

Arrash T. Fattahi (SBN 333676)  
afattahi@wilshirelawfirm.com  
**WILSHIRE LAW FIRM**  
3055 Wilshire Boulevard, 12th Floor  
Los Angeles, California 90010  
Telephone: (213) 381-9988  
Facsimile: (213) 381-9989

Attorneys for Plaintiffs FERNANDO ALBERTO  
ACEVEDO, ANTHONY GUZMAN,  
FERNANDO HIPOLITO, and VANESSA  
OLMOS-CORTES

KADING BRIGGS LLP  
Glenn L. Briggs  
gbriggs@kadingbriggs.com  
Kymberleigh Damron-Hsiao  
kdh@kadingbriggs.com  
Stanley G. Stringfellow II  
sgs@kadingbriggs.com  
100 Spectrum Center Drive, Suite 800  
Irvine, California 92618  
Tel: (949) 450-8040

Attorneys for Defendant CROCS RETAIL, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF LOS ANGELES**

**SPRING STREET COURTHOUSE**

FERNANDO ALBERTO ACEVEDO,  
individually, and on behalf of all others  
similarly situated,

*Plaintiff,*

v.

CROCS RETAIL, LLC, a limited liability  
company; and DOES 1 through 10,  
inclusive,

*Defendants.*

CASE NO.: 23STCV15354

*Assigned for all purposes to the  
Honorable Elihu Berle, Dept. 6*

**AMENDED CLASS AND PAGA  
SETTLEMENT AGREEMENT**

Action Filed: June 30, 2023

Trial Date: None Set

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and  
between plaintiffs Fernando Alberto Acevedo ("Acevedo"), Anthony Guzman ("Guzman"),

Fernando Hipolito (“Hipolito”), and Vanessa Olmos-Cortes (“Olmos-Cortes”) (collectively, “Plaintiffs”) and defendant Crocs Retail, LLC (“Crocs”). The Agreement refers to Plaintiffs and Crocs collectively as “Parties,” or individually as “Party.”

## **1. DEFINITIONS**

1.1. “Action” means Plaintiffs’ lawsuits alleging wage-and-hour violations against Crocs, captioned *Fernando Alberto Acevedo v. Crocs Retail, LLC*, Case No. 23STCV15354, initiated on June 30, 2023 (the “Class Action”), and *Fernando Alberto Acevedo et al. v. Crocs Retail, LLC*, Case No. 24NNCV01096 (the “PAGA Action”), both of which are currently pending in the Superior Court of the State of California, County of Los Angeles.

1.2. “Administrator” means the neutral entity the Parties have agreed to appoint to administer the Settlement, as set forth in Paragraph 9.1 herein.

1.3. “Administrator Expenses Payment” means the amount the Administrator will be paid from the Gross 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” means a person employed as an hourly, non-exempt employee by Crocs in California during the PAGA Period.

1.5. “Class” means all persons employed as hourly, non-exempt employees by Crocs in California during the Class Period.

1.6. “Class Counsel” means Arrash T. Fattahi and Arman A. Salehi of the Wilshire Law Firm.

1.7. “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. “Class List” means Class Member identifying information in Crocs’ custody, possession, or control, including Class Members’ respective (1) names; (2) last known mailing addresses; (3) Social Security Numbers; (4) Workweeks; and (5) PAGA Pay Periods.

1.9. “Class Member” means a member of the Class, as either a Participating Class

Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for 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. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from January 3, 2019, through December 31, 2024.

1.13. “Class Representatives” means the named plaintiffs in the operative complaints in the Action seeking Court approval to serve as class representatives, namely, Acevedo, Guzman, Hipolito, and Olmos-Cortes, with each a “Class Representative.”

1.14. “Class Representative Service Payments” means the payments to Class Representatives for initiating the Action, providing services in support of the Action, and executing the general release of claims set forth herein.

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

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

1.17. “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 (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.18. "Final Approval" means the Court's order granting final approval of the Settlement.

1.19. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.20. "Gross Settlement Amount" means the total amount Crocs agrees to pay under the Settlement, except as provided in Paragraph 5, below. In addition to the Gross Settlement Amount, Crocs shall pay any and all employer payroll taxes owed on the portion of the Individual Class Payments allocated to settlement of wage claims (the "Wage Portion"). The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Expenses Payment, the Class Representative Service Payments, and the Administrator Expenses Payment.

1.21. "Individual Class Payment" means a Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.22. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

1.24. "LWDA" means the California Labor and Workforce Development Agency.

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

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

1.27. "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.

1.28. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Crocs for at least one day during the PAGA Period.

1.29. "PAGA Period" means the period from February 14, 2023, through December 31, 2024.

1.30. "PAGA" means the Private Attorneys General Act (Labor Code § 2698 *et seq.*).

1.31. "PAGA Notices" means Plaintiffs' letters dated July 7, 2023, and March 1, 2024, to Crocs and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.32. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

1.33. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.34. "Preliminary Approval" means the Court's order granting preliminary approval of the Settlement.

