, as well as the personal
5 representatives or executors of any such persons.

6 1.7. "Request for Exclusion" means the Request for Exclusion Form, substantially in
7 the form attached hereto as **Exhibit B**.

8 1.8. "Response Deadline" means forty-five (45) days after the Administrator mails
9 Notice to Class Members and Aggrieved Employees and shall be the last date on which Class
10 Members may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her
11 Objection to the Settlement. Class Members to whom Notice Packets are resent after having been
12 returned undeliverable to the Administrator shall have an additional fifteen (15) days beyond the
13 date on which the Response Deadline has expired.

14 1.9. "Settlement" means the disposition of the Action effected by this Agreement and
15 the Judgment.

16 1.10. "Workweek" means any week during the Class Period in which, according to
17 Defendant's records, a Class Member worked for Defendant for at least one day.

18 **2. RECITALS**

19 2.1. On August 16, 2023, Plaintiff commenced this Action by filing a Complaint
20 against Defendant alleging violations of Labor Code § 2802 (failure to reimburse business
21 expenses); and derivative claims for violations of Business and Professions Code § 17200 et seq.

22 2.2. On March 5, 2024, Plaintiff filed a First Amended Complaint, which added a
23 cause of action for civil penalties under PAGA (the "Operative Complaint" in the Action).

24 2.3. Throughout the litigation of the Action Defendant denied, and continues to deny,
25 any liability and denies the allegations in the PAGA Notice and Complaints filed in this Action.

26 2.4. Prior to mediation, Plaintiff engaged in extensive formal written discovery and
27 obtained the Class Members' contact information through the Belaire-West notice process.
28 Plaintiff also deposed Defendant's corporate representative who was designated to testify on the

1 issues related to this Action, which centers on reimbursement of work-from-home expenses for
2 the Class and Aggrieved Employees.

3 2.5. Prior to mediation, Plaintiff obtained, through informal discovery, updated data
4 points related to the number of Class Members, number of Workweeks worked by Class
5 Members during the Class Period, and the number of Class Members who requested
6 reimbursements for various expenses.

7 2.6. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set
8 forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot*
9 *Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

10 2.7. On November 13, 2025, the Parties participated in an all-day mediation presided
11 over by Michael D. Young, Esq., a well-experienced wage-and-hour mediator. The mediation
12 resulted in a mediator's proposal, which was accepted by the Parties to resolve all class and
13 PAGA claims in the Action.

14 2.8. The Parties, Class Counsel, and Defense Counsel represent that they are not aware
15 of any other pending matter or action asserting claims that will be extinguished or affected by
16 the Settlement other than the PAGA claim alleged in *Dawson v. Walmart Associates, Inc., et al.*,
17 Alameda County Superior Court, Case No. 25CV107037, which was stayed by Judge Jones' May
18 15, 2025 Order pending the resolution of this Action. With the resolution of this Action, the
19 Parties expect that the overlapping PAGA claim in *Dawson* will be dismissed.

20 **3. MONETARY TERMS**

21 3.1. Gross Settlement Amount. Defendant promises to pay \$1,200,000 as the Gross
22 Settlement Amount, unless increased at Defendant's sole option pursuant to Paragraph 9.1 of this
23 Agreement. Defendant has no obligation to pay the Gross Settlement Amount prior to the
24 deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire
25 Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved
26 Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount
27 will revert to Defendant.

1 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
2 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
3 the Court in the Final Approval Order:

4 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more
5 than \$7,500, which is in addition to any Individual Class Payment and any Individual PAGA
6 Payment Plaintiff is entitled to receive as a Participating Class Member. Defendant will not
7 oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this
8 amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses
9 Payment, Plaintiff will seek Court approval for any Class Representative Service Payments prior
10 to the Final Approval Hearing. If the Court approves a Class Representative Service Payment
11 less than the amount requested, the Administrator will retain the remainder in the Net Settlement
12 Amount. The Administrator will pay the Class Representative Service Payment using IRS Form
13 1099. Plaintiff assumes full responsibility and liability for any taxes owed on the Class
14 Representative Service Payment.

15 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%
16 of the Gross Settlement Amount, which, unless escalated at Defendant's sole option pursuant to
17 Paragraph 9.1 of this Agreement, is currently estimated to be \$420,000 and a Class Counsel
18 Litigation Expenses Payment of reasonable and actual expenses incurred, which is currently
19 estimated to be less than \$25,000. Defendant will not oppose requests for these payments
20 provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will endeavor to
21 file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment prior to
22 the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class
23 Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will
24 allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to
25 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class
26 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
27 will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or
28 more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on

1 the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold
2 Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any
3 division or sharing of any of these Payments. There will be no additional charge of any kind to
4 either the Settlement Class Members or Defendant. Should the Court approve attorneys' fees
5 and/or litigation costs and expenses in amounts that are less than the amounts provided for herein,
6 then the unapproved portion(s) shall be a part of the Net Settlement Amount.

7 3.2.3. To the Administrator: An Administrator Expenses Payment, in an amount
8 approved by the Court, but not to exceed \$26,000 (except for a showing of good cause).

9 3.2.4. To Each Participating Class Member: An Individual Class Payment
10 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
11 by all Participating Class Members during the Class Period and (b) multiplying the result by each
12 Participating Class Member's Workweeks that they worked during the Class Period.

13 3.2.4.1. Tax Allocation of Individual Class Payments. Due to the
14 Class claims seeking reimbursement for business expenses and not asserting any claims related
15 to wages, 100% of each Participating Class Member's Individual Class Payment will be allocated
16 to penalties and interest and shall not subject to withholdings. Due to the nature of the claims
17 asserted, standard employer payroll taxes should not be withheld from the Individual Class
18 Payments. Each Participating Class Member's Individual Class Payment will be reported on IRS
19 1099 Forms. The Administrator shall timely handle all required tax reporting of the Individual
20 Class Payments, including by issuing IRS 1099 Forms to Participating Class Members and
21 issuing the requisite tax reports on behalf of Defendant to the IRS associated with these payments.
22 Participating Class Members assume full responsibility and liability for any employee taxes owed
23 on their Individual Class Payment.

