

**CLARKSON LAW FIRM, P.C.**

Glenn A. Danas (SBN 270317)  
gdanas@clarksonlawfirm.com  
Maxim Gorbunov (SBN 343128)  
mgorbunov@clarksonlawfirm.com  
22525 Pacific Coast Highway  
Malibu, California 90265  
Telephone: (213) 788-4050  
Facsimile: (213) 788-4070

Kristen G. Simplicio (SBN 263291)  
ksimplicio@clarksonlawfirm.com  
Laura E. Older  
lolder@clarksonlawfirm.com  
1050 Connecticut Ave. NW, Ste. 500  
Washington, DC 20036  
Telephone: (202) 688-2105

*Attorneys for Plaintiff Lauren Dann  
and all others similarly situated*

[Additional counsel listed on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN FRANCISCO**

LAUREN DANN, individually and on behalf of  
all others similarly situated,

Plaintiffs,

vs.

THE RODAN + FIELDS COMPANY, RODAN  
+ FIELDS LLC, DR. KATIE RODAN, DR.  
KATHY FIELDS, DIMITRI HALOULOS, TIM  
ENG, LAURA BEITLER, DALIA  
STODDARD, JESSICA RAEFIELD, JANINE  
WEBER, and DOES 1-100

Defendants.

Case No.: CGC-24-612800

**CLASS ACTION**

*[Assigned for all purposes to: Hon. Jeffrey S.  
Ross, Dept. 606]*

**DECLARATION OF GLENN A. DANAS  
IN SUPPORT OF PLAINTIFFS'  
MOTION FOR PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

[Filed concurrently with Plaintiffs' Notice of  
Motion and Motion for Preliminary Approval,  
Declarations of Lauren Dann, Kathryn Cude,  
and Mary Yoon in Support of Plaintiffs'  
Motion for Preliminary Approval of Class  
Action Settlement and [Proposed] Order  
Granting Motion]

**PRELIMINARY APPROVAL HEARING**

Date: June 2, 2025

Time: 9:00 a.m.

Dept: 606

Complaint filed: March 1, 2024

FAC filed: May 14, 2024

ELECTRONICALLY

**FILED**

Superior Court of California,  
County of San Francisco

**05/06/2025**

**Clerk of the Court**

BY: SANDRA SCHIRO

Deputy Clerk

1 **TYCKO & ZAVAREEI LLP**

2 Shana H. Khader (*pro hac vice* forthcoming)

3 2000 Pennsylvania Avenue, NW, Suite 1010

4 Washington, District of Columbia 20006

5 Telephone: (202) 973-0900

6 Facsimile: (202) 973-0950

7 skhader@tzlegal.com

8 Emily Feder Cooper (State Bar No. 352951)

9 1970 Broadway, Suite 1070

10 Oakland, California 94612

11 Telephone: (510) 254-6808

12 Facsimile: (202) 973-0950

13 ecooper@tzlegal.com

14 *Attorneys for Plaintiffs Lauren Dann, and all others similarly situated*

1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8

1. I am admitted, in good standing, to practice as an attorney in the State of California, the Ninth Circuit Court of Appeals, the 2d Circuit Court of Appeals, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a partner at Clarkson Law Firm, P.C., counsel for Plaintiffs Lauren Dann, Kathryn Cude, and Mary Yoon (“Plaintiffs”). Our office is working collectively in this matter on behalf of Plaintiffs with Kristen G. Simplicio, Shana H. Khader, and Emily Feder Cooper at Tycko & Zavareei LLP under a joint prosecution agreement. Unless stated otherwise, I have personal knowledge of the facts recited in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement.

2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Cal. Lab. Code §§ 2699, *et seq.*) representative action. Plaintiffs and putative class members worked in California as independent contractors for Defendants during the class period. Defendants sell beauty products throughout the United States including California. Defendants recently changed their business model from a multi-level marketing business (MLM) to a direct-to-consumer model.

3. Plaintiffs allege that Defendants' practices of misclassifying their Brand Consultants resulted in Labor Code violations. Plaintiffs allege that Defendants willfully misclassified their Brand Consultants as independent contractors, failed to have legally compliant meal and rest period policies, that Defendants failed to provide compliant meal and rest periods for which they did not pay all meal premiums, that Plaintiffs and Class Members were required to perform work off-the-clock which they were not compensated for, and that Defendants failed to reimburse Plaintiffs and Class Members for necessary business expenses. Based on these allegations, Plaintiffs assert related claims for failure to provide accurate wage statements, failure to timely pay all final wages at termination, unfair business practices, and civil penalties under PAGA.

1           4.       On March 1, 2024, Plaintiffs filed a putative wage-and-hour class action complaint  
2 against Defendants for: (1) Failure to Pay Minimum Wage and Liquidated Damages; (2) Failure  
3 to Provide Meal Periods or Meal Premium Wages; (3) Failure to Provide Rest Periods or Rest  
4 Break Premium Wages; (4) Failure to Keep Requisite Payroll Records; (5) Failure to Provide  
5 Timely and Accurate Wage Statements; (6) Failure to Timely Pay Wages ; and (7) Failure to Pay  
6 Wages Upon Separation; (8) Failure to Reimburse Business Expenses; and (9) Unfair Competition  
7 (Bus. & Prof. Code §§ 17200 et seq). On May 14, 2024, Plaintiffs filed their First Amended Class  
8 and Representative Action Complaint, which added a cause of action for civil penalties under  
9 PAGA (“Operative Complaint”).

10                               DISCOVERY AND INVESTIGATION

11           5.       Plaintiffs’ counsel undertook a lengthy investigation before bringing this lawsuit,  
12 including researching R+F’s business model, as well as undertaking extensive legal analysis of the  
13 direct sales exemption to AB 5, codified at California Unemployment Code section 650. Following  
14 the filing of the Complaint, the Parties exchanged documents and information before mediating  
15 this action. Defendants produced various documents including data showing the account  
16 enrollment and termination dates of putative class members, policies and procedures that governed  
17 putative class members, and data reflecting payments made to and purchases made by putative  
18 class members. Defendants also provided various financial records that enabled Class Counsel to  
19 conclude that the Maximum Settlement Amount was appropriate given the circumstances. Before  
20 filing, and in preparation for mediation, Plaintiffs’ counsel consulted at length with Plaintiffs and  
21 others regarding their experiences, including a thorough review of materials they provided.

22           6.       After reviewing and analyzing documents regarding Defendant’s policies and  
23 practices, documents showing payments to Brand Consultants and purchases made by Brand  
24 Consultants, and other documents related to the claims, Class Counsel was able to evaluate the  
25 probability of R+F’s success on a motion to compel arbitration and likely impact of *Viking River*  
26 *v. Moriana*, 596 U.S. 639, on the progression of the PAGA claims in the event Defendants were  
27 successful on arbitration. Class Counsel also evaluated the likelihood of success on class  
28 certification, success on the merits, and Defendant’s maximum monetary exposure for all claims.

1 Class Counsel's financial expert also reviewed financial documents produced by Defendants. Class  
2 Counsel also investigated the applicable law regarding the defenses Defendants indicated they  
3 would assert in the Litigation. Class Counsel reviewed these records and utilized an expert to  
4 prepare a damages analysis prior to mediation.

#### 5 SETTLEMENT NEGOTIATIONS

6 7. On July 5, 2024, the Parties participated in private mediation with experienced class  
7 action mediator, Hon. Louis Meisinger (Ret.) The settlement negotiations were at arm's length  
8 and, although conducted in a professional manner, were adversarial. The Parties went into the  
9 mediation willing to explore the potential for a settlement of the dispute, but each side was also  
10 prepared to litigate their position through trial and appeal if a settlement had not been reached.

11 8. After extensive negotiations and discussions regarding the strengths and  
12 weaknesses of Plaintiffs' claims and Defendant's defenses, the Parties were able to reach a  
13 resolution, the material terms of which are encompassed within the Settlement Agreement.  
14 Attached as Exhibit 1 is a true and correct copy of the Class Action and PAGA Settlement  
15 Agreement and Class Notice ("Settlement" or "Settlement Agreement") and attached as Exhibit 2  
16 is a true and correct copy of the redlined version of the Los Angeles County Superior Court  
17 Complex Department Model Class Action and PAGA Settlement Agreement and Class Notice  
18 (which the Parties based the Settlement Agreement and Class Notice upon, which has been redlined  
19 to show the changes).

20 9. The Settlement includes \$500,000.00 allocated to Plaintiffs' claims under PAGA,  
21 with 75% (\$375,000.00) of which is being paid to the LWDA and 25% (\$125,000.00) being paid  
22 to PAGA Members. (Settlement, §3.2.5.) Class Counsel submitted the proposed settlement to the  
23 LWDA before filing this Motion for Preliminary Approval.

24 10. The Settlement provides that Defendants will not oppose a fee application of up to  
25 33 1/3%) (\$2,666,666.67) of the Gross Settlement Amount, plus Class Counsel's actual out-of-  
26 pocket costs. (Settlement, § 3.2.2.)

27 11. Class Counsel requested several bids from experienced class action settlement  
28 administrators to handle the responsibilities of the Settlement Administrator under this Settlement.

1 The Parties accepted the bid of Verita Global LLC. Verita Global LLC has multiple years of  
2 experience in the field of Class Action Administration. In its bid, Verita Global LLC provided a  
3 dynamic bid based on the number of Claim Forms that will be submitted for a class of 42,220.

4 12. Plaintiffs do not have any interest, financial or otherwise, in the third-party  
5 administrator, Verita Global LLC.

6 13. No one at Clarkson Law Firm (meaning the law firm itself and anyone employed at  
7 the law firm) has any interest, financial or otherwise, in the third-party administrator, Verita Global  
8 LLC.

9 14. Clarkson Law Firm has a fee-splitting agreement in this case with Tycko & Zavareei  
10 LLP. The agreement requires the attorneys' fees in this case to be split as follows: 55% to Clarkson  
11 Law Firm and 45% to Tycko & Zavareei LLP.

12 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

13 15. Class Counsel has conducted a thorough investigation into the facts and risks of this  
14 case and the likelihood of obtaining a higher recovery for the class through continued litigation.  
15 Based on the foregoing discovery and their own independent investigation and evaluation, Class  
16 Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best  
17 interests of the Settlement Class Members in light of all known facts and circumstances, the risk  
18 of significant delay, the defenses that could be asserted by Defendants both to certification and on  
19 the merits, trial risk, and appellate risk.

20 16. Based on an analysis of the facts and legal contentions in this case, documents and  
21 information from Defendants, I evaluated Defendant's maximum exposure. I took into account  
22 the risk of not having the claims certified and the risk of not prevailing at trial, even if the claims  
23 are certified, as well as the risk that Defendants would not be able to pay a large judgment even if  
24 one was awarded at trial. After using the data Defendants provided, including class commission  
25 and expenses data, as well as class member demographics (i.e., the number of class members,  
26 workweeks, and average total compensation of the class), I created a damages model to evaluate  
27 the realistic range of potential recovery for the class. The damages model is based on the following  
28 benchmarks:

Total Class Members: 42,217 (20,652 of those made commissions)  
Class Members with Terminated Accounts During 3-year Statute: 25,619  
Total Registered weeks: 6,283,786 (3,750,502 for Consultants with Commissions and  
2,533,284 for Consultants without Commission)  
Total PAGA Group Members: 20,460  
Total PAGA Periods: 595,075  
Avg. Minimum Wage: \$14.70

17. Based on Plaintiffs' discovery and investigation, Class Counsel reached the conclusion that Defendants misclassified Consultants, failed to have legally compliant meal and rest period policies, that Defendants failed to provide compliant meal and rest periods which they did not pay all meal premiums for, that Plaintiffs and Class Members were required to perform work off-the-clock which they were not compensated for, and that Defendants failed to reimburse Plaintiffs and Class Members for necessary business expenses. Defendants denied these claims.

18. Defendants classified Class Members as independent contractors, rather than employees. In light of this classification, there is a lack of employment records showing the number of hours worked as well as during which weeks Class Members actually worked. Moreover, many putative class members simply kept their accounts active without performing any work. Therefore, Plaintiffs used separate assumptions depending on whether a Consultant earned commission.

19. The overarching risks here were significant. Plaintiffs face substantial risk if they were to continue litigating this matter. Most importantly, for class members to have any chance of recovering damages at trial, Plaintiffs would have needed to prevail on a motion to compel arbitration, defeating the entire arbitration agreement and doing so in a way that applied classwide. While waivers of the right to pursue representative PAGA claims are not enforceable, individual Plaintiffs may have had to arbitrate their individual Labor Code violations first before returning to court to address the representative portion. Although Plaintiffs believe they would have prevailed on the merits in arbitration, their theories are novel, and an arbitrator may not have agreed. Moreover, regardless of which way the arbitrator(s) ruled on the merits, there are unanswered questions regarding whether claim and issue preclusion applies when an arbitrator resolves an

1 “individual” PAGA claim, potentially necessitating a second round of merits briefing in this Court.

2 20. Moreover, the arbitration agreement here also contained a class waiver, and  
3 Plaintiffs faced a difficult obstacle in persuading a court and/or the arbitrator that the entire  
4 arbitration agreement should be thrown out. It is highly likely that Defendants would have  
5 prevailed in enforcing their arbitration clause as to the class claims, in which case, every single  
6 class member would have been required to file their own individual arbitrations, incurring  
7 significant out of pocket expenses, investment of time, and, potentially, challenges obtaining legal  
8 representation in pursuing smaller value individual claims on a risky and novel case theory.

9 21. Thus, the mere fact that this case has settled on a classwide basis at an early stage,  
10 before a highly risky motion, is an enormous victory for the class, who faced the prospect of no  
11 recovery had Defendants prevailed on an early motion to compel arbitration. Even if that were the  
12 only risk, the recovery here would be fair. But there were many more risks here.

13 22. Plaintiffs would need to prevail on a Motion for Class Certification. Defendants  
14 dispute that class certification is warranted here and would likely argue that the claims here arise  
15 out of individualized inquiries, rather than common questions of law and fact.<sup>1</sup> In particular,  
16 Defendants would likely argue that some portion of class members did not engage in any marketing  
17 or sales, but may have enrolled as Consultants to obtain a discount on R+F products. (*Id.*) While  
18 Plaintiffs expect to prevail on this argument, it presents an unusual risk not present in typical wage  
19 & hour cases. (*Id.*)

20 23. Second, Class Members were classified by Defendants as independent contractors.  
21 (*Id.*) To be entitled to any of the damages under the claims asserted, Plaintiffs would first need to  
22 prevail on the issue of misclassification to show that Class Members should have been classified  
23 as employees instead. (*Id.*) The merits here present a novel question: does the Direct Salesperson  
24 Exception to AB 5 apply to Defendants? As Plaintiffs allege in the Complaint, the exemption was  
25

26 <sup>1</sup> This discount for risk at certification and trial is reasonable because the Judicial Council  
27 of California found that only 21.4% of all class actions were certified either as part of a  
28 settlement *or* as part of a contested certification motion. *See* Findings of the Study of California  
Class Action Litigation, 2000-2006, available at [http:// www.courts.ca.gov/documents/class-  
action-lit-study.pdf](http://www.courts.ca.gov/documents/class-action-lit-study.pdf).