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

1.36. "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.

1.37. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members 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. 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 date the Response Deadline has expired.

1.38. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.39. "Workweek" means any week during which a Class Member worked for Crocs at least one day during the Class Period.

## 2. RECITALS

2.1. On June 30, 2023, Acevedo initiated the Class Action by filing a Class Action Complaint alleging eight causes of actions against Crocs for: (1) failure to pay minimum and straight-time wages; (2) failure to pay overtime wages; (3) failure to provide meal breaks or compensation in lieu thereof; (4) failure to provide rest breaks or compensation in lieu thereof; (5) failure to timely pay final wages; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for necessary business expenses; and (8) unfair competition.

2.2. On July 7, 2023, Acevedo and Guzman transmitted their PAGA Notice under Labor Code section 2699.3, stating their intention to serve as proxies of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations.

2.3. On March 1, 2024, Hipolito and Olmos-Cortes transmitted their PAGA Notice under Labor Code section 2699.3, stating their intention to serve as proxies of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations.

2.4. On April 19, 2024, after more than sixty-five (65) days had passed without any communication from the LWDA in response to Acevedo and Guzman's PAGA Notice, Acevedo and Guzman initiated the PAGA Action by filing a PAGA Representative Action Complaint for civil penalties under the PAGA.

2.5. On May 6, 2024, after sixty-five (65) days had passed without any communication from the LWDA in response to Hipolito and Olmos-Cortes' PAGA Notice, Acevedo and Guzman amended their PAGA Representative Action Complaint to add Hipolito and Olmos-Cortes as named plaintiffs and to expand Plaintiffs' claim for reimbursement pursuant to Labor Code § 2802 to include unreimbursed mileage. Both the Class Action Complaint and First Amended PAGA Representative Action Complaint are, as of the execution of this Agreement, the operative complaints in the Class Action and PAGA Action, respectively.

2.6. Crocs denies the allegations in the operative complaints in the Action, denies any failure to comply with the laws identified in the operative complaints, and denies any and all liability for the causes of action alleged in the operative complaints.

2.7. On May 13, 2024, the Parties participated in an all-day mediation presided over by Steve Rottman, Esquire. The mediation was ultimately successful and the Parties agreed to globally resolve all class and PAGA claims in the Action.

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

2.9. The Court has not granted class certification.

2.10. 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. NON-MONETARY TERMS**

During the course of their investigation prior to mediation, Plaintiffs became aware of additional facts besides those alleged in the operative complaints in the Action that potentially support the theories of liability alleged therein. Therefore, to give full effect to the Settlement and the releases herein, within ten (10) business days after the Parties execute this Agreement, (a) the Parties shall file a stipulation requesting approval from the Court in the Class Action for Plaintiffs to file, in actual or substantial form, the proposed First Amended Class Action Complaint attached hereto as Exhibit B and incorporated by reference into this Agreement, which

1 will provide a single, unified action for purposes of Preliminary Approval, Final Approval, and  
2 the Class Members' Release of Claims; and (b) Plaintiffs shall file a request to dismiss the PAGA  
3 Action without prejudice. The First Amended Class Action Complaint shall become the  
4 "Operative Complaint" upon the Court's approval of the stipulation to file it. Crocs shall not be  
5 required to respond to the First Amended Class Action Complaint after it is filed (unless otherwise  
6 ordered by the Court) and Plaintiffs waive any right or remedy to seek default. Crocs agrees to  
7 Plaintiffs filing the proposed First Amended Class Action Complaint in the Class Action for  
8 settlement purposes only. In the event the Court does not approve the Settlement, the Parties  
9 agree that the First Amended Class Action Complaint Action shall be withdrawn and the Class  
10 Action Complaint will once more be the operative complaint of the Class Action. The Parties  
11 further agree that Plaintiffs may re-file their First Amended PAGA Representative Action  
12 Complaint without prejudice and that any applicable limitations periods will be deemed to have  
13 been tolled from the dismissal of the PAGA Action if the First Amended PAGA Representative  
14 Action is re-filed within 30 days of the Court's order denying approval of the Settlement.

#### 15 **4. MONETARY TERMS**

16 4.1. Gross Settlement Amount. Except as otherwise provided by Section 5, below,  
17 Crocs promises to pay as the Gross Settlement Amount One Million Dollars and no cents  
18 (\$1,000,000.00) and to separately pay any and all employer payroll taxes owed on the Wage  
19 Portion of the Individual Class Payments. Crocs has no obligation to pay the Gross Settlement  
20 Amount (or any payroll taxes) prior to the deadline stated in Paragraph 6.2 of this Agreement.  
21 The Administrator will disburse the entire Gross Settlement Amount without asking or requiring  
22 Participating Class Members or Aggrieved Employees to submit any claim as a condition of  
23 payment. None of the Gross Settlement Amount will revert to Crocs.