24 3.2.4.2. Effect of Non-Participating Class Members on Calculation
25 of Individual Class Payments. Non-Participating Class Members will not receive any Individual
26 Class Payments. The Administrator will retain amounts equal to the Non-Participating Class
27 Members' Individual Class Payments in the Net Settlement Amount for distribution to
28 Participating Class Members on a pro rata basis.

1 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
2 \$50,000 to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the
3 LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

4 3.2.5.1. The Administrator will calculate each Individual PAGA
5 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
6 (\$12,500) by the total number of Pay Periods worked by all Aggrieved Employees during the
7 PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods they
8 worked during the PAGA Period. Aggrieved Employees assume full responsibility and liability
9 for any taxes owed on their Individual PAGA Payment.

10 3.2.5.2. If the Court approves PAGA Penalties of less than the
11 amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.
12 The Administrator shall timely handle all required tax reporting of the Individual PAGA
13 Payments, including by issuing IRS 1099 Forms to Aggrieved Employees and issuing the
14 requisite tax reports on behalf of Defendant to the IRS associated with these payments.

15 **4. SETTLEMENT FUNDING AND PAYMENTS**

16 4.1. Representation Regarding Number of Class Members and Workweeks. Based on
17 a review of Defendant's records through the close of the Class Period, Defendant has confirmed
18 that there are 4,511 Class Members who collectively worked a total of approximately 809,520
19 Workweeks during the Class Period.

20 4.2. Class Data. Not later than twenty (20) days after the Court grants Preliminary
21 Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the
22 form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
23 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
24 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
25 employees who need access to the Class Data to effect and perform under this Agreement.
26 Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class
27 Data omitted Class Members' identifying information and to provide corrected or updated Class
28 Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant

1 must send the Class Data to the Administrator, the Parties and their counsel will expeditiously
2 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
3 omitted Class Data.

4 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross
5 Settlement Amount by transmitting the funds to the Administrator no later than thirty (30) days
6 after the Effective Date.

7 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after
8 Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all
9 Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the
10 Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel
11 Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of
12 the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class
13 Representative Service Payment shall not precede disbursement of Individual Class Payments
14 and the Individual PAGA Payments.

15 4.4.1. The Administrator will issue checks for the Individual Class Payments
16 and/or Individual PAGA Payments and send them to the Class Members and Aggrieved
17 Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently
18 state the date (not less than 180 days after the date of mailing) when the check will be voided.
19 The Administrator will cancel all checks not cashed by the void date. The Administrator will
20 send checks for Individual Settlement Payments to all Participating Class Members (including
21 those for whom Class Notice was returned undelivered). The Administrator will send checks for
22 Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class
23 Members who qualify as Aggrieved Employees (including those for whom Class Notice was
24 returned undelivered). The Administrator may send Participating Class Members a single check
25 combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any
26 checks, the Settlement Administrator must update the recipients' mailing addresses using the
27 National Change of Address Database.
28

1 4.4.2. The Administrator must conduct a Class Member Address Search for all
2 other Class Members whose checks are returned undelivered without a United States Postal
3 Service (“USPS”) forwarding address. Within seven (7) days of receiving a returned check the
4 Administrator must re-mail checks to the USPS forwarding address provided or to an address
5 ascertained through the Class Member Address Search. The Administrator need not take further
6 steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered.
7 The Administrator shall promptly send a replacement check to any Class Member whose original
8 check was lost or misplaced, if requested by the Class Member prior to the void date.

9 4.4.3. For any Class Member whose Individual Class Payment check or
10 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator
11 shall transmit the funds represented by such checks to the California Controller's Unclaimed
12 Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to
13 the requirements of Code of Civil Procedure section 384, subdivision (b).

14 4.4.4. The payment of Individual Class Payments and Individual PAGA
15 Payments as well as any other payments made pursuant to this Agreement shall not be utilized
16 to calculate any additional benefits under any benefits plan, including but not limited to profit-
17 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans,
18 PTO plans, and any other benefit plan, or make any additional payments to Class Members,
19 beyond those specified in this Agreement.

20 **5. RELEASE OF CLAIMS**

21 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
22 and on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff,
23 Participating Class Members, Aggrieved Employees, and the LWDA will release claims against
24 all Released Parties as follows:

25 5.1. Release by Plaintiff and Participating Class Members: For the duration of the
26 Class Period, Plaintiff and all Participating Class Members, on behalf of themselves and their
27 respective former and present representatives, agents, attorneys, heirs, administrators, successors,
28 and assigns, release Released Parties from all claims that were alleged, or reasonably could have

1 been alleged, whether known or unknown, based on the facts stated in the Operative Complaint,
2 including: (1) all claims for failure to reimburse business expenses under Labor Code § 2802; and
3 (2) derivative claims for violations of Business and Professions Code § 17200 et seq., based on
4 claims for failure to reimburse business expenses. The release of claims provided in this
5 paragraph shall have *res judicata* effect. Plaintiff and Participating Class Members do not
6 release any other claims, including claims for vested benefits, wrongful termination, violation of
7 the Fair Employment and Housing Act, unemployment insurance, disability, social security,
8 workers' compensation, or claims based on facts occurring outside the Class Period.