1 written several decades ago, and the MLM industry has long depended on that exemption to justify  
2 its decision to classify sellers, such as the R+F Consultants here, as independent contractors.  
3 Compl. ¶ 6. While Plaintiffs allege that R+F’s business model does not fall under the exemption,  
4 which requires sales be conducted, “primarily in person,” Unemp. Ins. Code, § 650, no court has  
5 interpreted what “in person” means in the context of that law, and Defendants may argue that it  
6 covers social media transactions as well as those physically in person. While Plaintiffs believe they  
7 have the stronger argument here, appeals are likely and may delay resolution. And if Defendants  
8 ultimately prevailed, the misclassification inquiry would be guided by the more rigorous  
9 multifactor test laid out in *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989)  
10 48 Cal.3d 341, under which, Defendants argue, Plaintiffs would not prevail.

11       24.     Third, even if Plaintiffs prevailed on certifying the class and showing that Class  
12 Members were misclassified, Plaintiffs would still need to prove Defendants’ liability under the  
13 actual claims themselves (e.g. that they were entitled to meal and rest breaks and Defendants failed  
14 to provide compliant breaks.) For example, Defendants argue that Class Members fall under the  
15 outside salesperson exception, which exempts them from almost every alleged claim except willful  
16 misclassification and failure to reimburse business expenses.

17       25.     Finally, even if Plaintiffs succeeded on all the above and obtained a large judgment  
18 for the class, there are doubts as to whether such a judgment would ever be awarded. Defendants  
19 would likely challenge a high PAGA penalty award here on due process grounds, as well as appeal  
20 various final and interlocutory rulings. And there are risks that a delay of recovery may present  
21 challenges in collecting on a judgment. Class Counsel’s investigation reveals that the MLM  
22 industry as a whole has been less profitable than it has in the past, and thus, there are concerns that  
23 any defendant in this industry could face bankruptcy, or other financial problems that may impact  
24 a court’s decision to award PAGA penalties or otherwise make collecting on a judgment  
25 challenging. Moreover, based on public reporting on R+F’s financial condition, concerns here were  
26 warranted. Considering all these risks, Class Counsel believes that very significant discounts are  
27 warranted and the settlement amount reached is reasonable, adequate, and fair.

28       26.     Class Counsel estimates that those who earned commissions generally worked more

1 hours than those who did not. As discussed above, some may have enrolled as Consultants simply  
2 to obtain a discount on R+F products. Class Counsel estimates Defendants' potential liability for  
3 failure to pay for all hours worked based on an average of 5 hours worked for those who earned  
4 commissions and 1 hour per week for those who earned no commissions is \$312,901,171  
5  $((3,750,502 * 5 \text{ hours} * \$14.70) + (2,533,284 \text{ weeks} * 1 \text{ hour} * \$14.70))$ . However, Defendants  
6 can argue that Class Members were paid minimum wage for most of their hours through  
7 commissions. Defendant's records show that approximately \$126,780,777 was paid out to Class  
8 Members during the class period, Therefore, when subtracting out the amount paid as commissions,  
9 the potential liability is reduced to \$186,120,394.

10 27. With respect to the meal period and rest period claims, Class Counsel estimates  
11 these violations were rare, given the nature of the work. Consultants who did not earn commission  
12 would have been unlikely to have worked four hours straight without a break and/or eight hours  
13 without a meal break. Of the 20,652 Consultants who did earn a commission, some on occasion  
14 may have experienced a violation. Class Counsel estimates that approximately 10 percent of  
15 Consultants who earned a commission experienced an average of five violations of meal and rest  
16 breaks in total. Therefore, Class Counsel estimates Defendants' potential liability on these two  
17 claims at \$303,584, i.e. \$151,792 for each claim,  $(20,652 \text{ Consultants} * 10\% * \$14.70 * 5)$ .  
18 However, Defendants are likely to argue that Class Members worked on their own time, and  
19 therefore any missed meal and rest break was purely voluntary.

20 28. Plaintiffs allege that Defendants had an improper practice of failing to reimburse  
21 putative class members for necessary business expenses, as Plaintiffs will attest that Defendants  
22 required Class Members to pay out-of-pocket to purchase Defendants' products, pay fees, use their  
23 own cell phones, and use their own internet service. Estimating that class members incurred an  
24 average of \$1,000 in unreimbursed employment expenses each, the potential liability for this claim  
25 is \$42,217,000  $(\$1,000 * 42,217)$ .

26 29. In sum, I estimated that Plaintiffs' maximum recovery for the unpaid wages based  
27 on the failure to pay for all hours worked, meal and rest period violations, and failure to reimburse  
28 for necessary business expenses, is \$228,640,978.

1           30. With respect to Plaintiffs' claims for statutory and civil penalties, Plaintiffs  
2 estimated that Defendant's potential liability is \$229,384,985. Defendant's potential liability for  
3 waiting time penalties based on approximately 25,619 terminated class members during the 3-year  
4 statute is \$8,069,985. Defendants' potential liability for inaccurate wage statements based on  
5 approximately 20,460 class members who worked 595,075 pay periods within the 1-year statute is  
6 \$59,507,500 (595,075 \* 100). Finally, Defendants' potential liability for PAGA violations based  
7 on the Court assessing a \$100 penalty for violations for all 595,075 pay periods within the 1-year  
8 statute and a \$5,000 penalty for willful misclassification for each of the 20,460 class members who  
9 worked within the 1-year statute of limitations is \$161,807,500 ((595,075 \* \$100) + (20,460 \*  
10 \$5,000). I believe that it would be unrealistic to expect the Court to award the full \$229,384,985  
11 in penalties given Defendants' defenses, the contested nature of Plaintiffs' claims, and the  
12 discretionary nature of penalties.

13           31. Moreover, these penalties come with their own additional risks. The California  
14 Supreme Court has recently held that employers are only liable for failure to provide accurate wage  
15 statements and failure to pay all wages upon termination if they do so "knowingly and  
16 intentionally." (*See generally Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th 1056;  
17 Labor Code 2699(e)(1).) And Defendants would also dispute whether the misclassification was  
18 "willful." If an employer has a reasonable, good faith belief it is complying with California law,  
19 they may be able to avoid liability under Labor Codes 226 and 203. (*Id.*) Similarly, a Court has  
20 discretion to reduce PAGA penalties if an employer makes a "good faith attempt" to comply with  
21 California law. (*Carrington v. Starbucks* (2018) 30 Cal.App.5th 504, 517, 529 [affirming the trial  
22 court's decision to award only \$5 for each PAGA violation.]

23           32. **Using these estimated figures, Plaintiffs predicted that the realistic maximum**  
24 **recovery for all claims, including penalties, would be \$458,025,963.79.** Considering the risk  
25 and uncertainty of prevailing at class certification, prevailing at trial, and Defendants' unlikely  
26 ability to pay a large judgment, this is an excellent result for the Class. Indeed, because of the  
27 proposed Settlement, class members will receive timely, guaranteed relief and will avoid the risk  
28 of an unfavorable judgment.

1           33.     While Plaintiffs are confident in the merits of their claims, a legitimate controversy  
2 exists as to each cause of action. Plaintiffs also recognize that proving the amount of wages due to  
3 each Class Member would be an expensive, time-consuming, and uncertain proposition.

4           34.     This Settlement avoids the risks and the accompanying expense of further litigation.  
5 Although the Parties had engaged in a significant amount of investigation, informal discovery and  
6 class-wide data analysis, the Parties had not yet completed formal written discovery. Plaintiffs  
7 intended to depose corporate officers and managers of Defendants. Moreover, preparation for class  
8 certification and a trial remained for the Parties as well as the prospect of appeals in the wake of a  
9 disputed class certification ruling for Plaintiffs and/or adverse summary judgment ruling. Had the  
10 Court certified any claims, Defendants could move to decertify the claims. As a result, the Parties  
11 would incur considerably more attorneys' fees and costs through trial.

12           35.     As a result, each Settlement Class Member is eligible to receive an average gross  
13 benefit of approximately \$189.50 with those who submit claim forms showing they performed  
14 more work or incurred more costs receiving more. This is a fair process, as there are putative class  
15 members who opened up accounts but did not accrue any significant costs or

16           36.     The proposed Settlement of \$8,000,000, therefore, represents a substantial recovery  
17 when compared to Plaintiffs' reasonably forecasted recovery. When considering the risks of  
18 litigation, the uncertainties involved in achieving class certification, the burdens of proof necessary  
19 to establish liability, and the probability of appeal of a favorable judgment, it is clear that the  
20 settlement amount of \$8,000,000 is within the "ballpark" of reasonableness, and preliminary  
21 settlement approval is appropriate.

22                   ENHANCEMENT AWARD FOR PLAINTIFFS IS REASONABLE

23           37.     Class Counsel represents that Plaintiffs and the other signatory Class Members  
24 devoted a great deal of time and work assisting counsel in the case, communicated with counsel  
25 very frequently for litigation and to prepare for mediation, and was frequently in contact with Class  
26 Counsel during the mediation. Plaintiffs' requested enhancement award is reasonable, particularly  
27 in light of the substantial benefits Plaintiffs generated for all class members.

28           38.     Throughout this Litigation, Plaintiffs, who are former and current independent

1 contractors of Defendants, have cooperated immensely with my office and have taken many actions  
2 to protect the interests of the class. Plaintiffs provided valuable information regarding unpaid  
3 overtime, meal period, and rest period claims. Plaintiffs also informed my office of developments  
4 and information relevant to this action, participated in decisions concerning this action, made  
5 themselves available to answer questions during the mediation, and provided my office with the  
6 names and contact information of potential witnesses in this action. Before we filed this case,  
7 Plaintiffs provided my office with documents regarding the claims alleged in this action. The  
8 information and documentation provided by Plaintiffs were instrumental in establishing the alleged  
9 wage and hour violations alleged in this action, and the recovery provided for in the Settlement  
10 Agreement would have been impossible to obtain without Plaintiffs' participation.

11 39. At the same time, Plaintiffs faced many risks in adding themselves as class  
12 representatives in this matter. Plaintiffs faced actual risks with their future employment, such as  
13 putting themselves on public record in an employment lawsuit could also very well affect their  
14 likelihood for future employment. Furthermore, as part of this Settlement, Plaintiffs is executing  
15 a general release of all claims against Defendants.

16 40. In turn, class members will now have the opportunity to participate in a settlement,  
17 reimbursing them for alleged wage violations they may have never known about on their own or  
18 been willing to pursue on their own. If these class members would have each tried to pursue their  
19 legal remedies on their own, that would have resulted in each having to expend a significant amount  
20 of their own monetary resources and time, which were obviated by Plaintiffs putting themselves  
21 on the line on behalf of these other class members.

22 41. In the final analysis, this class action would not have been possible without the aid  
23 of Plaintiffs and the other signatory Class Members, who put their own time and effort into this  
24 Litigation, sacrificed the value of his own individual claims, and placed themselves at risk for the  
25 sake of the class members. The requested enhancement award for the three Plaintiffs as the class  
26 representatives and for their general release of all individual claims is a relatively small amount of  
27 money when the time and effort put into the litigation are considered and in comparison, to  
28

enhancements granted in other class actions. The requested incentive award is therefore reasonable to compensate Plaintiffs for their active participation in this lawsuit.

THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

42. The Settlement provides for attorney's fees payable to Class Counsel in an amount up to one-third (33 1/3%) of the Settlement Amount, for a maximum fees award of \$2,666,666.67, plus actual costs and expenses. The proposed award of attorneys' fees to Class Counsel, in this case, can be justified under either method – lodestar or percentage recovery. Class Counsel, however, intends to base the proposed award of fees, costs, and expenses on the percentage method as many of the entries in the time records will have to be redacted to preserve attorney-client and attorney work product privileges.

43. I am informed and believe that the fee and costs provision is reasonable. The fee percentage requested is less than that charged by my office for most employment cases. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

44. It is further estimated that my office will need to spend at least another 50 to 100 hours monitoring the process leading up to the final approval and payments made to the class. My office also bears the risk of taking whatever actions are necessary if Defendants fail to pay.

45. The risk to my office has been very significant, particularly if we would not be successful in pursuing this class action. In that case, we would have been left with no compensation for all the time taken in litigating this case. Indeed, I have taken on several class action cases that have resulted in thousands of attorney hours being expended and ultimately having certification denied or the defendant company going bankrupt. The contingent risk in these types of cases is very real and they do occur regularly. Furthermore, we were precluded from focusing on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

46. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Clarkson Law Firm represents virtually all its employment law clients on a contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or successfully settle our clients' cases. Because Clarkson Law Firm is taking

1 the risk that we will not be reimbursed for our time unless our client settles or wins his or his case,  
2 we cannot afford to represent an individual employee or independent contractor on a contingency  
3 basis if, at the end of our representation, all we are to receive is our regular hourly rate for services.  
4 It is essential that we recover more than our regular hourly rate when we win if we are to remain  
5 in practice so as to be able to continue representing other individuals in civil rights employment  
6 disputes.

7 47. As of the drafting of Plaintiffs' Motion for Preliminary Approval of Class Action  
8 Settlement, my office has incurred around \$10,843.37 in expenses litigating this action, and we  
9 anticipate accruing additional costs up to the Final Approval of the Settlement. These expenses  
10 were reasonably necessary to the Litigation and were actually incurred by my office. They should  
11 be reimbursed in full, up to the maximum amount allowed in the Settlement Agreement.

12 MY EXPERIENCE AND QUALIFICATIONS

13 48. Clarkson Law Firm, P.C. is comprised of over 25 attorneys and 70  
14 employees. Clarkson Law Firm, P.C. is actively and continuously practicing in employment  
15 litigation, representing employees in both individual and class actions in both state and federal  
16 courts throughout California.

17 49. Clarkson Law Firm, P.C. is qualified to handle this litigation because its attorneys  
18 are experienced in litigating Labor Code violations in both individual, class action, and  
19 representative action cases.

20 50. I received my undergraduate degree from Cornell University's School of Industrial  
21 and Labor Relations in 1998, my law degree from Emory University School of Law in 2001 and  
22 was admitted to the California Bar in June 2010. I clerked for the Honorable U.W. Clemon, Chief  
23 Judge of the United States District Court for the Northern District of Alabama following law  
24 school. I have more than 15 years of litigation experience representing clients in complex litigation  
25 in state and federal courts, and since 2009, I have focused primarily on California wage and hour  
26 litigation.

27 51. I have been a partner at Clarkson Law Firm LLP since June 2022, where I have  
28 devoted most of my practice to representing employees in wage and hour litigation, especially

1 under PAGA.

2 52. Prior to Clarkson Law Firm, I was a partner at Robins Kaplan LLP (from 2018 to  
3 2022), where I also devoted a substantial amount of my practice to wage and hour litigation,  
4 especially under PAGA. Prior to Robins Kaplan, I was an associate (from 2009 through 2015) and  
5 then a partner (from 2015 through 2018) at Capstone Law APC, one of the largest wage and hour  
6 boutique firms in California.

7 53. I have been lead counsel on some of the most notable wage and hour court decisions  
8 in California, including *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal. 4th 348 (2014);  
9 *Williams v. Superior Ct.*, 3 Cal. 5th 531 (2017); *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d  
10 1117 (9th Cir. 2014); *Brown v. Ralphs Grocery Co.*, 197 Cal. App. 4th 489 (2011), as modified  
11 (July 20, 2011); and *Gerard v. Orange Coast Memorial Medical Center*, 6 Cal. 5th 443 (2018).

