

Lopes v. Kohl's Department Stores, Inc., No. RG08380189
Bobadilla v. Kohl's Department Stores, Inc., No. RG11597341
Superior Court of the State of California, for the County of Alameda
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All non-exempt, hourly employees of Defendant Kohl's, Inc., fka Kohl's Department Stores, Inc. ("Defendant") who worked at one or more of Defendant's retail stores and/or Distribution Centers and/or E-Fulfillment Center in the State of California at any time from April 4, 2004 through May 16, 2014, and who did not previously opt out of the class certified by the Court in *Lopes v. Kohl's Department Stores, Inc.*, No. RG08380189 (Alameda County Superior Court) ("Class Members").

All non-exempt, hourly employees of Defendant who worked at one or more of Defendant's retail stores and/or Distribution Centers and/or E-Fulfillment Center in the State of California at any time from February 25, 2007 through March 30, 2018 ("PAGA Members").

On December 11, 2023, the Honorable Evelio Grillo of the Alameda County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

NOTE: All non-exempt employees of Defendant who worked as a non-exempt employee at any retail store in California as a Point-of-Sale, Customer Service, or Service Associate during the period from February 3, 2010, through and including December 18, 2023 are eligible to receive payments from a separate settlement involving Kohl's Department Stores, Inc. That settlement and the instant settlement are *separate*, and payments from the two settlements will also be issued *separately*.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 1:30 p.m. on August 20, 2024 in Department 21 of the Alameda County Superior Court located at 1221 Oak Street, Oakland, California 94612.

You are not required to attend the hearing, but if you wish to attend, you may attend the hearing remotely, which can be set up through Zoom. See <https://www.alameda.courts.ca.gov/general-information/remote-appearances> for more information about how to make a remote appearance.

Please also note that the Final Fairness Hearing may be rescheduled by the Court for another date and/or time. Please visit www.cptgroupcaseinfo.com/LopesKohlsSettlement for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as "eCourt Public Portal," at <https://eportal.alameda.courts.ca.gov>. After arriving at the website, click the "Search" tab at the top of the page, then select the Document Downloads link, enter the case number and click "Submit." Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed

Questions? Contact the Settlement Administrator toll free at 1-(888) 729-0852

in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be eligible for payments from the Class-A Fund, Class-B Fund, and if you are also a PAGA Member, PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendant based on the same facts alleged in the actions during the applicable Class Period.
You Can Opt-out of the release of the Class-B Released Claims The Opt-out Deadline is May 27, 2024.	The settlement releases three types of claims: Class-A Released Claims, Class-B Released Claims, and PAGA Released Claims. <i>See below for more details.</i> You cannot opt out of the release of the Class-A Released Claims, or the PAGA Released Claims, but you can opt out of the release of the Class-B Released Claims. To opt out, you must submit a written Request for Exclusion by May 27, 2024. Once excluded, you will not release the Class-B Released Claims, and will not receive a payment from the Class-B Fund. <i>See below for more information.</i> PAGA Members cannot opt-out of the PAGA portion of the proposed Settlement.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by May 27, 2024.	All Class Members can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the August 20, 2024, Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on August 20, 2024, at 1:30 p.m. in Department 21 of the Alameda County Superior Court located at 1221 Oak Street, Oakland, California 94612. 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. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.

Summary of the Litigation

Plaintiffs Nicole Lopes, Brian Paradis, and Isaac Bobadilla, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (a) pay minimum and overtime wages, (b) pay meal and rest period premiums at the correct regular rate of pay, (c) provide compliant meal and rest periods, (d) provide compliant wage statements, (e) pay all wages due and owing during employment, (f) timely pay all wages due and owing at the end of employment, and (g) pay reporting time pay.

After over 15 years of active litigation, the parties were able to negotiate a settlement of the Class-A Released Claims, Class-B Released Claims, and PAGA Released Claims (see below).

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Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC, Law Offices of Mark Yablonovich, and Goldstein, Borgen, Dardarian & Ho (collectively "Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the underlying claims in exchange for a Gross Settlement Amount of \$7,000,000. Subject to Court approval, this amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of \$25,000 to Nicole Lopes and \$20,000, each, to Brian Paradis, and Isaac Bobadilla for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendant; (3) \$3,000,000 in attorneys' fees and litigation costs and expenses; (4) a \$200,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$150,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$50,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$330,000. After deducting the above payments, a total of approximately \$3,405,000 will be allocated to Class Members ("Net Settlement Fund"). Sixty percent (60%) of the Net Settlement Fund will be allocated to the Class-A Fund, and the remaining forty percent (40%) will be allocated to the Class-B Fund. Additionally, all PAGA Members will receive a proportional share of the \$50,000 PAGA Fund.