9 5.2. Release by Aggrieved Employees: For the duration of the PAGA Period, Plaintiff,
10 all Aggrieved Employees, and the LWDA, are deemed to release, on behalf of themselves and
11 their respective former and present representatives, agents, attorneys, heirs, administrators,
12 successors, and assigns, the Released Parties from claims for PAGA penalties that were alleged,
13 or reasonably could have been alleged, whether known or unknown, based on the facts stated in
14 the PAGA Notice and Operative Complaint, including violations of the PAGA premised on
15 Defendant's alleged failure to reimburse business expenses under Labor Code § 2802. The release
16 of claims provided in this paragraph shall have *res judicata* effect.

17 **6. MOTION FOR PRELIMINARY APPROVAL**

18 The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion
19 for Preliminary Approval") that complies with the Court's current checklist for Preliminary
20 Approvals.

21 6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel
22 all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice,
23 and memorandum in support, of the Motion for Preliminary Approval that includes an analysis
24 of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under
25 Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary
26 Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed
27 declaration from the Administrator attaching its "not to exceed" bid for administering the
28 Settlement and attesting to its willingness to serve; competency; operative procedures for

1 protecting the security of Class Data; amounts of insurance coverage for any data breach,
2 defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of
3 interest with Class Members; and the nature and extent of any financial relationship with
4 Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming
5 willingness and competency to serve and disclosing all facts relevant to any actual or potential
6 conflicts of interest with Class Members; (vi) a signed declaration from Class Counsel attesting
7 to their competency to represent the Class Members; its timely transmission to the LWDA of all
8 necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)),
9 Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code
10 section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest
11 with Class Members and the Administrator.

12 6.2. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
13 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the
14 full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
15 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
16 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
17 Administrator.

18 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion
19 for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
20 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
21 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
22 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
23 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
24 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
25 Court's concerns.

26 **7. SETTLEMENT ADMINISTRATION**

27 7.1. Selection of Administrator. Plaintiff, through Class Counsel, has selected Phoenix
28 Settlement Administrators to serve as the Administrator and verified that, as a condition of

1 appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to
2 perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of
3 Administration Expenses. The Parties and their Counsel represent that they have no interest or
4 relationship, financial or otherwise, with the Administrator other than a professional relationship
5 arising out of prior experiences administering settlements.

6 7.2. Employer Identification Number. The Administrator shall have and use its own
7 Employer Identification Number for providing reports to state and federal tax authorities.

8 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund
9 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
10 Regulation section 468B-1.

11 7.4. Notice to Class Members

12 7.4.1. No later than three (3) business days after receipt of the Class Data, the
13 Administrator shall notify Class Counsel that the list has been received and state the total number
14 of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

15 7.4.2. Using best efforts to perform as soon as possible, and in no event later than
16 fourteen (14) days after receiving the Class Data, the Administrator will send to all Class
17 Members identified in the Class Data, via first-class USPS mail, the Class Notice, substantially
18 in the form attached to this Agreement as Exhibit A. The Class consists of salaried employees
19 who worked in various positions, such as instructional designer, software engineer, network
20 engineer, data analyst, technical project manager, product manager, project manager, strategic
21 account manager, customer service representative, trainer, training manager and director, account
22 manager, campaign manager. Because these positions require employees to have command of
23 the English language, translation of the Class Notice into some other language is not required.

24 7.4.3. The first page of the Class Notice shall include an estimate of any Individual
25 Class Payment and/or Individual PAGA Payment payable to the Class Member, and the respective
26 number of Workweeks and Pay Periods that were used to calculate these amounts. Before mailing
27 Class Notices, the Administrator shall update Class Members’ addresses using the National Change
28 of Address database.

1 7.4.4. Not later than three (3) business days after the Administrator's receipt of
2 any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class
3 Notice using any forwarding address provided by the USPS. If the USPS does not provide a
4 forwarding address, the Administrator shall conduct a Class Member Address Search, and re-
5 mail the Class Notice to the most current address obtained. The Administrator has no obligation
6 to make further attempts to locate or send Class Notice to Class Members whose Class Notice is
7 returned by the USPS a second time.

8 7.4.5. The deadlines for Class Members' written objections, Challenges to
9 Workweeks, and Requests for Exclusion will be extended an additional fifteen (15) days beyond
10 the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose
11 notices are re-mailed. The Administrator will inform those Class Members of the extended
12 deadline with the re-mailed Class Notice.

13 7.4.6. If the Administrator, Defendant or Class Counsel is contacted by or
14 otherwise discovers any person who believes that they should have been included in the Class
15 Data and should have received a Class Notice, the Parties will expeditiously meet and confer,
16 and in good faith in an effort to agree on whether to include them as Class Member. If the Parties
17 agree, such person will be a Class Member entitled to the same rights as other Class Members
18 and the Administrator will send, via email or overnight delivery, a Class Notice requiring them
19 to exercise options under this Agreement not later than fifteen (15) days after receipt of Class
20 Notice, or the deadline dates in the Class Notice, whichever are later.

21 7.5. Requests for Exclusion (Opt-Outs).

22 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class
23 Settlement must send the Administrator, by mail, a Request for Exclusion Form, substantially in
24 the form attached hereto as **Exhibit B**, not later than forty-five (45) days after the Administrator
25 mails the Class Notice (plus an additional fifteen (15) days for Class Members whose Class
26 Notice is re-mailed). To be valid, a Request for Exclusion must be timely postmarked by the
27 Response Deadline.
28

1 7.5.2. The Administrator shall accept any Request for Exclusion as valid if the
2 Administrator can reasonably ascertain the identity of the person as a Class Member and the
3 Class Member's desire to be excluded. The Administrator's determination shall be final and not
4 appealable or otherwise susceptible to challenge. If the Administrator has reason to question the
5 authenticity of a Request for Exclusion, the Administrator may demand additional proof of the
6 Class Member's identity. The Administrator's determination of authenticity shall be final and
7 not appealable or otherwise susceptible to challenge.