12 54. I have been recognized as a leader among the plaintiffs' bar in the wage and hour  
13 litigation numerous times, including by earning a California Lawyer Attorney of the Year (CLAY)  
14 award in 2015, was named by the Daily Journal one of California's Top 100 Lawyers across all  
15 practice areas, and named to the Daily Journal's list of Top Labor and Employment Attorneys  
16 seven times, from 2015 to 2019, 2023 and 2024. I also serve on the California Lawyers Association  
17 Labor and Employment Section Executive Committee, where I chaired the Annual Advanced  
18 Wage and Hour Conference from 2019-2021.

19 55. Ms. Simplicio is a Partner at Clarkson. She has represented consumers and workers  
20 in a wide range of class action lawsuits arising under various state and federal laws. Prior to joining  
21 Clarkson in 2024, Ms. Simplicio worked at two consumer class action firms, spending five years  
22 at Tycko & Zavareei LLP in Washington, D.C., including working on this matter there, and ten  
23 years at Gutride Safier LLP in San Francisco. Over the course of her career, Ms. Simplicio achieved  
24 a number of successes on behalf of consumers in the areas of false advertising and unfair debt  
25 collection practices. In particular, Ms. Simplicio has successfully sued loan servicers over junk  
26 fees charged to homeowners and students. She has also litigated a number of cases brought under  
27 the Racketeer Influenced and Corrupt Organizations Act. Ms. Simplicio graduated cum laude from  
28 American University, Washington College of Law, in 2007. There, she served as Notes &



Comments Editor on the Administrative Law Review. She obtained her Bachelor's degree from McGill University in 1999. Ms. Simplicio is admitted to the bars of the State of California and the District of Columbia. She is a member of the Supreme Court bar, and the bars of the First, Fourth, Ninth, and Eleventh Circuits. In addition, she is admitted to practice in the bars of the Northern, Eastern, and Central District of California, the District of Columbia. She is a member of the American Association for Justice, National Association of Consumer Advocates, and Public Justice.

56. Maxim Gorbunov is an Associate Attorney at Clarkson. Mr. Gorbunov focuses his practice on employment and wage and hour class actions, working to obtain numerous settlements on behalf of employees. Mr. Gorbunov is admitted to the State Bar of California, and the bars of the United States District Courts for the Northern, Southern, Eastern, and Central Districts of California. Mr. Gorbunov received his Juris Doctor from the University of California, Hastings College of Law in 2021. During law school, he was a Board Member, competitor, and student coach of the Hastings Moot Court Team, being awarded the Student Coach of the Year award. He graduated from the University of California, Irvine in 2012, with a Bachelor of Arts in Cognitive Science, completing the Psychology Honors Program.

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

Executed on May 6, 2025, at Los Angeles, California.

/s/ Glenn A. Danas

---

Glenn A Danas

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles. I am over the age of eighteen years and not a party to  
3 the within entitled action. My business address is 22525 Pacific Coast Highway, Malibu, CA 90265.

4 On **May 6, 2025**, I served a copy of the following document(s) on the interested party(ies) and/or  
5 person(s) identified on the Service List in the manner set forth below.

6 **Documents Served**

7 **DECLARATION OF GLENN A. DANAS IN SUPPORT OF PLAINTIFFS' MOTION FOR  
8 PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

9 **Service List**

<b>ELLIS GEORGE LLP</b> Eric M. George <a href="mailto:egeorge@ellisgeorge.com">egeorge@ellisgeorge.com</a> <a href="#">Christopher T. Berg</a> <a href="mailto:cberg@ellisgeorge.com">cberg@ellisgeorge.com</a> 2121 Avenue of the Stars, Suite 3000 Los Angeles, CA 90067  <i>Attorneys for Defendants</i>	<b>TYCKO &amp; ZAVAREEI LLP</b> Shana H. Khader <a href="mailto:skhader@tzlegal.com">skhader@tzlegal.com</a> 2000 Pennsylvania Avenue, Northwest, Suite 1010 Washington, District of Columbia 20006  <b>TYCKO &amp; ZAVAREEI LLP</b> Emily Feder Cooper <a href="mailto:ecooper@tzlegal.com">ecooper@tzlegal.com</a> 1970 Broadway, Suite 1070 Oakland, California 94612  <i>Attorneys for Plaintiff, the Putative Class, and all other Aggrieved Employees</i>
--	--

14 **Method of Service**

15 **[X] BY ELECTRONIC MEANS:** I caused to be transmitted a true and correct copy of the foregoing  
16 document(s) via File & Serve XPress to the interested party(ies)/person(s) as set forth on the above  
17 service list pursuant to court order.

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

20 Executed on **May 6, 2025**

21 /s/ Antonia Smith  
22 Antonia Smith

# EXHIBIT 1

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Lauren Dann, Kathryn Cude, and Mary Yoon (“Plaintiffs”) and Defendants The Rodan + Fields Company, Rodan + Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber (“Defendants”) The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendants captioned *Dann v. The Rodan + Fields Company, et al.*, San Francisco County Superior Court, Case No. CGC-24-612800, initiated on March 1, 2024 and pending in Superior Court of the State of California, County of San Francisco.
- 1.2. “Administrator” or “Settlement Administrator” means Verita Global LLC (“Verita”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Maximum Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “PAGA Claimant” means all persons who entered into Consulting Agreements with Defendants in California, and who were classified by Defendants as an “independent contractor” on or after March 1, 2023 and ending on the date the motion for preliminary approval is granted.
- 1.5. “Claim Form” means the online form that will be available on the Settlement Website where Class Members can submit additional information to be used to calculate their Individual Class Payment and elect the method by which they payment shall be sent, in the form, without material variation, attached as Exhibit B and incorporated by reference into this Agreement.
- 1.6. “Class” means all persons who entered into Consultant Agreements with Defendants in California for the purpose of selling Rodan+Fields’s products in exchange for commissions, and who were classified by Rodan+Fields as “independent contractors” during the Class Period.
- 1.7. “Class Counsel” means Glenn Danas and Kristen Simplicio of Clarkson Law Firm P.C., and Shana Khader of Tycko & Zavareei LLP.
- 1.8. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

- 1.9. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, e-mail address, last-known mailing address, Social Security number, any internal consultant identification numbers, the number of Class Period Registered Weeks and PAGA Registered Periods, and history of purchases from, fees paid to, and sales made on behalf of Defendants. Rodan+Fields authorizes the release of this Class Data to the Settlement Administrator for purposes related to administering this Settlement. The Settlement Administrator shall take all reasonable steps to maintain the confidentiality and security of the Class Data, except to the extent disclosure is required as stated in this Agreement. Class Data used to calculate the amount of each Class Member’s claim will be printed on each Class Member’s respective Class Notice.
- 1.10. “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 PAGA Claimant).
- 1.11. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.12. “Class Notice” means the Court Approved long-form notice of Class Action Settlement and Hearing Date for Final Court Approval to be disseminated to Class Members in English with a Spanish translation, in the form, without material variation, attached as Exhibits A and incorporated by reference into this Agreement.
- 1.13. “Class Period” means the period from March 1, 2020, to the date the Court issues its order granting the motion for preliminary approval.
- 1.14. “Class Representative(s)” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.15. “Class Representative Service Payment” means the payments to the Class Representatives and Other Settling Individuals for initiating the Action and/or providing services in support of the Action.
- 1.16. “Court” means the Superior Court of California, County of Los Angeles.
- 1.17. “Defendants” means named Defendant The Rodan + Fields Company, Rodan + Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber.
- 1.18. “Defense Counsel” means Eric M. George and Christopher T. Berg of Ellis George LLP.
- 1.19. “Effective Date” means the date by when both of the following have occurred:  
(a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement;

and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.23. “Maximum Settlement Amount” means \$8,000,000 which is the total amount Defendants agrees to pay under the Settlement, except as provided in Paragraphs 4.3.2 and 8 below, in full and complete settlement of this matter, which sum includes Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Except as provided in Section 4.4.2, no money will revert to the Defendants. Payments to Plaintiffs and Settlement Class Members of the Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, will be made from the Maximum Settlement Amount shall be considered non-wages for which an IRS Form 1099 will be issued.
- 1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the formula without material variation, attached as Schedule 1 and incorporated by reference into this Agreement.
- 1.25. “Individual PAGA Payment” means the PAGA Claimant’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Registered Weeks worked during the PAGA Period.
- 1.26. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.27. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.28. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.29. “Net Settlement Amount” means the Maximum Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration

Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

- 1.30. “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.
- 1.31. “Notice Completion Date” means the date by which the Settlement Administrator has mailed Notice to all Class Members for whom the e-mail notice was undeliverable or for whom no valid e-mail address is available.
- 1.32. “Original Plaintiff” means Plaintiff Lauren Dann, who appeared on the original complaint filed in this action.
- 1.33. “Other Settling Individuals” means Aja Forner, Elizabeth Garcia-Flynn, Marlem Jalomo, Elyzabeth Michael, Catrice Miles, and Amy Somer, each of whom (a) are Class Members; (b) in their individual capacity retained Class Counsel prior to the July 5, 2024 mediation; and (c) contributed to the resolution of this case by their provision of information and documents.
- 1.34. “PAGA Registered Period” means each consecutive two-week period during the PAGA Period during which a PAGA Claimant was registered as a Consultant with Rodan+Fields for at least one day during the PAGA Period. For the purposes of this settlement, a Class Member was registered with Rodan+Fields if their account was active during that registered period. An active account is one that has been opened through enrollment but has not yet been terminated.
- 1.35. “PAGA Period” means the period from March 1, 2023 to the date the motion for preliminary approval is granted.
- 1.36. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.37. “PAGA Notice” means the Original Plaintiff’s letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Maximum Settlement Amount, allocated 25% to the PAGA Claimants (\$125,000) and the 75% to LWDA (\$375,000) in settlement of PAGA claims.
- 1.39. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.40. “Plaintiffs” means Lauren Dann, Kathryn Cude, and Mary Yoon, the named plaintiffs in the Action.
- 1.41. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

- 1.42. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.43. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.44. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.45. "Released Parties" means: (i) Defendants The Rodan + Fields Company, Rodan + Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber; (ii) Defendants' respective past, present, and future parents, subsidiaries, predecessors, successors, assigns, equity holders, and affiliates including any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, acquires, merges with or into, or is under common control with the Defendants; (iii) and the past, present, and future parents, subsidiaries, affiliates, direct and indirect equity holders, directors, officers, agents, employees, attorneys, investment bankers, financial advisors, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing.
- 1.46. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.47. "Response Deadline" means the date by which: (a) any request for exclusion from the Class and/or challenges to Registered Weeks and/or Registered Periods is postmarked or emailed to the Settlement Administrator; (b) any objection to the Settlement and/or the Motion for Attorneys' Fees, Expenses and Incentive Payments is filed with the Clerk of the Court; or (c) any counsel who intends to appear at the Final Approval Hearing on behalf of a class member files a Notice of Appearance with the Clerk of the Court. The Response Deadline shall be set 35 days before the Final Approval Hearing, and no sooner than 60 days after the Notice Completion Date. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.48. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.49. "Settlement Website" means an internet website to be established and maintained by the Settlement Administrator for purposes of administering the Settlement, including the online completion and submission of the Claims Form. The URL of the Settlement Website shall be <http://www.BrandConsultantSettlement.com>. The Settlement Website will also contain the Claim Form, Settlement Complaint, Settlement Agreement, the Long Form Notice, the Preliminary Approval Order and Final Order and Judgment, following entry by the Court, and such other information agreed to by the Parties.



- 1.50. “Registered Week” means any calendar week, beginning each Sunday, during which a Class Member was registered as a Consultant with Rodan+Fields for at least one day, during the Class Period. For the purposes of this settlement, a Class Member was registered as a Consultant with Rodan+Fields if their account was active during that week. An active account is one that has been opened through enrollment but has not yet been terminated.

## 2. RECITALS.

- 2.1. On March 1, 2024, the Original Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for:
- Failure to Pay Minimum Wage and Liquidated Damages (Labor Code §§ 1182.12, 1194, 1197, 1197.1, at 1198)
  - Failure to Provide Meal Periods or Meal Premium Wages (Labor Code §§ 226.7, 512(a), 1198; IWC Wage Order 4-2001);
  - Failure to Provide Rest Periods or Rest Break Premium Wages (Labor Code §§ 226.7, 558.1);
  - Failure to Keep Requisite Payroll Records (Labor Code § 1174(d))
  - Failure to Provide Timely and Accurate Wage Statements (Labor Code § 226(a), 226(e));
  - Failure to Timely Pay Wages (Labor Code § 204)
  - Failure to Pay Wages Upon Separation (Labor Code § 201-203);
  - Failure to Reimburse Business Expenses (Labor Code §§ 450, 2802; IWC Wage Order 4-2001);
  - Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.)
- 2.2. On May 14, 2024, the Original Plaintiff filed a First Amended Complaint to add an additional claim for civil penalties under the Private Attorney General Act (Labor Code §§ 2698-2699.8).
- 2.3. Pursuant to Labor Code section 2699.3, subd.(a), Original Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.4. On July 5, 2024, the Parties participated in an all-day mediation presided over by Hon. Louis Messinger. Discussions continued, ultimately leading to a settlement in principal, which led to this Agreement to settle the Action.
- 2.5. Prior to mediation, Plaintiffs obtained, through informal discovery, documents and information regarding Defendants’ policies and procedures, the size of the overall Class, Class Members’ compensation (amount and number of commission payments received), and information regarding fees paid to Defendants and product purchase histories. Class Counsel was additionally provided with highly confidential information regarding Defendants’ ability to pay. Class Counsel also obtained other information from Plaintiffs and the Other Settling Individuals, as well as from public sources, as reflected in the Operative Complaint. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4<sup>th</sup> 1794,

1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4<sup>th</sup> 116, 129-130 (“*Dunk/Kullar*”).

- 2.6. Pursuant to the Parties’ agreement, Plaintiffs filed a Second Amended Complaint to add class representative Kathryn Cude, and Mary Yoon as additional named plaintiffs in this matter. The Second Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.
- 2.7. The Court has not granted class certification.
- 2.8. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. MONETARY TERMS.

- 3.1. Maximum Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$8,000,000 and no more as the Maximum Settlement Amount. Defendants have no obligation to pay the Maximum Settlement Amount prior to the deadlines stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Maximum Settlement Amount as set forth in Paragraph 4.3.1. Except as otherwise provided by Section 4.4.2, none of the Maximum Settlement Amount will revert to Defendants.
- 3.2. Payments from the Maximum Settlement Amount. The Administrator will make and deduct the following payments from the Maximum Settlement Amount, in the amounts specified by the Court in the Final Approval:
  - 3.2.1. To the Plaintiffs: Class Representative Service Payment to the Class Representative of not more than \$15,000 to the Original Plaintiff Lauren Dann, of not more than \$5,000 to the other Plaintiffs, Kathryn Cude, and Mary Yoon, and of not more than \$1,500 to each of the Other Settling Individuals for their contribution to the resolution of this matter. These Class Representative Service Payments are exclusive of any amounts (i.e., Individual Class Payment any Individual PAGA Payment) that each Class Representative or Other Settling Individual would be entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiffs’ request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 28 days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative

Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Class Representative Service Payment.

