

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

*Titkos v. Rag Traders Retail, LLC, Case No. 22STCV03444*  
*Polanco v. Rag & Bone Industries LLC, Case No. 22STCV24380*

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

**You may be eligible to receive money** as a result of the settlement (“Settlement”) of two employee class action/representative action lawsuits (“Actions”) against Rag & Bone Industries LLC (“RBI”) and Rag Traders Retail, LLC (“RTR”) (together, “Defendants”) for alleged wage and hour violations. The Actions were filed by former RBI and RTR employees (“Plaintiffs”) and seek payment of (1) back wages and other relief for a class of: (a) all hourly or non-exempt employees who worked for RBI in California at any time from December 6, 2020 through May 31, 2023 (“RBI Class Period”), and (b) all hourly or non-exempt employees who worked for RTR in California at any time from January 27, 2018 through May 31, 2023 (“RTR Class Period”) (together, “Class”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all Class Members who worked for RBI and RTR during the PAGA Period (December 6, 2020 through May 31, 2023) (“Aggrieved Employees”). “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).

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

Based on RBI’s and RTR’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be <<SettAmount>> (less withholding) and your Individual PAGA Payment is estimated to be <<PAGAAmount>>**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to RBI’s and RTR’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on RBI’s and RTR’s records showing that **you worked <<Workweeks>> workweeks** during the Class Period and **you worked <<PAGA\_PayPeriods>> pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. (See Section 4 of this Notice.)

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs 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 Aggrieved Employees to give up their rights to assert certain claims against Defendants.

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

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert RBI Class Period and RTR Class Period wage claims and PAGA Period penalty claims against Defendants.
- (2) **Opt Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue RBI Class Period and RTR Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the proposed Settlement.

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

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

<p><b>You Don't Have to Do Anything to Participate in the Settlement</b></p>	<p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Class Claims and Released PAGA 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 January 25, 2025.</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 6 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 Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released 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 January 25, 2025.</b></p>	<p>All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the proposed class 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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. (See Section 7 of this Notice.)</p>
<p><b>You Can Participate in the March 10, 2025 Final Approval Hearing</b></p>	<p>The Court's Final Approval Hearing is scheduled to take place on <b>March 10, 2025</b>. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. (See Section 8 of this Notice.)</p>
<p><b>You Can Challenge the Calculation of Your</b></p>	<p>The amounts of your Individual Class Payment and PAGA Payment (if applicable) depend on how many workweeks you worked at least one day during the RBI Class</p>

<p><b>Workweeks/Pay Periods</b></p> <p><b>Written Challenges Must Be Submitted by January 25, 2025.</b></p>	<p>Period or RTR Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by January 25, 2025. (See Section 4 of this Notice.)</p>
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**1. WHAT ARE THE ACTIONS ABOUT?**

Plaintiffs are former employees of Defendants RBI and RTR. The Actions accuse Defendants of violating California labor laws by failing to pay wages, including minimum and overtime wages, wages due timely and upon termination, and reimbursable expenses, and failing to provide meal periods, rest breaks, and accurate itemized wage statements, as well as failure to maintain accurate payroll records. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under California’s Private Attorneys General Act of 2004 (Lab. Code, § 2698 et seq., “PAGA”). Plaintiffs are represented by attorneys in the Actions: CounselOne, PC and Lawyers *for* Justice, PC (“Class Counsel”).

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

**2. WHAT DOES IT MEAN THAT THE ACTIONS HAVE SETTLED?**

The Court has made no determination whether Defendants or Plaintiffs are correct on the merits. Plaintiffs and Defendants hired an experienced, neutral mediator in an effort to resolve the Actions by negotiating a Settlement 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 Actions 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 that: (1) Defendants have agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

- A. Defendants Will Pay \$396,000 as the Gross Settlement Amount (Gross Settlement). RBI and RTR have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to the LWDA. Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement in three (3) structured installment payments, as follows:

- i. Defendants shall remit payment in the amount of \$132,000 representing the First Installment of the Gross Settlement Amount to the Administrator on or before 10 days following notice of entry of the Court's order granting final approval of the settlement.
- ii. Defendants shall remit payment in the amount of \$132,000, representing the Second Installment of the Gross Settlement Amount, to the Administrator 60 days after the date the First Installment payment is due.
- iii. Defendants shall remit payment in the amount of \$132,000, representing the Third Installment of the Gross Settlement Amount, to the Administrator 60 days after the date the Second Installment payment is due.