8 7.5.3. Every Class Member who does not submit a timely and valid Request for
9 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all
10 benefits and bound by all terms and conditions of the Settlement, including the Participating
11 Class Members' Releases, regardless whether the Participating Class Member actually receives
12 the Class Notice or objects to the Settlement.

13 7.5.4. Every Class Member who submits a valid and timely Request for
14 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class
15 Payment or have the right to object to the class action components of the Settlement. Because
16 future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
17 Participating Class Members who are Aggrieved Employees are deemed to release the claims
18 identified in Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA Payment,
19 regardless of whether they request to be excluded as a Class Member.

20 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have forty-
21 five (45) days after the Administrator mails the Class Notice (plus an additional fifteen (15) days
22 for Class Members whose Class Notices are re-mailed) to challenge the number of Class
23 Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge
24 the allocation by communicating with the Administrator via fax, email or mail. The
25 Administrator must encourage the challenging Class Member to submit supporting
26 documentation. In the absence of any contrary documentation, the Administrator is entitled to
27 presume that the Workweeks contained in the Class Notice are correct so long as they are
28 consistent with the Class Data. The Administrator's determination of each Class Member's

1 allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge.
2 The Administrator shall promptly provide copies of all challenges to calculation of Workweeks
3 to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

4 7.7. Objections to Settlement

5 7.7.1. Only Participating Class Members may object to the class action
6 components of the Settlement and/or this Agreement, including contesting the fairness of the
7 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel
8 Litigation Expenses Payment and/or Class Representative Service Payment.

9 7.8. Participating Class Members may send written objections to the Administrator,
10 by fax, email or mail. In the alternative, Participating Class Members may appear in Court (or
11 hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
12 A Participating Class Member who elects to send a written objection to the Administrator must
13 do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice
14 (plus an additional fifteen (15) days for Class Members whose Class Notice was re-mailed). The
15 Participating Class member may utilize the Objection Form, substantially in the form attached
16 hereto as Exhibit C. If a Class Member submits both a valid Request for Exclusion and an
17 objection, only the valid Request for Exclusion will be accepted, and the objection will be void.

18 7.8.1. Non-Participating Class Members have no right to object to any of the
19 class action components of the Settlement.

20 7.9. Administrator Duties. The Administrator has a duty to perform or observe all tasks
21 to be performed or observed by the Administrator contained in this Agreement or otherwise.

22 7.9.1. Website, Email Address and Toll-Free Number. The Administrator will
23 maintain and use an internet website to post information of interest to Class Members including
24 the date, time and location for the Final Approval Hearing and copies of the Settlement
25 Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice,
26 the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel
27 Litigation Expenses Payment and Class Representative Service Payment, the Final Approval
28

1 Order and the Judgment. The Administrator will also maintain and monitor an email address and
2 a toll-free telephone number to receive Class Member calls and emails.

3 7.9.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
4 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not
5 later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion,
6 the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the
7 names of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion
8 List”); (b) the names of Class Members who have submitted invalid Requests for Exclusion; (c)
9 copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

10 7.9.3. Objections. The Administrator will provide copies of any objections
11 received to Class Counsel and Defense Counsel no later than five (5) days after receipt.

12 7.9.4. Weekly Reports. The Administrator must, on a weekly basis, provide
13 written reports to Class Counsel and Defense Counsel that, among other things, tally the number
14 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
15 Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks
16 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
17 Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment
18 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
19 objections received.

20 7.9.5. Workweek Challenges. The Administrator has the authority to address and
21 make final decisions consistent with the terms of this Agreement on all Class Member challenges
22 over the calculation of Workweeks. The Administrator’s decision shall be final and not
23 appealable or otherwise susceptible to challenge.

24 7.9.6. Administrator’s Declaration. Before the date by which Plaintiff is required
25 to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class
26 Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its due
27 diligence and compliance with all of its obligations under this Agreement, including, but not
28 limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing

1 of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion
2 from Settlement it received (both valid or invalid), the number of written objections and attach
3 the Exclusion List. The Administrator will supplement its declaration as needed or requested by
4 the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's
5 declaration(s) in Court.

6 7.9.7. Final Report by Settlement Administrator. Within ten (10) days after the
7 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
8 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
9 identification number only of all payments made under this Agreement. At least seven (7) days
10 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
11 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement
12 of all payments required under this Agreement. Class Counsel is responsible for filing the
13 Administrator's declaration in Court.

14 **8. DEFENDANT'S RIGHT TO WITHDRAW**

15 If the number of valid Requests for Exclusion exceeds 10% of the total of all Class
16 Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement.
17 Defendant may also elect to withdraw from the Settlement if Plaintiff fails to execute an
18 individual settlement agreement that includes a general release of his claims before the
19 Effective Date or if Plaintiff exercises his right to revoke the individual settlement agreement
20 within the timeframe provided for in the individual settlement agreement. The Parties agree
21 that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect
22 whatsoever, and that no Party will have any further obligations to perform under this
23 Agreement; provided, however Defendant will remain responsible for paying all Settlement
24 Administration Expenses incurred as of the date that Defendant makes the election to withdraw.
25 Defendant must notify Class Counsel and the Court of its election to withdraw no later than
26 seven (7) days after Defense Counsel received the final list of valid Requests for Exclusions
27 from the Administrator. The Parties and their counsel agree not to take any action to encourage
28 any Class Member to opt out of and/or object to the Settlement. If Defendant withdraws, this

Agreement shall be null and void and this Action will return back to its original state as if no settlement had been reached.

9. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant has confirmed that there are 4,511 Class Members who collectively worked a total of approximately 809,520 Workweeks during the Class Period.