- 3.2.2. To Class Counsel: A Class Counsel shall apply to the Court for a Fees Payment of not more than 33 1/3% of the Maximum Settlement Account, which is estimated to be \$2,666,666.67, plus Class Counsel's actual costs and expenses as supported by declaration. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 28 days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$150,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$150,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated using the formula in Schedule 1.
- 3.2.4.1. Tax Allocation of Individual Class Payments. Individual Class Payments shall be allocated 100% as non-wages. The Administrator will issue an IRS Form 1099. The Administrator will report Individual Class Payments on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any taxes owed on their Individual Class Payment.
- 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- 3.2.5. To the LWDA and PAGA Claimants: PAGA Penalties in the amount of

\$500,000 to be paid from the Maximum Settlement Amount, with 75% (\$375,000) allocated to the LWDA PAGA Payment and 25% (\$125,000) allocated to the Individual PAGA Payments.

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

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

#### **4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1. Class Data. Not later than 14 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2. Funding of Maximum Settlement Amount. Defendants shall fully fund the Maximum Settlement Amount by transmitting the funds to the Administrator as follows:

- One-third (1/3) of the Maximum Settlement Amount to be paid within five (5) business days of the order granting preliminary approval;
- One-third (1/3) of the Maximum Settlement Amount to be paid within Five (5) business days of the order granting final approval; and
- One-third (1/3) of the Maximum Settlement Amount to be paid within 365 days of the order granting preliminary approval except that no such payment will be due if the Court has before that time denied the motion seeking Final Approval.

4.3. Payments from the Maximum Settlement Amount.

4.3.1. Within 30 days of the later of (i) the Effective Date and (ii) Defendant's

completion of funding the Maximum Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. The Settlement Administrator shall not disburse any of the above payments until the Effective Date has passed. If the 30th day after the complete funding of the Maximum Settlement Amount occurs before the Effective Date, the Settlement Administrator shall begin making the disbursements after the Effective date has passed and complete the above disbursements within 10 business days after the Effective Date.

- 4.3.2. In the event the Court does not enter Judgment on or fails to issue an Order granting Final Approval, or such Judgment does not become final for purposes of creating an Effective Date, the Administrator shall return all funds paid to it by Defendants.
- 4.3.3. The Administrator will first endeavor to issue electronic payments via Paypal (or alternative electronic payment method elected by the Class Member), using the Class Members' last known email address (either from Defendants' records or provided to them during the notice period). For any payment that is returned or cannot be effectuated through that method after 28 days, the Administrator shall issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will effectuate payments for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will effectuate payments for Individual PAGA Payments to all PAGA Claimants including Non-Participating Class Members who qualify as PAGA Claimants (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single payment combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.3.4. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of learning a payment receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class

Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.3.5. For any Class Member whose Individual Class Payment or Individual PAGA Payment is uncashed or cannot be electronically processed and cancelled after the void date, the Administrator shall transmit the funds to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) (“Cy Pres Recipient”). The Parties have agreed to select the Cy Pres Recipient prior to filing a motion for final approval of the settlement. The Parties, Class Counsel and Defense Counsel represent that they will select a Cy Pres Recipient with which they have no interest or relationship, financial or otherwise.

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

**5. RELEASES OF CLAIMS.** Effective on the date when Defendants fully funds the entire Maximum Settlement Amount, Plaintiff, Class Members, and Class Counsel release claims against all Released Parties as follows:

5.1 Release by Plaintiffs and Other Settling Individuals. Plaintiffs and Other Settling Individuals, and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notice, [or ascertained during the Action and released under 6.2, below]. (“Plaintiffs' Release.”) Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members:

All individual Plaintiffs and Settlement Class Members release the Released Parties from all claims that were asserted or could have been asserted in the PAGA notices, the operative complaint, and any future amendments to the operative complaint up through the date a final judgment is issued finally approving the settlement to the extent such claims arise out of and/or relate to the facts and claims alleged by Plaintiffs in this case.

- 5.3 Release by PAGA Claimants: All PAGA Claimants are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint relating to the employment status and classification and related violations.

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

- 6.1 Confidentiality. The Parties agree to use best efforts to secure an order sealing any confidential material included as support for a motion for preliminary approval or final approval of the Settlement and otherwise protect the confidentiality of information so designated by the Defendants, unless Plaintiffs in good faith believes the information has been improperly designated as confidential, in which case the Parties will confer in good faith to resolve their disagreement. Any disagreement about confidentiality that cannot be resolved among the parties will be referred to mediator Hon. Louis Meisinger. The parties agree to abide by the mediator’s decision as to any confidentiality dispute. If the Settlement does not receive preliminary or final approval, this MOU, the Settlement, and any information, documents, or testimony exchanged pursuant to confirmatory discovery or otherwise in connection with the Settlement shall be treated as inadmissible mediation materials under Cal. Evid. Code § 1115 *et seq.*

- 6.2 Defendants’ Declaration in Support of Preliminary Approval. Prior to finalizing and submitting the Motion for Preliminary Approval, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel which:
- (i) confirms the accuracy of certain information provided regarding the size of the class, enrollment and termination dates of Class Members’ accounts with Defendants, and other damages information;
  - (ii) provides certain information regarding Defendants’ finances; and
  - (iii) discloses all facts relevant to any actual or potential conflicts of interest with

the Administrator; and contains an averment that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including:

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

6.4 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.

6.5 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class



Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

## **7. SETTLEMENT ADMINISTRATION.**

- 7.1 Selection of Administrator. The Parties have jointly selected Verita to serve as the Administrator and verified that, as a condition of appointment, Verita agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.3 Settlement Website. Using best efforts to perform as soon as possible, and in no event later than 90 days after Preliminary Approval, the Settlement Administrator shall establish the Settlement Website that shall be made available to the Parties for testing purposes. The final Settlement Website shall go live as soon as practicable thereafter, but at least one business day before the Settlement Administrator disseminates Notice via email. The Settlement website shall contain:
- (i) the Claim Form, which Class Members can access by providing their email and a code appearing on their Class Notice, enabling them to submit additional information regarding hours worked and expenses incurred under penalty of perjury, and supply alternative electronic payment directions;
  - (ii) a contact information page with contact information for the Settlement Administrator, and addresses and telephone numbers for Class Counsel and Defense Counsel;
  - (iii) the Settlement Agreement;
  - (iv) the signed Preliminary Approval Order and publicly filed motion papers and declarations in support thereof;
  - (v) the operative complaint; and
  - (vi) when they become available, the Fee and Service Award Application, the motion for entry of the Final Approval Order, and any motion papers and declarations filed publicly in support thereof.

The Settlement Website shall remain accessible until thirty (30) days after the Settlement Administrator has completed its obligations under the Settlement Agreement. The Settlement Administrator shall also establish a 24-hour toll-free

telephone line with information about frequently asked questions about the Settlement. The number shall be included in the Class Notice and posted on the Settlement Website. Under no circumstances will Class Member-specific information based on data provided by Rodan+Fields be displayed on the Settlement Website other than their name and address.

7.4 Notice to Class Members.

- 7.4.1 No later than one week after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Registered Weeks, and Registered Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible following the creation of the Settlement Website, and in no event later than 120 days after Preliminary Approval, the Administrator will send to all Class Members identified in the Class Data, via email, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall contain the Class Members' code to be used to view the Claim Form on the Settlement Website and prominently estimate the number of Registered Weeks and PAGA Registered Periods (if applicable) that will be used to calculate Individual Class Payments.
- 7.4.3 For Class Members whose email notice is returned as undeliverable or for whom no valid email address is available, no later than 14 days after transmitting the initial email notice in the preceding paragraph, the Administrator shall send via first class mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A ("Notice Completion Date"). Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.4 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.5 The Response Deadline shall be no sooner than 60 days after the Notice Completion Date. In the event the Administrator needed to re-send the Notice to any undeliverable addresses and the deadline f, the deadline for those Class Members will be extended an additional 14 days. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.6 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class

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

7.4.7 This Agreement does not impose on any Party or the Settlement Administrator an obligation to make extraordinary efforts to locate a potential Class Member.

7.4.8 Because of the duration of time between the provision of Notice and the funding of the Maximum Settlement Amount, the Parties recognize that there may be an increase in class member queries to the Settlement Administrator as well as changes in Class Members' addresses or payment preferences. Thus, after Notice is provided, as necessary and in consultation with Class Counsel, the Settlement Administrator shall undertake reasonable efforts to send additional reminder emails to Class Members to direct them to the Settlement Website to complete the Claim Form and/or provide updated information as to their preferred method of payment. The timing and nature of any supplemental reminder efforts shall be determined in consultation with Class Counsel, and shall take into account the overall schedule and passage of time between the provision of Notice, the entry of final approval, and the dissemination of Settlement Payments, as well as the cost and associated benefits of any reminder.

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

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion by the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity

shall be final and not appealable or otherwise susceptible to challenge.

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

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Claimants are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Registered Weeks. Each Class Member shall have at least 60 days after the Administrator mails the Class Notice to challenge the number of Class Registered Weeks and PAGA Registered Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Registered Weeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Registered Weeks and/or Registered Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Registered Weeks and/or Registered Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so no later than 35 days before the Fairness Hearing, the date for which shall be no sooner than 60 days after the Administrator mails the Class Notice (plus an additional 14

days for Class Members whose Class Notice was re-mailed).

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

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise. Additionally, the Settlement Administrator will be responsible for all appropriate withholding, and compliance with all reporting obligations in accordance to the Parties' Settlement Agreement and pursuant to the Court's order(s). The Administrator will issue all relevant tax forms including 1099 forms. The Administrator will register the settlement fund as a Qualified Settlement Fund ("QSF"). On these tax forms, the Administrator will use the Unique Employer Identification Number issued by the IRS for the registered QSF.

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

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

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

- 7.8.4 Registered Week and/or Registered Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Registered Weeks and/or Registered Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator's Declaration. Not later than 7 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Maximum Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendants may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
9. **MOTION FOR FINAL APPROVAL.** Not later than 49 days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 3 days prior to filing the Motion for Final Approval. Class Counsel and Defense

Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 9.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this

paragraph, as long as the Maximum Settlement Amount remains unchanged.

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

**11. ADDITIONAL PROVISIONS.**

- 11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict



Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis

that the Party was the drafter or participated in the drafting.

- 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

**CLARKSON LAW FIRM, P.C.**

Glenn A. Danas

*gdanas@clarksonlawfirm.com*

Kristen G. Simplicio

*ksimplicio@clarksonlawfirm.com*

22525 Pacific Coast Highway

Malibu, California 90265

Telephone: (213) 788-4050

Facsimile: (213) 788-4070

To Defendants:

**ELLIS GEORGE LLP**

Eric M. George

*egeorge@ellisgeorge.com*

2121 Avenue of the Stars

Suite 3000

Los Angeles, CA 90067

Telephone: (310) 274-7100


Facsimile: (310) 275-5697

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

litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

*On Behalf of Plaintiffs*

Dated: 30/04/2025

  
Lauren Dann (Apr 30, 2025 15:54 PDT)

Lauren Dann

Dated: 30/04/2025

  
Kathryn Cude (Apr 30, 2025 15:50 PDT)

Kathryn Cude

Dated: 30/04/2025

  
Mary Yoon (Apr 30, 2025 20:15 PDT)


Mary Yoon

Dated: 30/04/2025

  
Aja Forner (Apr 30, 2025 17:28 PDT)

Aja Forner

Dated: 01/05/2025

  
Elizabeth Garcia-Flynn (May 1, 2025 15:21 PDT)

Elizabeth Garcia-Flynn

Dated: 01/05/2025

  
Marlem Jalomo (May 1, 2025 19:32 PDT)

Marlem Jalomo

Dated: 30/04/2025

  
Elyzabeth Michael (Apr 30, 2025 16:37 PDT)

Elyzabeth Michael

Dated: 01/05/2025

  
Catrice Miles (May 1, 2025 15:01 PDT)

Catrice Miles

Dated: 30/04/2025

  
Amy Somer (04/30/25 (Apr 30, 2025 11:07 PDT)

Amy Somer

*On Behalf of Defendants*

Dated: 5/1/2025

*Dimitri Haloulos*

---

Rodan & Fields Beauty, LLC, successor  
in interest to Rodan & Fields, LLC (also  
referred to in the Complaint as The  
Rodan + Fields Company), for the  
purposes of this litigation and this  
Agreement

Dated: 5/2/2025

*Katie Rodan*

---

Dr. Katie Rodan

Dated: 5/1/2025

*Kathy Fields*

---

Dr. Kathy Fields

Dated: 5/1/2025

*Dimitri Haloulos*

---

Dimitri Haloulos

Dated:

Tim Eng

Dated: 5/1/2025

*Laura Beidler*

---

Laura Beidler

Dated: 5/1/2025

*Dalia Stoddard*

---

Dalia Stoddard

Dated: 5/1/2025

*Jessica Raefield*

---

Jessica Raefield

Dated: 5/1/2025

*Janine Weber*

---

Janine Weber

*On Behalf of Defendants*

Dated: \_\_\_\_\_  
Rodan & Fields Beauty, LLC, successor  
in interest to Rodan & Fields, LLC (also  
referred to in the Complaint as The  
Rodan + Fields Company), for the  
purposes of this litigation and this  
Agreement

Dated: \_\_\_\_\_  
Dr. Katie Rodan

Dated: \_\_\_\_\_  
Dr. Kathy Fields

Dated: \_\_\_\_\_  
Dimitri Haloulos

Dated: 5/2/2025 *Tim Eng*  
\_\_\_\_\_  
Tim Eng

Dated: \_\_\_\_\_  
Laura Beitler

Dated: \_\_\_\_\_  
Dalia Stoddard

Dated: \_\_\_\_\_  
Jessica Raefield

Dated: \_\_\_\_\_  
Janine Weber

*Approved as to from:*

Dated:

*Glenn A. Danas*

---

Counsel For Plaintiffs

Dated:

---

Counsel For Defendants

*Approved as to from:*

Dated:

---

Counsel For Plaintiffs



Dated:

---

Counsel For Defendants



# Exhibit A

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

*Dann v. The Rodan + Fields Company, et al.*

San Francisco County Superior Court, Case No. CGC-24-612800

**YOUR UNIQUE ID:** [Insert]

***The Superior Court for the State of California authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

***Visit www.\_\_\_\_.com to view this message on a browser or obtain a PDF version.***

**You may be eligible to receive money** from a class action lawsuit (“Action”) against *The Rodan + Fields Company* and related parties (“R+F” or “Defendants”) for alleged wage and hour violations. The Action was filed by a former R+F Consultant and seeks payment of (1) unpaid wages and unreimbursed business expenses for a class of Consultants (“Class Members”) who Defendants classified as Independent Contractors during the Class Period (March 1, 2020 to [REDACTED]) and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Consultants who worked for Defendants during the PAGA Period (March 1, 2023 to \_\_\_\_\_) (“Aggrieved Employees”).

[INSERT HYPERLINKED TOC]

**OVERVIEW**

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

The Maximum Settlement Value is \$8,000,000. Funds will be distributed to Class Members and PAGA Claimants on a pro rata basis, based on criteria available from Defendants’ records, as well as information that Class Members provide in connection with this Settlement.

Based on Defendants’ records:

- **You were registered with R+F for \_\_\_\_ weeks** during the Class Period and **for \_\_\_\_ weeks** during the PAGA Period;
- During the Class Period, you paid the annual fee \_\_\_\_ times;
- During the Class Period, you paid the PulsePro fee \_\_\_\_ times;
- During the Class Period, you made \_\_\_\_ sales to R+F customers;
- During the Class Period, you made \_\_\_\_ purchases from R+F;

To distribute the Settlement, points will be allocated based on the number of workweeks, as well as other criteria, including the total number of sales you made to customers; the amount of fees you paid to R+F, and the purchases you made from R+F. Additionally, as

explained further in Section \_ below, Consultants may increase their total point share by visiting the Settlement Website and completing a Claim Form to provide additional information regarding the time they spent working for R+F and other business expenditures incurred.