Payments from the Class-A Fund. Defendant will calculate the total number of Workweeks worked by each Class Member from April 4, 2004 through May 16, 2014 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Class-A Fund, the Settlement Administrator will use the following formula: The Class-A Fund will be divided by the aggregate total number of Workweeks in the Class Period, resulting in the "Workweek-A Value." Each Class Member's share of the Class-A Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek-A Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of <<WorkWeeks>> Workweeks. Accordingly, your estimated payment from the Class-A Fund is approximately <<ClassA_Amt>>.

Payments from the Class-B Fund. To determine each Class Member's estimated share of the Class-B Fund, the Settlement Administrator will use the following formula: The Class-B Fund will be divided by the aggregate total number of Workweeks in the Class Period, resulting in the "Workweek-B Value." Each Class Member's share of the Class-B Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek-B Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Class-B Fund will be paid to all Class Members who do not submit Requests for Exclusion ("Class-B Members"). If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Class-B Member's share of the Class-B Fund according to the number of Workweeks worked, so that the amount actually distributed to Class-B Members equals 100% of the Class-B Fund.

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According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of <<WorkWeeks>> Workweeks. Accordingly, your estimated payment from the Class-B Fund is approximately <<ClassB_Amt>>.

Payments from PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member from February 25, 2007 through March 30, 2018 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks in the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he, she, or they submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of <<PAGA_Weeks>> Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately <<PAGAAmt>>.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately <<estAmount>>. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before May 27, 2024, and must be sent to:

Lopes v. Kohl's Department Stores, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Fax No. (949) 419-3446

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Class-A Released Claims and Class-B Released Claims:

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“Class-A Released Claims” means the class claims that were certified by the Court in the Actions on May 16, 2014, and for which Class Members were provided notice and an opportunity to opt out; namely: (1) all claims for the failure to pay overtime and meal and rest period premiums at the regular rate of pay; (2) all claims for the failure to provide rest periods by requiring Class Members to remain on premises during their rest periods; (3) all claims for the failure to provide accurate itemized wage statements; and (4) the failure to pay all wages due upon termination of employment.

“Class-B Released Claims” means all class claims that were alleged in the Actions but not certified by the Court; namely: (1) all claims for the failure to provide meal periods; (2) all claims for the failure to pay meal and rest period premiums based on any theory other than the failure to pay premiums at the regular rate of pay; (3) all claims for the failure to pay wages for time spent undergoing security bag checks; (4) all claims for the failure to pay reporting time pay; (5) all claims for the failure to pay all vacation wages due at termination; (6) all claims for the failure to pay all wages timely during employment; and (7) all claims for the failure to pay overtime based on any theory other than the underlying failure to correctly calculate the regular rate of pay.

Additionally, if the Court grants final approval, the State of California and the LWDA will be deemed to have released or waived the **“PAGA Released Claims”**: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs’ LWDA letters during the PAGA Period except as provided for in this Agreement. Specifically excluded from the definition of PAGA Released Claims are claims for violation of Sections 14(A) and 14(B) of the applicable Wage Order(s).

Option 2 – Opt Out of the release of the Class-B Released Claims

If you do not wish to release any of the Class-B Released Claims, you may exclude yourself from the release by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement and do not wish to release the Class-B Released Claims. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent or fax, to the address or fax number below.

Lopes v. Kohl’s Department Stores, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Fax No. (949) 419-3446

The Request for Exclusion must be postmarked or faxed not later than May 27, 2024. If you submit a Request for Exclusion which is not postmarked or faxed by May 27, 2024, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will:

- Not release the Class-B Released Claims, and will not receive a payment from the Class-B Fund.
- Release the Class-A Released Claims, and will receive a payment from the Class-A Fund.
- If you are a PAGA Member, you will still receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness

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Hearing. The objection must be mailed to the administrator at Lopes v. Kohl's Department Stores, Inc., c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

All written objections must be received by the administrator by not later than May 27, 2024. By submitting an objection, you are not excluding yourself from the release of the Class-B Released Claims. To exclude yourself from the release of the Class-B Released Claims, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for August 20, 2024 at 1:30 p.m. in the Superior Court of the State of California, for the County of Alameda in Department 21 and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Class-A Released Claims and Class-B Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

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The pleadings and all other records from this Action may be examined by inspecting the Court file at the Clerk's Office of the Alameda County Superior Court, located at 1221 Oak Street, Oakland, California 94612. You can also find the settlement agreement, by accessing the Court's website at <https://eportal.alameda.courts.ca.gov>.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.