9.1. Increase in Workweeks or Election to Shorten the Class Period. Defendant represents that there are approximately 809,520 Workweeks worked by Class Members during the Class Period. In the event the number of Workweeks worked by Class Members during the Class Period increases by more than 80,952 Workweeks (representing 10% of the originally estimated Workweeks used for purposes of mediation), then Defendant shall have the option to either (1) increase the Gross Settlement Amount proportionally by the Workweeks in excess of 80,952 Workweeks multiplied by the Workweek Value; or (2) shorten the Class Period to the date on which the total Workweeks worked by all Class Members do not exceed 890,472 Workweeks (809,520 + 80,952). If Defendant elects to increase the Gross Settlement Amount under this paragraph, the Workweek Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount (\$1,200,000) by the originally estimated 809,520 Workweeks used for purposes of mediation, which amounts to a Workweek Value of \$1.48. Thus, for example, should there be 900,000 Workweeks in the Class Period (*i.e.*, 90,480 Workweeks in excess of 809,520), then the Gross Settlement Amount shall be increased by \$133,910.40 (900,000 Workweeks – 809,520 Workweeks = 90,480 Workweeks) x \$1.48 per Workweek).

10. MOTION FOR FINAL APPROVAL

Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall endeavor to provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

1 10.1. Response to Objections. Each Party retains the right to respond to any objection
2 raised by a Participating Class Member, including the right to file responsive documents in Court
3 no later than five (5) days prior to the Final Approval Hearing, or as otherwise ordered or
4 accepted by the Court.

5 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
6 Approval on any material change to the Settlement (including, but not limited to, the scope of
7 release to be granted by Class Members and Aggrieved Employees), the Parties will
8 expeditiously work together in good faith to address the Court's concerns by revising the
9 Agreement as necessary to obtain Final Approval. The Court's decision to award less than the
10 amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment,
11 Class Counsel Litigation Expenses Payment or Administrator Expenses Payment, shall not
12 constitute a material modification to the Agreement within the meaning of this paragraph.

13 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of
14 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely
15 for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
16 administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

17 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms
18 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
19 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties,
20 their respective counsel, and all Participating Class Members who did not object to the Settlement
21 as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights
22 to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
23 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
24 of the right to oppose such motions, *writs* or appeals. If an objector appeals the Judgment, the
25 Parties' obligations to perform under this Agreement will be suspended until such time as the
26 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
27 the amount of the Net Settlement Amount.

1 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If
2 the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
3 material modification of this Agreement (including, but not limited to, the scope of release to be
4 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
5 expeditiously work together in good faith to address the appellate court's concerns and to obtain
6 Final Approval and entry of Judgment. Any additional Administration Expenses reasonably
7 incurred after remittitur shall be deducted from the Net Settlement Amount. An appellate decision
8 to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or
9 any payments to Class Counsel shall not constitute a material modification of the Judgment
10 within the meaning of this paragraph, as long as the Gross Settlement Amount remains
11 unchanged.

12 **11. AMENDED JUDGMENT**

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

15 **12. ADDITIONAL PROVISIONS**

16 12.1. No Admission of Liability, Class Certification or Representative Manageability
17 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed
18 claims. Nothing in this Agreement is intended or should be construed as an admission by
19 Defendant that any of the allegations in the LWDA Notice and the Complaints filed in this Action
20 have merit or that Defendant have any liability for any claims asserted; nor should it be intended
21 or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The
22 Parties agree that class certification and representative treatment is for purposes of this Settlement
23 only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter
24 Judgment, Defendant reserves the right to contest certification of any class for any reasons, and
25 Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the
26 right to move for class certification on any grounds available and to contest Defendant's defenses.
27 The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing
28 on, and will not be admissible in connection with, any litigation (except for proceedings to

1 enforce or effectuate the Settlement and this Agreement). Defendant's payment to Class
2 Members does not extend or alter the Class Members' period of employment with Defendant for
3 any purpose.

4 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
5 Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval
6 of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or
7 cause or permit another person to disclose, disseminate or publicize, any of the terms of the
8 Agreement directly or indirectly, specifically or generally, to any person, corporation,
9 association, government agency, or other entity except: (1) to the Parties' attorneys, accountants,
10 or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a
11 related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4)
12 in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by
13 a state or federal government agency. Each Party agrees to immediately notify each other Party
14 of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class
15 Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate
16 any conversation or other communication, before the filing of the Motion for Preliminary
17 Approval, any with third party regarding this Agreement or the matters giving rise to this
18 Agreement except to respond only that "the matter was resolved," or words to that effect. This
19 paragraph does not restrict Class Counsel's communications with Class Members in accordance
20 with Class Counsel's ethical obligations owed to Class Members or Defendant's ability to
21 disclose the Settlement in filings that it is required to make with the Securities and Exchange
22 Commission or in other disclosures to investors.

23 12.3. No Solicitation. The Parties separately agree that they and their respective counsel
24 and employees will not solicit any Class Member to opt out of or object to the Settlement, or
25 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
26 Counsel's ability to communicate with Class Members in accordance with Class Counsel's
27 ethical obligations owed to Class Members.
28

1 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this
2 Agreement together with its attached exhibits shall constitute the entire agreement between the
3 Parties relating to the Settlement, superseding any and all oral representations, warranties,
4 covenants, or inducements made to or by any Party. No rights under this Agreement may be
5 waived except in writing and signed by the Party against whom such waiver is to be enforced.

6 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant
7 and represent that they are authorized by Plaintiff and Defendant, respectively, to take all
8 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
9 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
10 terms of this Agreement including any amendments to this Agreement.

11 12.6. Cooperation. The Parties and their counsel will cooperate with each other and
12 use their best efforts, in good faith, to implement the Settlement by, among other things,
13 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
14 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
15 the form or content of any document necessary to implement the Settlement, or on any
16 modification of the Agreement that may become necessary to implement the Settlement, the
17 Parties will seek the assistance of a mediator and/or the Court for resolution.