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

### **SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>Option</b>	<b>Explanation</b>
<b>You Don't Have to Do Anything to Participate in the Settlement</b>	<p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any).</p> <p><b>Your Individual Class Payment will be a pro rata share of the Settlement, which will be determined by the point value associated with information obtained from Defendants' records.</b></p> <p>In exchange, you will give up your right to assert the claims against Defendants that are covered by this Settlement (Released Claims).</p>
<b>Complete a Claim Form</b>	<p>If you complete a Claim Form, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any).</p> <p>You can visit the <u>Claim Form section on the Settlement Website</u> to provide additional information about your business related expenditures and time spent.</p> <p><b>Your Individual Class Payment will be a pro rata share of the Settlement, which will be determined by the point value associated with information obtained from Defendants' records and information you provide.</b></p> <p>In exchange, you will give up your right to assert the claims against Defendants that are covered by this Settlement (Released Claims).</p>

<p><b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b></p> <p><b>The Opt-out Deadline is _____</b></p>	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section <b>12</b> of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all PAGA Claimants and the PAGA Claimants must give up their rights to pursue PAGA claims.</p>
<p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by _____</b></p>	<p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section <b>13</b> of this Notice.</p>
<p><b>You Can Participate in the _____ Final Approval Hearing</b></p>	<p>The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section <b>14</b> of this Notice.</p>
<p><b>You Can Challenge the Calculation of Your Registered Weeks/Pay Periods</b></p> <p><b>Written Challenges Must be Submitted by _____</b></p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend in part on how many weeks you were registered with R+F as a Consultant for at least one day during the Class Period and how many Pay Periods you were registered with R+F as a Consultant for at least one day during the PAGA Period, respectively. The number of Class Period Registered Weeks and number of PAGA Registered Periods you were registered for 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 <b>6</b> of this Notice.</p>

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

### **FREQUENTLY ASKED QUESTIONS**

## **1. WHAT IS THE ACTION ABOUT?**

Plaintiffs Lauren Dann, Kathryn Cude, and Mary Yoon are former R+F Consultants. Plaintiff Dann filed this lawsuit on March 1, 2024, and Plaintiffs Cude and Yoon joined the suit in the Amended Complaint filed on [date]. Additionally, six other Class Members (Aja Forner, Elizabeth Garcia-Flynn, Marlem Jalomo, Elyzabeth Michael, Catrice Miles, and Amy Somer) (“Other Settling Individuals”), retained counsel prior to the July 5, 2024 mediation and contributed to the resolution of this lawsuit through their efforts supplying documents and information relevant to the claims.

The Action accuses Defendants of violating California labor laws by misclassifying the Consultants as independent contractors, and failing to pay wages, overtime wages, minimum wages, wages due upon termination and reimbursable expenses, and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”).

Plaintiffs are represented by attorneys in the Action: Glenn Danas and Kristen Simplicio of Clarkson Law Firm P.C., and Shana Khader of Tycko & Zavareei LLP. (“Class Counsel.”)

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

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

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendants hired an experienced, neutral mediator, a retired judge, Hon. Louis Messinger, in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation, including the risk of an inability to pay significant penalties or damages award; and (2) Settlement is in the best interests of the Class Members and PAGA Claimants. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### 3. HOW MUCH IS THE SETTLEMENT FOR?

a. Defendants Will Pay \$8,000,000 as the Maximum Settlement Amount.

Defendants have agreed to deposit the Maximum Settlement Amount into an account controlled by the Administrator of the Settlement in three installments, the last of which shall be paid 365 days from [preliminary date]. Final approval is currently scheduled for [final approval date]. Assuming the Court grants Final Approval and final Judgment is entered at the currently scheduled final approval hearing, Defendants will complete the funding of the Maximum Settlement by [DATE]. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

After receipt of the final installment, the Administrator will use the Maximum Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives' Service Payments, Other Settling Individuals' Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA").

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

- i. Up to \$ 2,666,666.67 (33.33% of the Maximum Settlement) to Class Counsel for attorneys' fees as well as additional costs to be supported by declaration for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- ii. Up to \$15,000 to Lauren Dann; up to \$5,000 each to Mary Yoon and Catherine Cude; as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. Additionally, up to \$1,500 each to the six Other Settling Individuals. These Class Representative Awards will be the only monies Plaintiffs and the Other Settling Individuals will receive.
- iii. Up to \$150,000 to the Administrator for services administering the Settlement.
- iv. Up to \$500,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Claimants pro-rata based on their PAGA Period Pay Periods.

The remaining amount ("Net Settlement Amount") shall be distributed to Class Members pro-rata, as explained below. The exact amount of the Net Settlement Amount will be determined at Final Approval. Based on the above data, it is currently estimated that the Net Settlement Fund will be around \$4,500,000, but the final

number may be more or less.

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

#### **4. HOW MUCH WILL I RECEIVE UNDER THE SETTLEMENT? (CLASS MEMBERS)**

The amount you receive under the Settlement is determined based on a point system.

After making the above deductions in amounts approved by the Court, the Administrator will distribute the Net Settlement by making Individual Class Payments to Participating Class Members based each Class Member's relative number of points. The point system is explained below.

##### **a. Automatic Points**

Every Class Member will receive points automatically based on information in R+F's records, as follows:

<b>Activity/Expenditure</b>	<b>Point Value</b>
Workweeks	0.5 per week
Annual Fee (\$25/year)	0.25 per fee
PulsePro fee (\$24.95/month)	0.25 per fee
Sales Made	0.25 per sale
Purchases from R+F	0.1 per purchase

##### **b. Supplemental Points**

Class Members who elect to complete a Claim Form on the Settlement Website can receive additional points by reporting, under penalty of perjury, information about their time spent and expenses incurred, as follows:

<b>Activity/Expenditure</b>	<b>Point Value</b>	<b>Source</b>
Average # of hours spent each week	0.1 per hour per week, up to 5 hours a week	Weeks determined from R+F Records Average hours to be provided by Consultant on Claim Form
Cellular data plan	0.1 per month	Consultant use of cellular to be provided by Consultant on Claim Form Months determined from R+F Records
Home Internet	0.1 per month	Consultant use of home

		internet to be provided by Consultant on Claim Form
		Months determined from R+F Records
Other business expenses (e.g. camera, business cards)	0.5 per expenditure, up to 6 expenditures	Consultant to provide information on Claim Form

To submit this information, you will need your Unique ID number appearing on the first page of the notice that was sent to you. If you need assistance locating your Unique ID number, you can contact the Settlement Administrator. Section 15 of this Notice has the Administrator's contact information.

c. Point System Illustrated

Below is an example of how the point system works for a hypothetical Class Member, Connie Consultant. Connie worked as a R+F Consultant for one year (52 weeks), paid the annual fee and a Pulse Pro fee each month, made three purchases from R+F, and six sales to customers.

Connie would automatically be assigned 31.05 points, calculated as follows:

<b>Activity/Expenditure</b>	<b>Point Value</b>
Workweek	$0.5 \times 52 \text{ weeks} = 26 \text{ points}$
Annual Fee	$0.25 \times 1 \text{ fee} = 0.25 \text{ points}$
PulsePro fee	$0.25 \times 12 \text{ months} = 3 \text{ points}$
Sales Made	$0.25 \times 6 \text{ sales} = 1.5 \text{ points}$
Purchases from R+F	$0.1 \times 3 \text{ purchases} = 0.3 \text{ points}$
<b>Total</b>	<b>31.05 Points</b>

Connie is automatically entitled to receive a pro-rata share of the Net Settlement Fund based on her assigned 31.05 points.

Connie can increase her point value by completing a Claim Form on the Settlement Website.

Connie completed a Claim Form to report that she spent an average of 3 hours a week on sales efforts, bought a camera to create better Instagram posts, purchased business cards to promote the business, and incurred expenses for home internet and cell phone use. Connie will receive supplemental points as follows:



Activity/Expenditure	Point Value
Average # of hours spent each week	0.1 x 3 = 0.3 For 52 weeks = 15.6 points
Cellular data plan	0.1 x 12 months = 1.2 points
Home Internet	0.1 x 12 months = 1.2 points
Other business expenses (camera and business cards)	0.5 x 2 expenditures = 1 point
Total Supplemental Points	19 Points

Thus, by completing a Claim Form, Connie will receive a pro-rata share of the Net Settlement Fund based on a 50.05 point value instead of a 31.05 point value.

d. Dollar Value of Points

To determine the amount each Class Member shall receive, the Settlement Administrator will total up the total value of all Class Members' points (including automatic and supplemental points). Each Class Member will receive a share of the Net Settlement Fund based on the relative percentage value of their points.

There are an estimated 43,000 Class Members. Those who were Consultants for only a few months and had few or no sales will receive fewer points than those who were Consultants for several years and had many sales and paid a large amount of fees. The dollar value of points will not be known until (1) all fees and costs associated with the settlement have been approved by the Court and deducted from the Maximum Settlement Fund; and (2) all claims have been processed.

To illustrate using the hypothetical Connie Consultant:

Assuming there are 43,000 Class Members, if the total number of points (automatic + supplemental) for all Class Members is 4,300,000 (average of 100 points per Class Member), Connie's 50.05 points is .001164 % of the total. In this scenario, Connie would receive .001552% of the Net Settlement Amount. If that amount is \$4,500,000, Connie will receive \$52.38.

If the total number of points for all class members is higher and/or the Court approves a lower Net Settlement Amount, Connie will receive less. If the total number of points for all class members is lower and/or the Court approves a higher Net Settlement Amount, Connie will receive more.

## **5. HOW MUCH WILL I RECEIVE UNDER THE SETTLEMENT? (AGGRIEVED EMPLOYEES/PAGA)**

California's Private Attorneys General Act ("PAGA") authorizes additional penalties for workers who experienced certain violations of the California Labor Code. The Parties have agreed to set aside \$500,000 of the \$8,000,000 Maximum Settlement Amount for payment of penalties. 75% of the penalties must be paid to California's Labor and Workforce Development Commission, and the remaining 25% (\$125,000) will be distributed to eligible Consultants. To be eligible, you must have been a Consultant between March 1, 2023 and [DATE] ("PAGA Claimants").

The Administrator will calculate Individual PAGA Payments by (a) dividing \$125,000 by the total number of PAGA Registered Periods worked by all PAGA Claimants and multiplying the result by the number of PAGA Registered Periods worked by each individual Aggrieved Employee. The Individual PAGA Payment is in addition to the Individual Settlement Payment described in Section 4.

If you choose to opt out of the Class, you will not receive the Individual Settlement Payment described in Section 4. But because you cannot opt out of the PAGA portion of this Settlement, you will still receive the Individual PAGA Payment.

## **6. HOW DO I CHALLENGE THE ACCURACY OF THE WORKWEEK DATA?**

The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period as recorded in Defendants' records, as well as a your history of sales, purchases, and fees paid are stated in the first page of this Notice.

You have until [DATE] to challenge the number of Registered Weeks and/or Registered PAGA Periods credited to you as well as the other data discussed above. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax.

You need to support your challenge by sending copies of pay stubs or other records evidencing your work for Defendants and associated dates. This may include records reflecting the dates of your working relationship with Defendants, such as records showing the date you enrolled, terminated your relationship, or interacted with customers, other Consultants, or the public as a Consultant (such as communications with customers, social media posts, etc.). The Administrator will accept Defendants' calculation of Registered Weeks and/or Registered PAGA Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## **7. WILL I BE TAXED ON THE SETTLEMENT?**

Participating Class Members assume full responsibility and liability for any taxes owed on their Individual Class Payment. The Administrator will report Individual Class Payments that exceed \$600 on IRS 1099 Forms.

The Administrator will report the Individual PAGA Payments that exceed \$600 on IRS 1099 Forms.

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

## **8. HOW WILL I BE PAID?**

After the Court grants Final Approval and the Settlement Administrator determines each Aggrieved Employee's and Class Member's pro rata share, payments will be sent to you.

PAGA Claimants and Class Members can visit the Settlement Website to elect their preferred payment method and/or update their contact information on the Claim Form.

Unless you provide alternative information and instructions, the Settlement Administrator will first send the payment to you via PayPal using the email address you provided to R+F. If you have a PayPal account associated with that email address, funds will be automatically deposited with no further action required from you.

If you do not have a PayPal account, or if your PayPal account is associated with a different email address, you will receive an email with instructions on how to claim your funds. If you do not respond within 28 days, a check will be prepared and mailed to you.

The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably lost to you because they will be paid to a non-profit organization or foundation ("Cy Pres").

## **9. WHAT HAPPENS IF THE COURT DOES NOT GRANT FINAL APPROVAL?**

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

## **10. WHO IS THE SETTLEMENT ADMINISTRATOR?**

The Court has appointed a neutral company, Verita Global LLC, (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Registered Weeks, mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 15 of this Notice.

## **11. WHAT CLAIMS AM I RELEASING UNDER THE SETTLEMENT?**

After the Judgment is final and Defendants have fully funded the Maximum Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. 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 Defendants or related entities for wages or business expenses based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Settlement Class Members release the Released Parties from all claims that were asserted or could have been asserted in the PAGA notices, the operative complaint, and any future amendments to the operative complaint up through the date a final judgment is issued finally approving the settlement to the extent such claims arise out of and/or relate to the facts and claims alleged by Plaintiffs in this case.

The PAGA Claimants’ PAGA Release. After the Court’s judgment is final, and Defendants have paid the Maximum Settlement, all PAGA Claimants will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all PAGA Claimants, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Claimants’ Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are PAGA Claimants are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint relating to the employment status and classification and related

violations.

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

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 [DATE], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [DATE] Response Deadline.

If you choose to opt out, you must submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify that you are writing in regards to the *Dann v. Rodan + Fields* litigation, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The request must be postmarked by [DATE] or received by the Administrator by [DATE] or it will be invalid.** Section 15 of the Notice has the Administrator's contact information.

Class Members who opt-out of the Settlement (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

### 13. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 49 days before the [DATE] 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 Service Award stating (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 Award. Upon reasonable request, Class Counsel (whose contact information is in Section 15 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Website at (url) .

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to

object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for filing written objections with the Clerk of the Court and providing a copy to the Administrator is [DATE].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Dann v. The Rodan + Fields Company, et al.* Case No. CGC-24-612800, and include your name, current address, telephone number, and approximate dates of your role as a Consultant for R+F and sign the objection. Section 15 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 14 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

#### **14. CAN I ATTEND THE FINAL APPROVAL HEARING?**

You can, but don't have to, attend the Final Approval Hearing on \_\_\_\_\_ at (time) in Department [] of the San Francisco Superior Court, located at 400 McAllister Street, San Francisco, CA 94102. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Maximum Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing. If the Court authorizes a virtual hearing, information on how to participate virtually will also be provided on the Settlement Website.

#### **15. HOW CAN I GET MORE INFORMATION?**

The Agreement sets forth everything Defendants and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Settlement Website. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://webapps.sftc.org/ci/CaseInfo.dll?&SessionID=79B7B43679F3735ADF903686760DD379DC23B788>) and entering the Case Number for the Action, Case No. CGC-24-612800. You can also make an appointment to personally review court documents in the Clerk's Office at the San Francisco Superior Courthouse by calling (415) 551-4000.