The Judgment will be final on the date the Court enters the Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

- i. Up to 33 $\frac{1}{3}$ % of the Gross Settlement (currently estimated to be \$131,986.80) to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Actions without payment. The Court-awarded attorneys' fees will be split, with 50% allocated to Lawyers for Justice, PC and 50% allocated to CounselOne PC.
- ii. Up to \$7,500 to each Class Representative (\$15,000 total) as Class Representative Service Payments for filing the Actions, working with Class Counsel, and representing the Class. A Class Representative Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payments and any applicable Individual PAGA Payment.
- iii. Up to \$15,000 (except for a showing of good cause and as approved by the Court) to the Administrator for services administering the Settlement.
- iv. Up to \$40,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

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

D. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs 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.

- E. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash your check by the void date, then the funds will be sent to the Controller of the State of California to be held pursuant to the Unclaimed Property Law in your name until such time as you should claim it.
- F. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than January 25, 2025, 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 January 25, 2025 Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, and email address or telephone number, and a simple statement electing to be excluded from the Class Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

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

The Aggrieved Employees' Release for Non-Participating Class Members is as follows:

All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaints and Plaintiff Polanco's PAGA Notices, including, e.g., any and all claims involving any alleged failure to pay minimum wages, overtime wages, premium payments for non-compliant meal and rest periods, and timely wages during employment and separation of employment, accurate wage statements.

#### **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- A. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- B. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$10,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees

and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.

- C. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated on the first page of this Notice. You have until January 25, 2025 to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via email or mail. (Section 9 of this Notice has the Administrator's contact information.)

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

## 5. HOW WILL I GET PAID?

- A. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if applicable).
- B. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter, by email or mail, with your name, present mailing address, and email address or 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 to be excluded. Be sure to personally sign your request, identify the Actions as *Titkos, et al. v. Rag Traders Retail, LLC, et al.* Case No. 22STCV03444, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by January 25, 2025, or it will be invalid.** (Section 9 of the Notice has the Administrator's contact information.)

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

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 court days before the March 19, 2025 Final Approval Hearing, Plaintiffs will file a Motion for Final Approval of the Settlement that will discuss, among other things, the reasons why the proposed Settlement is fair and reasonable, and which will also request that the Court approve Class Counsel's attorneys' fees and litigation expenses and the Class Representative Service Payments. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [www.cptgroupcaseinfo.com/RagTradersAction](http://www.cptgroupcaseinfo.com/RagTradersAction) or the Court's website <https://www.lacourt.org/Courthouse/info/SS>.

A Participating Class Member who disagrees with any aspect of the Agreement or the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is January 25, 2025.** 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 Actions as *Titkos, et al. v. Rag Traders Retail, LLC, et al.*, Case No. 22STCV03444, and include your name, current address, telephone number, and approximate dates of your employment with RBI or RTR and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 9 of this Notice (below) for specifics regarding the Final Approval Hearing.

## 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on **March 10, 2025 at 10:30 a.m.** in Department 1 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the hearing, the judge will decide whether to grant final approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [www.cptgroupcaseinfo.com/RagTradersAction](http://www.cptgroupcaseinfo.com/RagTradersAction) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## 9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at [www.cptgroupcaseinfo.com/RagTradersAction](http://www.cptgroupcaseinfo.com/RagTradersAction). 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 (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 22STCV03444. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

**Class Counsel:**

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**Settlement Administrator:**

*Titkos v. Rag Traders Retail, LLC*  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Toll Free: 1-888-663-3897  
Email: RagTradersAction@cptgroup.com  
Website:  
[www.cptgroupcaseinfo.com/RagTradersAction](http://www.cptgroupcaseinfo.com/RagTradersAction)

**10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

**11. WHAT IF I CHANGE MY ADDRESS?**

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