18 12.7. No Prior Assignments. The Parties separately represent and warrant that they
19 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
20 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
21 action, or right released and discharged by the Party in this Settlement.

22 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel
23 are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
24 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
25 CFR Part 10, as amended) or otherwise.

26 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
27 modified, changed, or waived only by an express written instrument signed by all Parties or their
28 representatives, and approved by the Court.

1 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and
2 inure to the benefit of, the successors of each of the Parties.

3 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will
4 be governed by and interpreted according to the internal laws of the state of California, without
5 regard to conflict of law principles.

6 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and
7 preparation of this Agreement. This Agreement will not be construed against any Party on the
8 basis that the Party was the drafter or participated in the drafting.

9 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders
10 entered during Action and in this Agreement relating to the confidentiality of information shall
11 survive the execution of this Agreement.

12 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant
13 to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class
14 Counsel by Defendant in connection with the mediation, other settlement negotiations, or in
15 connection with the Settlement, may be used only with respect to this Settlement, and no other
16 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
17 or rule of court.

18 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement
19 is inserted for convenience of reference only and does not constitute a part of this Agreement.

20 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
21 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
22 weekend or federal legal holiday, such date or deadline shall be on the first business day
23 thereafter.

24 12.17. Execution in Counterparts. This Agreement may be executed in one or more
25 counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this
26 Agreement shall be accepted as an original. All executed counterparts and each of them will be
27 deemed to be one and the same instrument if counsel for the Parties will exchange between
28

1 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
2 prove the existence and contents of this Agreement.

3 12.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement
4 the litigation shall be stayed, except to effectuate the terms of this Agreement, or as otherwise
5 ordered by the Court. The Parties further agree that upon the signing of this Agreement, pursuant
6 to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be
7 extended for the entire period of this settlement process.

8 12.19. Severability. In the event that one or more of the provisions contained in this
9 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
10 invalidity, illegality, or unenforceability shall in no way affect any other provision if
11 Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class,
12 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had
13 never been included in this Agreement.

14 **IT IS SO AGREED:**

15
16 _____
Plaintiff Stephen Rivers

By: _____
For Defendant Wal-Mart Associates, Inc.

17
18 **AGREED AS TO FORM ONLY:**

19
20 _____
George S. Azadian
21 Counsel for Plaintiff

22 

Aaron T. Winn
23 Counsel for Defendant
24
25
26
27
28

themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement, or as otherwise ordered by the Court. The Parties further agree that upon the signing of this Agreement, pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process.

12.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

_____ Plaintiff Stephen Rivers	Chad Pekron By: <u>Chad Pekron</u> For Defendant Wal-Mart Associates, Inc.
-----------------------------------	--

AGREED AS TO FORM ONLY:

_____ George S. Azadian Counsel for Plaintiff	_____ Aaron T. Winn Counsel for Defendant
---	---

1 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
2 prove the existence and contents of this Agreement.

3 12.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement
4 the litigation shall be stayed, except to effectuate the terms of this Agreement, or as otherwise
5 ordered by the Court. The Parties further agree that upon the signing of this Agreement, pursuant
6 to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be
7 extended for the entire period of this settlement process.

8 12.19. Severability. In the event that one or more of the provisions contained in this
9 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
10 invalidity, illegality, or unenforceability shall in no way affect any other provision if
11 Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class,
12 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had
13 never been included in this Agreement.

14 **IT IS SO AGREED:**

15 *Steve Rivers*

16 _____
Plaintiff Stephen Rivers

17 _____
By: _____
For Defendant Wal-Mart Associates, Inc.

18 **AGREED AS TO FORM ONLY:**

19 *George Azadian*
20 _____
George S. Azadian
21 Counsel for Plaintiff

22 _____
Aaron T. Winn
23 Counsel for Defendant
24
25
26
27
28

EXHIBIT A

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

Stephen Rivers v. Wal-Mart Associates, Inc.
Riverside County Superior Court Case No. CVRI2304209

The Superior Court for the State of California authorized this Notice. Read it carefully! Your legal rights may be affected by whether you act or not. It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

SUMMARY OF THIS LAWSUIT

Plaintiff Stephen Rivers ("Plaintiff"), a former Walmart employee, filed this representative lawsuit against Wal-Mart Associates, Inc. ("Defendant" or "Walmart") for alleged California Labor Code and Business & Professions Code violations, entitled *Rivers v. Wal-Mart Associates, Inc.*, Riverside County Superior Court Case No. 2304209 (the "Action").

In the Action, Plaintiff alleged that Defendant violated the California Labor Code by allegedly failing to reimburse business expenses. Plaintiff brought the Action on behalf of all persons within California who worked remotely for Defendant as a salaried (exempt) employee at any time during the Class Period (the "Class Members"). The Action also seeks penalties based on the same alleged California Labor Code violations under the California Private Attorneys General Act ("PAGA") on behalf of all persons within California who worked remotely for Defendant as a salaried (exempt) employee at any time during the PAGA Period (the "Aggrieved Employees").

The Class Period is August 16, 2019 through August 9, 2024 and the PAGA Period is August 16, 2022 through August 9, 2024.

Throughout this Action, Defendant denied, and continues to deny, any liability and denies the allegations made by Plaintiff in this Action. The Court has not made a determination as to whether Plaintiff or Walmart is correct. However, to avoid additional expense, inconvenience, and interference with Walmart's business operations, the Parties have concluded that it is in their best interests and the interests of Class Members and Aggrieved Employees to settle the Action (the "Settlement").

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

You may be eligible to receive money as a Class Member from the settlement of this Action.

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] and your Individual PAGA Payment is estimated**

to be \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the PAGA Settlement because you did not work during the PAGA Period.)