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

You can also contact counsel below:

Class Counsel:

<b>CLARKSON LAW FIRM</b> Glenn A. Danas <i>gdanas@clarksonlawfirm.com</i> 22525 Pacific Coast Highway Malibu, CA 90265  Kristen G. Simplicio <i>ksimplicio@clarksonlawfirm.com</i> 1050 Connecticut Ave. NW Washington, DC 20036  Telephone: (213) 788-4050 Facsimile: (213) 788-4070	<b>TYCKO &amp; ZAVAREEI LLP</b> Shana Khader <i>skhader@tzlegal.com</i> 2000 Pennsylvania Avenue, NW Suite 1010 Washington, DC 20006  Telephone: (202) 973-0900 Facsimile: (202) 973-0950
---	---

Counsel for Defendants

Eric M. George (State Bar No. 166403)

Christopher T. Berg (State Bar No. 344565)

**ELLIS GEORGE LLP**

2121 Avenue of the Stars, Suite 3000

Los Angeles, CA 90067

*egeorge@ellisgeorge.com*

*cberg@ellisgeorge.com*

Settlement Administrator

**[INSERT]**

# **Exhibit B**



**ONLINE CLAIM FORM**

**FIRST SCREEN**

**If you worked as a Consultant for Rodan + Fields** in California between March 1, 2020 and [Date], then you may be eligible to participate in the proposed settlement in the matter of *Dann vs. The Rodan +Fields Company et al.*

Class Members do not need to complete the Claim Form to receive a payment from the Settlement. Settlement payments will be automatically sent to all Settlement Class Members, even if they do not complete a Claim Form. You should complete a Claim Form if you believe you are a Class Member and:

- You want to enter supplemental information about your hours worked and business related expenditures to increase your pro-rata share of the Settlement. You can read more about how Settlement payments will be determined [here](#). If you elect to provide supplemental information, you must provide this information by [DATE].
- You want to provide updated contact information and payment preferences to the Settlement Administrator.

To complete a Claim Form, you will need your Unique ID. Consultants who are members of the Class were sent a notice containing their Unique ID to the email address they provided to Rodan + Fields. Your Unique Claim ID is printed on the first page of the notice that was sent. You can enter it here:

[FIELD]

If you did not receive a Unique ID or cannot locate it, please contact the Settlement Administrator at [phone number]

**SECOND SCREEN**

- Please read the full notice of this settlement (available at) carefully before filling out this Form.
- Keep a copy of your completed Claim Form for your records. Any documents you submit with your Claim Form cannot be returned.
- If your claim is rejected for any reason, the Settlement Administrator will notify you of the rejection and the reasons for such rejection.

---

**PART A: CLAIMANT INFORMATION**

---

FIRST NAME

LAST NAME

STREET ADDRESS

STREET ADDRESS 2

CITY

STATE

ZIP CODE

EMAIL ADDRESS

PHONE NUMBER

PAYMENT PREFERENCES

☐ The Settlement Administrator should send my share of the Settlement to my PayPal account at the above email address.

☐ The Settlement Administrator should send my share of the Settlement to my Venmo account at the above email address.

☐ The Settlement Administrator should send my share of the Settlement to my address above in the form of a check sent via U.S. mail to my address above.

To update the above information and/or change your payment preferences, click [here](#).

THIRD SCREEN

---

**PART B: SUPPLEMENTAL TIME AND BUSINESS EXPENSES**

---

Please complete the below form with additional information about the time spent and expenses incurred in connection with your work as a R+F Consultant.

1. **On average, during the Class Period of March 1, 2020 to [date], approximately how many hours each week did you work as an R+F Consultant?** Include in your estimation time spent training and understanding rules and guidelines, making social media posts or other advertising, handling customer service issues, recruiting, and providing support to new consultants.

\_\_\_\_\_ hours/week (average)

2. **During the Class Period of March 1, 2020 to [date], did you purchase any special equipment or advertising tools to build your R+F business?** Examples include things such as a camera, a cell phone, computer, business cards, or other advertising materials. You do not need to have used these products exclusively for R+F business, but you should only list products that you did use for R+F business reasons.

You may enter up to six purchases.

3. **During the Class Period of March 1, 2020 to [date], did you pay for a cellular phone plan that you used for your business (such as communicating with customers, making social media posts to advertise R+F, etc).?**

Please check one. You may refer to your notice for the number of Registered Weeks you were enrolled as an R+F consultant. You should not count time during which you did not have a cell phone plan, or your cell phone plan was paid by an employer or by someone not residing in your household.

☐ I paid for a cell phone plan and used that plan to conduct R+F business at least once each month for \_\_\_\_ months that I was enrolled as a Consultant.

☐ I did not use a cell phone to conduct R+F business or I did not pay for the cell phone plan for the phone on which I conducted R+F business.

**4. During the Class Period of March 1, 2020 to [date], how many months did you pay for a home internet service that you used for your business (such as communicating with customers, making social media posts to advertise R+F, etc).?**

Please check one. You may refer to your notice for the number of Registered Weeks you were enrolled as an R+F consultant. You should not count time during which you did not have internet at home, or plan was paid by an employer or by someone not residing in your household.

☐ I paid for a home internet plan that I used to conduct R+F business at least once each month for \_\_\_\_ months that I was enrolled as a Consultant.

☐ I did not use a home internet plan to conduct R+F business or I did not pay for the home internet plan which I utilized to conduct R+F business.

Enter "0" ("zero") if the answer is no. You should not count months during which you did not have a home internet plan, or your home internet plan was paid by an employer or other third party.

**\*Submission of false or fraudulent information will result in the claim being rejected in its entirety.**

I declare under penalty of perjury under the laws of the United States of America that all of the information on this Claim Form is true and correct to the best of my knowledge. I understand that my Claim Form may be subject to audit, verification, and Court review and that I may be required to provide additional information to establish that my claim is valid.

SIGNATURE

DATE

**CLAIM FORM REMINDER CHECKLIST**

**Before submitting this Claim Form, please make sure you:**

1. Double check your contact information and payment preferences in Part A.
2. Provide additional data in Part B.
3. Sign the Attestation under penalty of perjury in Part B. You must sign the Attestation to be eligible to receive benefits.
4. Keep a copy of your Claim Form and supporting documentation for your records.
5. An acknowledgement of receipt of your Claim Form will be sent to the email address in Part A.
6. You will not be able to edit Parts B after [DATE], but if you need to change your payment preferences after that date, you can revisit the Claim Form to do so.

# **Schedule 1**

SCHEDULE 1: Distribution Plan				
Net Settlement Fund will be distributed pro-rata based on the Class Member's total points				
	Points	Cap	Source	Explanation
<b>Misclassification/Time Spent</b>				
Each Registered week	.5/week	n/a	R+F Records	All Consultants will automatically receive .5 points for each week they were enrolled, using R+F records
Other Compensation for Time				
Each Sale Made	0.25	n/a	R+F Records	Consultants will automatically receive .25 points for each sale to another customer
Other Time Spent	0.1	5 hours/week (.5 points)	Claim Form/R+F Record Hybrid	Consultants will be asked to estimate under penalty of perjury average time spent each week. They will receive .1 point for each hour spent, up to 5 hours/week, for each week enrolled
<b>Business Expenses</b>				
Each PULSEPro fee paid (\$24.95/month)	0.25	n/a	R+F Records	Each Consultant will automatically receive .25 points for each PulsePro fee paid
Each annual fee paid (\$25/year)	0.25	n/a	R+F Records	Each Consultant will automatically receive .25 points for each annual fee paid
Each purchase from R+F while a Consultant	0.1	n/a	R+F Records	Each Consultant will automatically receive .1 points per purchase from R+F
Other Business Expenses				Consultants who testify under penalty of perjury to incurring the following expenses will receive the following points
Equipment (e.g. camera) and advertising materials (e.g. business cards), or other out of pocket expenses	0.5	6 expenditures (max 3 points)	Claim Form	Consultants receive .5 points for each expense listed
Cellular data plan	0.1	.1 per month, up to total time as a consultant	Claim Form/R+F Record Hybrid	Form will prepopulate total months from R+F records; Consultants can adjust downwards or accept.
Home Internet	0.1	.1 per month, up to total time as a consultant	Claim Form/R+F Record Hybrid	Form will prepopulate total months from R+F records; Consultants can adjust downwards or accept.











# FINAL 2025.04.29 R+F Settlement Agreement (clean with exhibits)

Final Audit Report

2025-05-02

Created:	2025-04-30
By:	Antonia Smith (asmith@clarksonlawfirm.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAANnpjU0tQmTHmjMhvd0-O5fuLO46e5efl

## "FINAL 2025.04.29 R+F Settlement Agreement (clean with exhibits)" History

-  Document created by Antonia Smith (asmith@clarksonlawfirm.com)  
2025-04-30 - 10:33:36 PM GMT
-  Document emailed to Lauren Dann (laur13805@icloud.com) for signature  
2025-04-30 - 10:33:44 PM GMT
-  Document emailed to katiecuderd@gmail.com for signature  
2025-04-30 - 10:33:44 PM GMT
-  Document emailed to Mary Yoon (msyoon@hotmail.com) for signature  
2025-04-30 - 10:33:45 PM GMT
-  Document emailed to Aja Forner (aja.forner@me.com) for signature  
2025-04-30 - 10:33:45 PM GMT
-  Document emailed to Elizabeth Garcia-Flynn (egflynn1971@aol.com) for signature  
2025-04-30 - 10:33:45 PM GMT
-  Document emailed to Marlem Jalomo (lemmyjalomo@gmail.com) for signature  
2025-04-30 - 10:33:45 PM GMT
-  Document emailed to Elyzabeth Michael (project21inspire@gmail.com) for signature  
2025-04-30 - 10:33:45 PM GMT
-  Document emailed to Catrice Miles (gatoarroz4@gmail.com) for signature  
2025-04-30 - 10:33:46 PM GMT
-  Document emailed to Amy Somer (arrichardson27@gmail.com) for signature  
2025-04-30 - 10:33:46 PM GMT

 Email viewed by Amy Somer (arrichardson27@gmail.com)

2025-04-30 - 10:46:07 PM GMT

 Email viewed by katiecuderd@gmail.com

2025-04-30 - 10:47:27 PM GMT

 Email viewed by Lauren Dann (laur13805@icloud.com)

2025-04-30 - 10:49:39 PM GMT

 Signer katiecuderd@gmail.com entered name at signing as Kathryn Cude

2025-04-30 - 10:50:19 PM GMT

 Document e-signed by Kathryn Cude (katiecuderd@gmail.com)

Signature Date: 2025-04-30 - 10:50:21 PM GMT - Time Source: server

 Document e-signed by Lauren Dann (laur13805@icloud.com)

Signature Date: 2025-04-30 - 10:54:50 PM GMT - Time Source: server

 Email viewed by Mary Yoon (msyoon@hotmail.com)

2025-04-30 - 10:55:45 PM GMT

 Email viewed by Elyzabeth Michael (project21inspire@gmail.com)


2025-04-30 - 11:24:09 PM GMT

 Document e-signed by Elyzabeth Michael (project21inspire@gmail.com)

Signature Date: 2025-04-30 - 11:37:38 PM GMT - Time Source: server

 Signer Amy Somer (arrichardson27@gmail.com) entered name at signing as 04/30/25

2025-05-01 - 0:07:13 AM GMT

 Document e-signed by 04/30/25 (arrichardson27@gmail.com)

Signature Date: 2025-05-01 - 0:07:15 AM GMT - Time Source: server

 Email viewed by Aja Forner (aja.forner@me.com)

2025-05-01 - 0:25:59 AM GMT

 Document e-signed by Aja Forner (aja.forner@me.com)

Signature Date: 2025-05-01 - 0:28:39 AM GMT - Time Source: server

 Document e-signed by Mary Yoon (msyoon@hotmail.com)

Signature Date: 2025-05-01 - 3:15:17 AM GMT - Time Source: server

 Email viewed by Catrice Miles (gatoarroz4@gmail.com)

2025-05-01 - 9:59:16 PM GMT

 Document e-signed by Catrice Miles (gatoarroz4@gmail.com)

Signature Date: 2025-05-01 - 10:01:47 PM GMT - Time Source: server

 Email viewed by Elizabeth Garcia-Flynn (egflynn1971@aol.com)


2025-05-01 - 10:23:32 PM GMT

 Document e-signed by Elizabeth Garcia-Flynn (egflynn1971@aol.com)

Signature Date: 2025-05-01 - 10:27:31 PM GMT - Time Source: server

 Email viewed by Marlem Jalomo (lemmyjalomo@gmail.com)

2025-05-02 - 2:29:42 AM GMT

 Document e-signed by Marlem Jalomo (lemmyjalomo@gmail.com)

Signature Date: 2025-05-02 - 2:32:43 AM GMT - Time Source: server

 Agreement completed.

2025-05-02 - 2:32:43 AM GMT



# EXHIBIT 2

## ~~MODEL~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE<sup>+</sup>

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between ~~plaintiff~~ \_\_\_\_\_ (“~~Plaintiff~~”) ~~plaintiffs~~ Lauren Dann, Kathryn Cude, and defendant \_\_\_\_\_ (“~~XYZ~~”). Mary Yoon (“Plaintiffs”) and Defendants The Rodan + Fields Company, Rodan + Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber (“Defendants”). The Agreement refers to ~~Plaintiff~~ Plaintiffs and ~~XYZ~~ Defendants collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1. “Action” means the ~~Plaintiff’s~~ Plaintiffs’ lawsuit alleging wage and hour violations against ~~XYZ~~ Defendants captioned \_\_\_\_\_ *Dann v. The Rodan + Fields Company, et al.*, San Francisco County Superior Court, Case No. CGC-24-612800, initiated on —March 1, 2024 and pending in Superior Court of the State of California, County of ~~Los Angeles~~ San Francisco.
- 1.2. “Administrator” or “Settlement Administrator” means \_\_\_\_\_, Verita Global LLC (“Verita”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the ~~Gross~~ Maximum Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. ~~“Aggrieved Employee”~~ “PAGA Claimant” means ~~[e.g., a person employed by XYZ all persons who entered into Consulting Agreements with Defendants in California, and who were classified by Defendants as a \_\_\_\_\_ who worked for XYZ during the PAGA Period]~~ an “independent contractor” on or after March 1, 2023 and ending on the date the motion for preliminary approval is granted.
- 1.5. “Class Claim Form” means ~~[define class e.g., the online form that will be available on the Settlement Website where Class Members can submit additional information to be used to calculate their Individual Class Payment and elect the method by which they payment shall be sent, in the form, without material variation, attached as Exhibit B and incorporated by reference into this Agreement.~~

---

<sup>+</sup> ~~This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

~~1.5.1.6.~~ “Class” means all persons employed by XYZ who entered into Consultant Agreements with Defendants in California and for the purpose of selling Rodan+Fields’s products in exchange for commissions, and who were classified as — who worked for XYZ by Rodan+Fields as “independent contractors” during the Class Period.~~].~~

~~1.6.1.7.~~ “Class Counsel” means Glenn Danas and Kristen Simpicio of Clarkson Law Firm P.C., and Shana Khader of Tycko & Zavareei LLP.