The above estimates are based on Defendant's records showing that **you worked** [REDACTED] **Workweeks** during the Class Period and **you worked** [REDACTED] **Pay Periods** during the PAGA Period. If you believe that you worked more or less workweeks or pay periods during either period, you can submit a challenge by the deadline date below. See Section 4 of this Notice.

The Court has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. **Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it.** At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

You have two basic options under the Settlement:

(1) **Do Nothing.** If you do nothing and the Court grants final approval of the Settlement, you will become a Participating Class Member in this Action and be eligible for an Individual Class Payment. As a Participating Class Member, you will be bound by the release of the Released Class Claims (defined below). You will also give up your right to pursue any Released Class Claims against Defendant.

(2) **Opt-Out of the Class Settlement.** If you do not want to participate as a Class Member, you can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion Form that is included with this notice or otherwise notifying the Administrator in writing that meets the requirements in Section 6 of this Notice. If you submit a Request for Exclusion and the Court grants final approval of the Settlement, you will **not** receive an Individual Class Payment. You will, however, preserve your right to personally pursue the Released Class Claims (defined below). Even if you opt-out of the Class Settlement, if you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing and the Court grants final approval of the Settlement, you will be a Participating Class Member, eligible for an Individual Class Payment. In exchange, you will give up your right to assert Released Class Claims (defined below) against Defendant.
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to participate as a Class Member in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator the attached Request for Exclusion Form or by otherwise notifying the Administrator in writing that meets the requirements in Section 6 of this Notice. If you submit a valid Request for Exclusion and if the Court grants final approval of the Settlement, you will be a Non-Participating Class Member and will not receive an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Even if you opt-out of the Class Settlement, if you are an Aggrieved Employee and the Court grants final approval of the Settlement, you will receive an Individual PAGA Payment and be bound by the release of the Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. You can use the attached Objection Form, notify the Administrator of your objection in writing, or object before the Court at the Final Approval Hearing. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on in Department 1 of the Riverside County Superior Court, Historic Courthouse, 4050 Main Street, Riverside, CA 92501. You don't have to attend but you do have the right to appear (or hire an attorney to appear

	on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked for Defendant during the Class Period and how many pay periods you worked for Defendant during the PAGA Period, respectively. The number of Workweeks and Pay Periods that you worked for Defendant during the Class Period and PAGA Period, respectively, according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Walmart employee who was classified by Walmart as a salaried (exempt) employee and worked for Walmart from home during the Class Period. The Action alleges that Defendant violated: (1) California Labor Code § 2802 (failure to reimburse business expenses); (2) California Business & Professions Code section 17200, which is premised on Defendant's alleged failure to reimburse business expenses; and (3) California Labor Code § 2698, which seeks PAGA penalties for Defendant's alleged failure to reimburse business expenses.

Defendant expressly denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, denies all damages and penalties claimed by Plaintiff, Class Members, and Aggrieved Employees, and further contends that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or representative action treatment. Defendant contends, among other things, that, at all times, Defendant has complied with the California Labor Code and California Business & Professions Code, had a system in place for requesting reimbursement of business expenses, and has reimbursed all requested business expenses. This Settlement should not be construed as an admission of liability on the part of Defendant, which expressly denies all liability.

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired a mediator in an effort to resolve the Action by negotiating an end to the Action by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful and the parties entered into a Class and PAGA Action Settlement Agreement settling the claims asserted or that could have been asserted in the Action (the "Agreement"). The Parties have

asked the Court to enter a judgment ending the Action and enforcing the Agreement. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

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

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

1. Defendant Will Pay \$1,200,000 as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments to Participating Class Members, Class Representative Service Payment to Plaintiff, Class Counsel Fees Payment and Class Litigation Expenses Payment to Class Counsel, the Administrator Expenses Payment to the Administrator, the LWDA PAGA Payment to the LWDA, and Individual PAGA Payments to Aggrieved Employees. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than thirty (30) days after the “Effective Date” of the Settlement, which is defined in the Settlement Agreement as the date by which both of the following have occurred: (a) when the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final.

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

A. Up to \$420,000 (35% of the Gross Settlement Amount) to Class Counsel for attorneys’ fees and not more than \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$7,500 as a Class Representative Service Payment to Plaintiff for filing the Action, working with Class Counsel and representing the Class.

C. Up to \$26,000 to the Administrator for services administering the Settlement.

D. Up to \$50,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees on a pro rata basis based on the number of Pay Periods that each Aggrieved Employee worked for Defendant during the PAGA Period, according to Defendant’s records.

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

3. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement Amount”) by making Individual Class Payments to Participating Class Members on a pro rata basis based on the number of Workweeks that each Participating Class Member worked for Defendant during the Class Period, according to Defendant’s records.

4. Taxes Owed on Payments to Class Members and Aggrieved Employees. Due to the claims seeking reimbursement for business expenses and not asserting any claims related to wages, Plaintiff and Defendant are asking the Court to approve an allocation of 100% of each Individual Class Payment and Individual PAGA Payment to non-wage damages in the form of penalties and interest for tax purposes. The Administrator will report the Individual Class Payments and Individual PAGA Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Individual Class Payment and Individual PAGA Payment (if applicable) are taxable or how much you might owe in taxes. You are responsible for paying all taxes on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class and PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the funds represented by such checks will be sent to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b).

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send the attached Request for Exclusion Form by the [REDACTED] Response Deadline. The Request for Exclusion Form must be completed by filling out your name, present address, telephone number, signature, and last four digits of your Social Security Number (to confirm identity). Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue Released Class Claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert Released PAGA Claims against Defendant.

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

money and Class Members and Aggrieved Employees will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion and Objections. The Administrator will also decide Class Member Challenges over Workweeks and Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement under the Agreement. The Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members’ Released Class Claims. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount, Participating Class Members will be legally barred from asserting any of the claims released under the Agreement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or Released Parties based on the Released Class Claims.