~~1.7.1.8.~~ “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

~~1.8.1.9.~~ “Class Data” means Class Member identifying information in XYZ’s Defendants’ possession including the Class Member’s name, e-mail address, last-known mailing address, Social Security number, —, and any internal consultant identification numbers, the number of Class Period Workweeks Registered Weeks and PAGA Pay Registered Periods, and history of purchases from, fees paid to, and sales made on behalf of Defendants. Rodan+Fields authorizes the release of this Class Data to the Settlement Administrator for purposes related to administering this Settlement. The Settlement Administrator shall take all reasonable steps to maintain the confidentiality and security of the Class Data, except to the extent disclosure is required as stated in this Agreement. Class Data used to calculate the amount of each Class Member’s claim will be printed on each Class Member’s respective Class Notice.

~~1.9.1.10.~~ “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 PAGA Claimant).

~~1.10.1.11.~~ “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

~~1.11.1.12.~~ “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, Court Approved long-form notice of Class Action Settlement and Hearing Date for Final Court Approval to be mailed disseminated to Class Members in English ~~[with a Spanish translation, if applicable]~~ in the form, without material variation, attached as Exhibit Exhibits A and incorporated by reference into this Agreement.

~~1.12.1.13.~~ “Class Period” means the period from — March 1, 2020, to —.<sup>2</sup>the

---

<sup>2</sup> Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of

date the Court issues its order granting the motion for preliminary approval.

~~1.13.~~1.14. “Class Representative<sup>2</sup>(s)” means the named ~~Plaintiff~~Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

~~1.14.~~1.15. “Class Representative Service Payment” means the ~~payment~~payments to the Class ~~Representative~~Representatives and Other Settling Individuals for initiating the Action and/or providing services in support of the Action.

~~1.15.~~1.16. “Court” means the Superior Court of California, County of Los Angeles.

~~1.16.~~ “XYZ” means named Defendant \_\_\_\_\_.

~~1.17.~~ “Defendants” means named Defendant The Rodan + Fields Company, Rodan + Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber.

~~1.17.~~1.18. \_\_\_\_\_ “Defense Counsel” means \_\_\_\_\_ Eric M. George and Christopher T. Berg of Ellis George LLP.

~~1.18.~~1.19. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

~~1.19.~~1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.

~~1.20.~~1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

~~1.21.~~1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

~~1.22.~~1.23. “~~Gross~~Maximum Settlement Amount” means \$ ~~\_\_\_\_\_~~8,000,000 which is the total amount ~~XYZ~~Defendants agrees to pay under the Settlement, except as provided in

---

~~preliminary approval. The Parties’ Kullar analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (Luckey v. Superior Court (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)~~

~~Paragraph 9~~ Paragraphs 4.3.2 and 8 below. ~~The Gross Settlement Amount will be used to pay, in full and complete settlement of this matter, which sum includes Individual Class Payments, Individual~~ Individual PAGA all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees, Payment, the Class Counsel Litigation Expenses, Payment, and the Class Representative Service Payment and the Administrator's Expenses. Except as provided in Section 4.4.2, no money will revert to the Defendants. Payments to Plaintiffs and Settlement Class Members of the Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, will be made from the Maximum Settlement Amount shall be considered non-wages for which an IRS Form 1099 will be issued.

~~1.23.1.24.~~ "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~~ formula without material variation, attached as Schedule 1 and incorporated by reference into this Agreement.

~~1.24.1.25.~~ "Individual PAGA Payment" means the ~~Aggrieved Employee's~~ PAGA Claimant's pro rata share of 25% of the PAGA Penalties calculated according to the number of ~~Workweeks~~ Registered Weeks worked during the PAGA Period.

~~1.25.1.26.~~ "Judgment" means the judgment entered by the Court based upon the Final Approval.

~~1.26.1.27.~~ "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

~~1.27.1.28.~~ "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

~~1.28.1.29.~~ "Net Settlement Amount" means the ~~Gross~~ Maximum Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.29.1.30.~~ "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.

1.31. "Notice Completion Date" means the date by which the Settlement Administrator has mailed Notice to all Class Members for whom the e-mail notice was undeliverable or for whom no valid e-mail address is available.

1.32. "Original Plaintiff" means Plaintiff Lauren Dann, who appeared on the original complaint filed in this action.

1.33. "Other Settling Individuals" means Aja Forner, Elizabeth Garcia-Flynn, Marlem Jalomo, Elyzabeth Michael, Catrice Miles, and Amy Somer, each of whom (a) are Class

Members; (b) in their individual capacity retained Class Counsel prior to the July 5, 2024 mediation; and (c) contributed to the resolution of this case by their provision of information and documents.

~~1.30.~~1.34. “PAGA ~~Pay~~Registered Period” means ~~any Pay Period~~each consecutive two-week period during the PAGA Period during which an Aggrieved Employee worked for XYZa PAGA Claimant was registered as a Consultant with Rodan+Fields for at least one day during the PAGA Period. For the purposes of this settlement, a Class Member was registered with Rodan+Fields if their account was active during that registered period. An active account is one that has been opened through enrollment but has not yet been terminated.

~~1.31.~~1.35. “PAGA Period” means the period from \_\_\_\_\_ ~~to~~  
—March 1, 2023 to the date the motion for preliminary approval is granted.

~~1.32.~~1.36. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

~~1.33.~~1.37. “PAGA Notice” means the Original Plaintiff’s \_\_\_\_\_ letter to XYZ and the LWDA ~~[and Plaintiff’s letter to XYZ]~~Defendants and the LWDA] providing notice pursuant to Labor Code section 2699.3, subd.(a).

~~1.34.~~1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross~~Maximum~~ Settlement Amount, allocated 25% to the Aggrieved Employees ~~(—PAGA Claimants (\$125,000))~~ and the 75% to LWDA ~~(—(\$375,000))~~ in settlement of PAGA claims.

~~1.35.~~1.39. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

~~1.36.~~1.40. “~~Plaintiff~~Plaintiffs” means \_\_\_\_\_ Lauren Dann, Kathryn Cude, and Mary Yoon, the named ~~plaintiff~~plaintiffs in the Action.

~~1.37.~~1.41. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

~~1.38.~~1.42. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

~~1.39.~~1.43. “Released Class Claims” means the claims being released as described in Paragraph 65.2 below.

~~1.40.~~1.44. “Released PAGA Claims” means the claims being released as described in Paragraph ~~6.25~~3 below.

~~1.41.~~ “Released Parties” means: XYZ and each of its former and present directors, officers, shareholders, owners, [members], attorneys, insurers, predecessors, successors, assigns [subsidiaries] [affiliates].

1.45. “Released Parties” means: (i) Defendants The Rodan + Fields Company, Rodan +

Fields LLC, Dr. Katie Rodan, Dr. Kathy Fields, Dimitri Haloulos, Tim Eng, Laura Beitler, Dalia Stoddard, Jessica Raefield, and Janine Weber; (ii) Defendants' respective past, present, and future parents, subsidiaries, predecessors, successors, assigns, equity holders, and affiliates including any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, acquires, merges with or into, or is under common control with the Defendants; (iii) and the past, present, and future parents, subsidiaries, affiliates, direct and indirect equity holders, directors, officers, agents, employees, attorneys, investment bankers, financial advisors, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing.

~~1.42.~~1.46. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

~~1.43.~~1.47. "Response Deadline" means ~~[e.g., 60] days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement.~~the date by which: (a) any request for exclusion from the Class and/or challenges to Registered Weeks and/or Registered Periods is postmarked or emailed to the Settlement Administrator; (b) any objection to the Settlement and/or the Motion for Attorneys' Fees, Expenses and Incentive Payments is filed with the Clerk of the Court; or (c) any counsel who intends to appear at the Final Approval Hearing on behalf of a class member files a Notice of Appearance with the Clerk of the Court. The Response Deadline shall be set 35 days before the Final Approval Hearing, and no sooner than 60 days after the Notice Completion Date. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

~~1.44.~~1.48. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.49. "~~Workweek~~Settlement Website" means an internet website to be established and maintained by the Settlement Administrator for purposes of administering the Settlement, including the online completion and submission of the Claims Form. The URL of the Settlement Website shall be <http://www.BrandConsultantSettlement.com>. The Settlement Website will also contain the Claim Form, Settlement Complaint, Settlement Agreement, the Long Form Notice, the Preliminary Approval Order and Final Order and Judgment, following entry by the Court, and such other information agreed to by the Parties.

~~1.45.~~1.50. "Registered Week" means any calendar week, beginning each Sunday, during which a Class Member ~~worked for XYZ~~was registered as a Consultant with Rodan+Fields for at least one day, during the Class Period. For the purposes of this settlement, a Class Member was registered as a Consultant with Rodan+Fields if their account was active during that week. An active account is one that has been opened through enrollment



but has not yet been terminated.

## 2. RECITALS.

2.1. On \_\_\_\_\_, March 1, 2024, the Original Plaintiff commenced this Action by filing a Complaint alleging causes of action against XYZ Defendants for \_\_\_\_\_. ~~[The Complaint is the operative complaint in the Action (the “Operative Complaint.”)]~~ ~~[On \_\_\_\_\_;~~

- Failure to Pay Minimum Wage and Liquidated Damages (Labor Code §§ 1182.12, 1194, 1197, 1197.1, at 1198)
- Failure to Provide Meal Periods or Meal Premium Wages (Labor Code §§ 226.7, 512(a), 1198; IWC Wage Order 4-2001);
- Failure to Provide Rest Periods or Rest Break Premium Wages (Labor Code §§ 226.7, 558.1);
- Failure to Keep Requisite Payroll Records (Labor Code § 1174(d))
- Failure to Provide Timely and Accurate Wage Statements (Labor Code § 226(a), 226(e));
- Failure to Timely Pay Wages (Labor Code § 204)
- Failure to Pay Wages Upon Separation (Labor Code § 201-203);
- Failure to Reimburse Business Expenses (Labor Code §§ 450, 2802; IWC Wage Order 4-2001);
- Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.)

~~2.1.2.2.~~ On May 14, 2024, the Original Plaintiff filed a ~~[e.g., First Amended Complaint]~~ alleging causes of action against XYZ for \_\_\_\_\_. ~~The [e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative Complaint.”)]~~ XYZ denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged. to add an additional claim for civil penalties under the Private Attorney General Act (Labor Code §§ 2698-2699.8).

~~2.2.2.3.~~ Pursuant to Labor Code section 2699.3, subd.(a), Original Plaintiff gave timely written notice to XYZ Defendants and the LWDA by sending the PAGA Notice.

~~2.3.~~ On \_\_\_\_\_, ~~(type in additional dates)~~, ~~[July 5,~~ 2024, the Parties

2.4. participated in an all-day mediation presided over by \_\_\_\_\_ Hon. Louis Messinger. Discussions continued, ultimately leading to a settlement in principal, which led to this Agreement to settle the Action ~~(describe alternative means of negotiation).~~  
\_\_\_\_\_  
~~(describe alternative means of negotiation)~~

~~Prior to mediation, Plaintiff obtained, through informal discovery, (documents, testimony and information obtained)-Plaintiff’s~~

2.4.2.5. Prior to mediation, Plaintiffs obtained, through informal discovery, documents and information regarding Defendants’ policies and procedures, the size of the overall Class, Class Members’ compensation (amount and number of commission payments received),



and information regarding fees paid to Defendants and product purchase histories. Class Counsel was additionally provided with highly confidential information regarding Defendants' ability to pay. Class Counsel also obtained other information from Plaintiffs and the Other Settling Individuals, as well as from public sources, as reflected in the Operative Complaint. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4<sup>th</sup> 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4<sup>th</sup> 116, 129-130 ("Dunk/Kullar").

2.6. Pursuant to the Parties' agreement, Plaintiffs filed a Second Amended Complaint to add class representative Kathryn Cude, and Mary Yoon as additional named plaintiffs in this matter. The Second Amended Complaint is the operative complaint in the Action (the "Operative Complaint"). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

2-5-2.7. The Court has not granted class certification.

2-6-2.8. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. MONETARY TERMS.

3.1. GrossMaximum Settlement Amount. Except as otherwise provided by Paragraph 9 below, ~~XYZ promises~~Defendants promise to pay \$~~—8,000,000~~ and no more as the GrossMaximum Settlement Amount ~~[and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments.] XYZ has.~~ Defendants have no obligation to pay the GrossMaximum Settlement Amount ~~(or any payroll taxes)~~ prior to the ~~deadlined~~deadlines stated in Paragraph ~~6.14.2~~ of this Agreement.<sup>v</sup> The Administrator will disburse the entire GrossMaximum Settlement Amount ~~without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross~~ set forth in Paragraph 4.3.1. Except as otherwise provided by Section 4.4.2, none of the Maximum Settlement Amount will revert to XYZDefendants.

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

3.2.1. To Plaintiffthe Plaintiffs: Class Representative Service Payment to the Class Representative of not more than \$~~\_\_\_\_\_~~ (in addition15,000 to the Original Plaintiff Lauren Dann, of not more than \$5,000 to the other Plaintiffs, Kathryn Cude, and Mary Yoon, and of not more than \$1,500 to anyeach of the Other Settling Individuals for their contribution to the resolution of this matter. These Class Representative Service Payments are exclusive of any amounts (i.e., Individual Class Payment [and any Individual PAGA Payment]the) that

each Class Representative ~~is or Other Settling Individual would be~~ entitled to receive as a Participating Class Member). ~~XYZ. Defendants~~ will not oppose ~~Plaintiff's~~Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, ~~Plaintiff~~Plaintiffs will seek Court approval for any Class Representative Service Payments no later than ~~[16 court]~~28 days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for ~~employee~~ taxes owed on the Class Representative Service Payment.

- 3.2.2. To Class Counsel: A Class Counsel shall apply to the Court for a Fees Payment of not more than ~~—%, 33 1/3% of the Maximum Settlement Account,~~ which is ~~currently~~ estimated to be \$~~\_\_\_\_\_~~ and ~~a~~2,666,666.67, plus Class Counsel Litigation Expenses Payment of not more than \$~~\_\_\_\_\_~~. XYZ Counsel's actual costs and expenses as supported by declaration. ~~Defendants~~ will not oppose requests for these payments provided that do not exceed these amounts. ~~Plaintiff~~Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than ~~[16 court]~~28 days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other ~~Plaintiff's~~Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ~~XYZ Defendants~~ harmless, and indemnifies ~~XYZ Defendants~~, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$~~\_\_\_\_\_~~ \$150,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$~~\_\_\_\_\_~~ \$150,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated ~~by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks~~ using the formula in Schedule 1.

3.2.4.1. Tax Allocation of Individual Class Payments. ~~% \_\_\_\_\_ of each Participating Class Member's Individual Class Payment will~~ Payments shall be allocated ~~to settlement of wage claims (the "Wage Portion").~~ 100% as non-wages. The ~~Wage Portions~~ are subject to tax withholding and will be reported on ~~Administrator will~~ issue an IRS W-2 Form 1099. The ~~% \_\_\_\_\_ of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion").~~ The ~~Non-Wage Portions~~ are not subject to wage withholdings and will be reported ~~Administrator will report~~ Individual Class Payments on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any ~~employee~~ taxes owed on their Individual Class Payment.

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

3.2.5. To the LWDA and Aggrieved Employees/PAGA Claimants: PAGA Penalties in the amount of \$ 500,000 to be paid from the ~~Gross~~ Maximum Settlement Amount, with 75% (\$ 375,000) allocated to the LWDA PAGA Payment and 25% (\$ 125,000) allocated to the Individual PAGA Payments.

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

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

#### 4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. ~~Class Workweeks and Aggrieved Employee Pay Periods.~~ Based on a review of its records to date, XYZ estimates there are \_\_\_\_\_ Class Members who collectively worked a total of \_\_\_\_\_ Workweeks, and \_\_\_\_\_ of Aggrieved Employees who worked a total \_\_\_\_\_ of PAGA Pay Periods.

4.2.4.1. Class Data. Not later than ~~[e.g., 15]~~14 days after the Court grants Preliminary Approval of the Settlement, XYZDefendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. XYZ hasDefendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which XYZDefendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3.4.2. Funding of GrossMaximum Settlement Amount. XYZDefendants shall fully fund the GrossMaximum Settlement Amount, ~~and also fund the amounts necessary to fully pay XYZ's share of payroll taxes~~ by transmitting the funds to the Administrator ~~no later than [14] days after the Effective Date as follows:~~

- ~~• —Payments from~~One-third (1/3) of the GrossMaximum Settlement Amount. Within [14] to be paid within five (5) business days of the order granting preliminary approval;
- ~~• One-third (1/3) of the Maximum Settlement Amount to be paid within Five (5) business days after XYZ funds of the Gross order granting final approval; and~~
- ~~• One-third (1/3) of the Maximum Settlement Amount to be paid within 365 days of the order granting preliminary approval except that no such payment will be due if the Court has before that time denied the motion seeking Final Approval.~~

#### 4.3. Payments from the Maximum Settlement Amount.

4.4.4.3.1. Within 30 days of the later of (i) the Effective Date and (ii) Defendant's completion of funding the Maximum Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. The Settlement Administrator shall not disburse any of the above payments until the Effective Date has passed. If the 30th day after the complete funding of the Maximum Settlement Amount occurs before the Effective Date, the Settlement Administrator shall begin making the disbursements after the Effective date has passed and complete the above disbursements within 10 business days after the Effective Date.

4.3.2. In the event the Court does not enter Judgment on or fails to issue an Order granting Final Approval, or such Judgment does not become final for purposes of creating an Effective Date, the Administrator shall return all funds paid to it by Defendants.

4.4.1.4.3.3. The ~~The Administrator will~~ Administrator will first endeavor to issue electronic payments via Paypal (or alternative electronic payment method elected by the Class Member), using the Class Members' last known email address (either from Defendants' records or provided to them during the notice period). For any payment that is returned or cannot be effectuated through that method after 28 days, the Administrator shall issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will ~~send check~~ effectuate payments for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will ~~send check~~ effectuate payments for Individual PAGA Payments to all ~~Aggrieved Employees~~ PAGA Claimants including Non-Participating Class Members who qualify as ~~Aggrieved Employees~~ PAGA Claimants (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single ~~check~~ payment combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3.4.3.5. For any Class Member whose Individual Class Payment ~~check~~ or Individual PAGA Payment ~~check~~ is uncashed or cannot be electronically processed and cancelled after the void date, the Administrator shall transmit the funds ~~represented by such checks [to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).] [or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") \_\_\_\_\_].~~ The Parties have agreed to



select the Cy Pres Recipient prior to filing a motion for final approval of the settlement. The Parties, Class Counsel and Defense Counsel represent that they will select a Cy Pres Recipient with which they have no interest or relationship, financial or otherwise, ~~with the intended Cy Pres Recipient.~~

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

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

5.1 ~~Plaintiff's Release. Plaintiff and his or her~~ Release by Plaintiffs and Other Settling Individuals. Plaintiffs and Other Settling Individuals, and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~[that occurred during the Class Period],~~ including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff'sPlaintiffs' PAGA Notice, [or ascertained during the Action and released under 6.2, below]. (“Plaintiff'sPlaintiffs' Release.”) Plaintiff'sPlaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff'sPlaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff'sPlaintiffs' discovery of them.

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: :

5.2 All Participating individual Plaintiffs and Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, asserted or reasonably could have been alleged, based on the Class Period facts stated asserted in the Operative Complaint [and ascertained in PAGA notices, the course of the Action] [including, e.g., “(a) operative complaint, and any and all claims involving any alleged failure future amendments to pay minimum wage; etc.]. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the operative complaint up through the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside a final judgment is issued finally approving the Class Period settlement to the extent such claims arise out of and/or relate to the facts and claims alleged by Plaintiffs in this case.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees Release by PAGA Claimants: All PAGA Claimants are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,] [and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. relating to the employment status and classification and related violations.

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

6.1 XYZ’s Confidentiality. The Parties agree to use best efforts to secure an order sealing any confidential material included as support for a motion for preliminary approval or final approval of the Settlement and otherwise protect the confidentiality of information so designated by the Defendants, unless Plaintiffs in good faith believes the information has been improperly designated as confidential, in which case the Parties will confer in good faith to resolve their disagreement. Any disagreement about confidentiality that cannot be resolved among the parties will be referred to mediator Hon. Louis Meisinger. The parties agree to abide by the mediator’s decision as to any confidentiality dispute. If the Settlement does not receive preliminary or final approval, this MOU, the Settlement, and any information, documents, or testimony exchanged pursuant to confirmatory discovery or otherwise in connection with the Settlement shall be treated as inadmissible mediation materials under Cal. Evid. Code § 1115 et seq.

6.2 Defendants' Declaration in Support of Preliminary Approval. ~~Within \_\_\_\_\_ days of the full execution of this Agreement, XYZ~~ Prior to finalizing and submitting the Motion for Preliminary Approval, Defendants will prepare and deliver to Class Counsel a signed Declaration from XYZ Defendants and Defense Counsel ~~disclosing which:~~

- (i) confirms the accuracy of certain information provided regarding the size of the class, enrollment and termination dates of Class Members' accounts with Defendants, and other damages information;
- (ii) provides certain information regarding Defendants' finances; and
- 6.1(iii) discloses all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and XYZ shall aver; and contains an averment that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

\_\_\_\_\_ Plaintiffs'  
6.3 Plaintiffs' Responsibilities. Plaintiff Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: ~~(i)-~~

- (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); ~~(ii)-~~
- (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; ~~(iii)-a-~~
- (iii) draft proposed Class Notice; ~~(iv)-Notices;~~
- (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~[and/or the proposed Cy Pres];~~ and the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense Counsel; ~~(v)-~~
- (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~[and/or] the Administrator ~~[and/or the proposed Cy Pres];~~ ~~(v)-;~~~~
- (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); ~~(vi)-~~
- (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and ~~(vii)-~~
- 6.2(viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are



not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.36.4 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than [30] days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

## **7. SETTLEMENT ADMINISTRATION.**

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

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

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

7.3 Settlement Website. Using best efforts to perform as soon as possible, and in no event later than 90 days after Preliminary Approval, the Settlement Administrator shall establish the Settlement Website that shall be made available to the Parties for testing purposes. The final Settlement Website shall go live as soon as practicable thereafter, but at least one business day before the Settlement Administrator disseminates Notice via email. The Settlement website shall contain:

- (i) the Claim Form, which Class Members can access by providing their email and a code appearing on their Class Notice, enabling them to submit additional information regarding hours worked and expenses incurred under penalty of perjury, and supply alternative electronic payment directions;
- (ii) a contact information page with contact information for the Settlement Administrator, and addresses and telephone numbers for Class Counsel and Defense Counsel;
- (iii) the Settlement Agreement;
- (iv) the signed Preliminary Approval Order and publicly filed motion papers and declarations in support thereof;
- (v) the operative complaint; and
- (vi) when they become available, the Fee and Service Award Application, the motion for entry of the Final Approval Order, and any motion papers and declarations filed publicly in support thereof.

The Settlement Website shall remain accessible until thirty (30) days after the Settlement Administrator has completed its obligations under the Settlement Agreement. The Settlement Administrator shall also establish a 24-hour toll-free telephone line with information about frequently asked questions about the Settlement. The number shall be included in the Class Notice and posted on the Settlement Website. Under no circumstances will Class Member-specific information based on data provided by Rodan+Fields be displayed on the Settlement Website other than their name and address.

7.4 Notice to Class Members.

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

7.4.2 Using best efforts to perform as soon as possible following the creation of the Settlement Website, and in no event later than ~~[14]~~ 120 days after ~~receiving the Class Data~~ Preliminary Approval, the Administrator will send to all Class Members identified in the Class Data, via ~~first-class United States Postal Service (“USPS”) mail~~ email, the Class Notice ~~[with Spanish translation, if~~

~~applicable]~~ substantially in the form attached to this Agreement as Exhibit ~~—A~~. The first page of the Class Notice shall contain the Class Members' code to be used to view the Claim Form on the Settlement Website and prominently estimate the ~~dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of WorkweeksRegistered Weeks~~ and PAGA ~~PayRegistered~~ Periods (if applicable) that will be used to calculate these amounts.Individual Class Payments.

~~7.4.27.4.3~~ For Class Members whose email notice is returned as undeliverable or for whom no valid email address is available, no later than 14 days after transmitting the initial email notice in the preceding paragraph, the Administrator shall send via first class mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A (“Notice Completion Date”). Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

~~7.4.37.4.4~~ Not later than ~~[3]~~ business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

~~7.4.47.4.5~~ The ~~deadlines~~Response Deadline shall be no sooner than 60 days after the Notice Completion Date. In the event the Administrator needed to re-send the Notice to any undeliverable addresses and the deadline f, the deadline for Class Members' ~~written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion~~ those Class Members will be extended an additional ~~[14] days beyond the [60] days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed.~~ The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

~~7.4.57.4.6~~ If the Administrator, ~~XYZ~~Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~[14]~~ days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

~~7.4.7~~ This Agreement does not impose on any Party or the Settlement Administrator an obligation to make extraordinary efforts to locate a potential Class Member.

7.4.8 Because of the duration of time between the provision of Notice and the funding of the Maximum Settlement Amount, the Parties recognize that there may be an increase in class member queries to the Settlement Administrator as well as changes in Class Members' addresses or payment preferences. Thus, after Notice is provided, as necessary and in consultation with Class Counsel, the Settlement Administrator shall undertake reasonable efforts to send additional reminder emails to Class Members to direct them to the Settlement Website to complete the Claim Form and/or provide updated information as to their preferred method of payment. The timing and nature of any supplemental reminder efforts shall be determined in consultation with Class Counsel, and shall take into account the overall schedule and passage of time between the provision of Notice, the entry of final approval, and the dissemination of Settlement Payments, as well as the cost and associated benefits of any reminder.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion ~~not later than [60] days after the Administrator mails the Class Notice (plus an additional [14] days for Class Members whose Class Notice is re-mailed).~~by the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs ~~65.2~~ and ~~65.3~~ of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees PAGA Claimants are deemed to release the claims identified in Paragraph 6.45.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.6 Challenges to Calculation of WorkweeksRegistered Weeks. Each Class Member shall have [at least 60] days after the Administrator mails the Class Notice (~~plus an additional [14] days for Class Members whose Class Notice is re-mailed~~) to challenge the number of Class WorkweeksRegistered Weeks and PAGA PayRegistered Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the WorkweeksRegistered Weeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of WorkweeksRegistered Weeks and/or PayRegistered Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of WorkweeksRegistered Weeks and/or PayRegistered Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.
- 7.7 Objections to Settlement.
- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so ~~no~~ later than [35 days before the Fairness Hearing, the date for which shall be no sooner than 60] days after the ~~Administrator's mailing of~~ Administrator mails the Class Notice (plus an additional [14] days for Class Members whose Class Notice was re-mailed).
- 7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to

be performed or observed by the Administrator contained in this Agreement or otherwise. Additionally, the Settlement Administrator will be responsible for all appropriate withholding, and compliance with all reporting obligations in accordance to the Parties' Settlement Agreement and pursuant to the Court's order(s). The Administrator will issue all relevant tax forms including 1099 forms. The Administrator will register the settlement fund as a Qualified Settlement Fund ("QSF"). On these tax forms, the Administrator will use the Unique Employer Identification Number issued by the IRS for the registered QSF.

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

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

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

7.8.4 ~~WorkweekRegistered Week~~ and/or ~~PayRegistered~~ Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of ~~WorkweeksRegistered Weeks~~ and/or ~~PayRegistered~~ Periods. The Administrator's decision shall be final and not appealable or otherwise



susceptible to challenge.

7.8.5 Administrator's Declaration. Not later than ~~{14}~~7 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

~~8. CLASS SIZE ESTIMATES [and ESCALATOR CLAUSE] Based on its records, XYZ estimates that, as of the date of this Settlement Agreement, (1) there are \_\_\_\_\_ Class Members and \_\_\_\_\_ Total Workweeks during the Class period and (2) there were \_\_\_\_\_ Aggrieved Employees who worked \_\_\_\_\_ Pay Periods during the PAGA Period.~~

#### **XYZ'S**

**9.8. DEFENDANT'S RIGHT TO WITHDRAW**. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds % \_\_\_\_\_ 5% of the total of all Class Members, XYZDefendants may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if XYZDefendants withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, XYZDefendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZDefendants must notify Class Counsel and the Court of its election to withdraw not later than {seven} days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

**10.9. MOTION FOR FINAL APPROVAL**. Not later than ~~{16}~~ ~~court~~49 days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment

(collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than ~~seven~~3 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

~~10.19.1~~ Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than ~~five~~ court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

~~10.29.2~~ Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

~~10.39.3~~ Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

~~10.49.4~~ Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

~~10.59.5~~ Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court’s concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after



remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the ~~Gross~~Maximum Settlement Amount remains unchanged.

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

**12.11. ADDITIONAL PROVISIONS.**

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

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

~~12.3~~11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

~~12.4~~11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

~~12.5~~11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and [XYZDefendants](#), respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

~~12.6~~11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

~~12.7~~11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

~~12.8~~11.8 No Tax Advice. Neither Plaintiff, Class Counsel, [XYZDefendants](#) nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

~~12.9~~11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

~~12.10~~11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

~~12.11~~11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be

governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

~~12.12~~11.12Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

~~12.13~~11.13Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

~~12.14~~11.14Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by [XYZDefendants](#) in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from [XYZDefendants](#) unless, prior to the Court's discharge of the Administrator's obligation, [XYZDefendants](#) makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

~~12.15~~11.15

H

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

~~12.16~~11.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~12.17~~11.17

N

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

To Plaintiff:

CLARKSON LAW FIRM, P.C.

Glenn A. Danas

[gdanas@clarksonlawfirm.com](mailto:gdanas@clarksonlawfirm.com)

Kristen G. Simplicio

[ksimplicio@clarksonlawfirm.com](mailto:ksimplicio@clarksonlawfirm.com)

22525 Pacific Coast Highway

Malibu, California 90265

Telephone: (213) 788-4050

Facsimile: (213) 788-4070

To ~~XYZ~~Defendants:

ELLIS GEORGE LLP

Eric M. George

[egeorge@ellisgeorge.com](mailto:egeorge@ellisgeorge.com)

2121 Avenue of the Stars

Suite 3000

Los Angeles, CA 90067

Telephone: (310) 274-7100

Facsimile: (310) 275-5697

~~12.18~~11.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes

of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~12.19~~11.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ For Plaintiff \_\_\_\_\_ For XYZ

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Counsel For Plaintiff \_\_\_\_\_ Counsel For XYZ