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

“[A]ll claims that were alleged, or reasonably could have been alleged, whether known or unknown, based on the facts stated in the Operative Complaint including: (1) all claims for failure to reimburse business expenses under Labor Code § 2802; and (2) derivative claims for violations of Business and Professions Code § 17200 et seq., based on claims for failure to reimburse business expenses.” (“Released Class Claims”)

10. Aggrieved Employees’ Released PAGA Claims. After the Court’s judgment is final, and Defendant have paid the Gross Settlement Amount, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Class Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or Released Parties based on the Released PAGA Claims.

The Aggrieved Employees will be bound by the following release of Released PAGA Claims:

“For the duration of the PAGA Period, Plaintiff, all Aggrieved Employees, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from claims for PAGA penalties that were alleged, or reasonably could have been alleged, whether known or unknown, based on the facts stated in the PAGA Notice and Operative Complaint, including violations of the PAGA premised on Defendant’s alleged failure to reimburse business expenses under Labor Code § 2802.” (“Released PAGA Claims”)

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Settlement Administrator will calculate the total Workweeks for all Settlement Class Members by adding the number of Workweeks worked by all Participating Class Member during the Class Period. The Settlement Administrator will then divide the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and multiply the result by each Participating Class Member's Workweeks that they worked during the Class Period.

2. Individual PAGA Payments. Each Aggrieved Employee's Individual PAGA Payment will be determined by dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and then multiplying the result by each Aggrieved Employee's Pay Periods they worked during the PAGA Period.

3. Workweek and Pay Period Challenges. The number of Workweeks and Pay Periods you worked during the Class Period and/or PAGA Period respectively, according to Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve any challenges based on your submission and on input from Class Counsel and Defendant Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out). The single check will combine the Participating Class Member's Individual Class Payment and Individual PAGA Payment (if applicable).

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

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Class Members may request to be excluded from the Class Settlement by submitting a letter indicating a request to be excluded from the Class Settlement that includes the information described below, or by completing and submitting the enclosed Request for Exclusion Form (both of which are referred to as a “Request for Exclusion”) to the Settlement Administrator

The easiest way to opt-out of the Settlement is to submit the attached Request for Exclusion Form but you also have the option to submit written and signed letter with your name, present address, telephone number, last four digits of your Social Security Number (to confirm your identity), and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request and identify the Action as *Stephen Rivers v. Wal-Mart Associates, Inc.* You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Enhancement Payments stating, among other information: (i) the amount Class Counsel is requesting for attorneys’ fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator’s Website [REDACTED]

You can object to the Class Settlement, as long as you have not submitted a Request for Exclusion, by submitting a written objection, as described below, or by completing and submitting the enclosed Objection Form (both of which are referred to as a “Notice of Objection”) to the Administrator.

The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. If you do not use the enclosed Objection Form, make sure you identify the Action, *Stephen Rivers v. Wal-Mart Associates, Inc.*, and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator’s contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready

to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] (time) in Department 1 of the Riverside County Superior Court, Historic Courthouse, 4050 Main Street, Riverside, CA 92501. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, the Administrator, the LWDA, Aggrieved Employees, and Participating Class Members. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually.

On the Court's website, you can find information regarding appearing remotely via Zoom online (for the Final Approval Hearing that is scheduled to be held in Department 1 of the Riverside Historic Courthouse of the Riverside Superior Court):

<https://riverside.courts.ca.gov/remoteppearance>

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to the following web page: <https://epublic-access.riverside.courts.ca.gov/public-portal/> and entering the Case Number for the Action, Case No. CVRI2304209.

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

Class Counsel:

AZADIAN LAW GROUP, PC

George S. Azadian, California Bar No. 253342

Ani Azadian, California Bar No. 284007

707 Foothill Blvd., Suite 200

La Canada Flintridge, California 91011

Telephone: 626-449-4944

Facsimile: 626-628-1722

E-Mail: george@azadianlawgroup.com

E-Mail: ani@azadianlawgroup.com

Settlement Administrator:

Name of Company: Phoenix Settlement Administrators

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund.

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT B

Stephen Rivers v. Wal-Mart Associates, Inc.
Riverside County Superior Court Case No. CVRI2304209

REQUEST FOR EXCLUSION FORM

USE AND RETURN THIS FORM ONLY IF YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT.

If you wish to exclude yourself from the Class Settlement, you must read and sign the following statement and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]
[Mailing Address]

I request to be excluded from the class action settlement in the matter of *Stephen Rivers v. Wal-Mart Associates, Inc.* By excluding myself from the class action settlement, I understand that I will not be bound by the settlement and release of the Released Class Claims, and I will not receive an Individual Settlement Payment. I understand that, nevertheless, if I am an Aggrieved Employee, exclusion from the Class Settlement will not result in exclusion from the PAGA Settlement and I will still be issued an Individual PAGA Payment.

Date: _____

Full Name: _____

Address: _____

Telephone Number: _____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

____ _

If you do not wish to exclude yourself from the Class Settlement (and you wish to receive payment from the Class Settlement), you should not complete or return this form). To receive a payment from the Class Settlement, you do not need to take any action.

EXHIBIT C

Stephen Rivers v. Wal-Mart Associates, Inc.
Riverside County Superior Court Case No. CVRI2304209

NOTICE OF OBJECTION FORM

USE AND RETURN THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you wish to object to the Class Settlement, you must state all grounds for your objection (space is provided below for doing so), attach any documents you are relying on for your objection, provide your signature, and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

I wish to object to the Class Settlement on the following grounds:

Date: _____

Full Name: _____

Address: _____

Telephone Number: _____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

____ _