24 4.2. Payments from the Gross Settlement Amount. The Administrator will make and  
25 deduct the following payments from the Gross Settlement Amount, in the amounts specified by  
26 the Court in the Final Approval:

27 4.2.1. To Plaintiffs: Class Representative Service Payments to Class  
28 Representatives of not more than \$7,500.00 each, in addition to any Individual Class Payments



1 and any Individual PAGA Payments that Class Representatives are entitled to receive as  
2 Participating Class Members. Crocs will not oppose Plaintiffs' request for Class Representative  
3 Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees  
4 Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class  
5 Representative Service Payments no later than 16 court days prior to the Final Approval Hearing.  
6 If the Court approves any Class Representative Service Payments less than the amount requested,  
7 the Administrator will retain the remainder in the Net Settlement Amount. The Administrator  
8 will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full  
9 responsibility and liability for any taxes owed on the Class Representative Service Payments and  
10 will defend, indemnify, and hold Crocs harmless from any dispute or controversy regarding these  
11 payments.

12 4.2.2. To Class Counsel: Class Counsel will request that the Court approve a  
13 Class Counsel Fees Payment not to exceed one-third of the Gross Settlement Amount, which is  
14 currently estimated to be \$333,333.33, and a Class Counsel Litigation Expenses Payment not to  
15 exceed \$35,000.00. Crocs will not oppose requests for these payments provided that they do not  
16 exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees  
17 Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final  
18 Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel  
19 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the  
20 remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel  
21 or any other counsel for Plaintiffs arising from any claim to any portion of the Class Counsel Fee  
22 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the  
23 Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099  
24 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel  
25 Fees Payment and the Class Counsel Litigation Expenses Payment and will defend, indemnify,  
26 and hold Crocs harmless from any dispute or controversy regarding any division or sharing of  
27 any of these payments.  
28

1                   4.2.3. To the Administrator: An Administrator Expenses Payment not to exceed  
2 \$19,750.00, except for a showing of good cause and as approved by the Court. To the extent the  
3 Administrator's expenses are less or the Court approves payment less than \$19,750.00, the  
4 Administrator will retain the remainder in the Net Settlement Amount.

5                   4.2.4. To Each Participating Class Member: An Individual Class Payment  
6 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked  
7 by all Participating Class Members during the Class Period and (b) multiplying the result by each  
8 Participating Class Member's Workweeks.

9                   4.2.4.1. Tax Allocation of Individual Class Payments. 25% of each  
10 Participating Class Member's Individual Class Payment will be allocated to settlement of the  
11 Wage Portion. The Wage Portion of each Individual Class Payment will be subject to tax  
12 withholding and will be reported on an IRS W-2 Form. 75% of each Participating Class  
13 Member's Individual Class Payment will be allocated to settlement of claims for interest and  
14 penalties (the "Non-Wage Portion"). The Non-Wage Portion of Individual Class Payments will  
15 not be subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class  
16 Members assume full responsibility and liability for any employee taxes owed on their Individual  
17 Class Payment.

18                   4.2.4.2. Effect of Non-Participating Class Members on Calculation of  
19 Individual Class Payments. Non-Participating Class Members will not receive any Individual  
20 Class Payments. The Administrator will retain amounts equal to their Individual Class Payments  
21 in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

22                   4.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount  
23 of \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated for  
24 the LWDA PAGA Payment and 25% (\$2,500.00) allocated for the Individual PAGA Payments.

25                   4.2.5.1. The Administrator will calculate each Individual PAGA Payment  
26 by (a) dividing \$2,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved  
27 Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's  
28 PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes

owed on their Individual PAGA Payments.

4.2.5.2. 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.

## **5. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

5.1. Class Workweeks and Aggrieved Employee PAGA Pay Periods. Based on a review of its records to date, Crocs estimates that the Class Members collectively worked a total of approximately 70,000 Workweeks between January 3, 2019, and mediation (held May 13, 2024), and that the Aggrieved Employees worked a total of 9,537 PAGA Pay Periods between February 14, 2023, and mediation (hereafter, the “Mediation Estimate”).

5.2. Escalator due to Increase in Workweeks. In the event the number of Workweeks worked by Class Members during the Class Period is more than 10%, or 7,000 Workweeks, greater than the Mediation Estimate, then the Gross Settlement Amount shall increase proportionally by the number of Workweeks in excess of 77,000 Workweeks (Mediation Estimate of 70,000 Workweeks + 7,000 Workweeks) during the Class Period multiplied by the Workweek Value. The Workweek Value is \$14.28, calculated by dividing the originally agreed-upon Gross Settlement Amount (\$1,000,000.00) by 70,000. Thus, for example, should there be 80,000 Workweeks during the Class Period, then the Gross Settlement Amount shall increase by \$42,840 (which is 80,000 Workweeks – 77,000 Workweeks = 3,000 Workweeks x \$14.28).

## **6. SETTLEMENT FUNDING AND PAYMENTS**

6.1. Class List. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Crocs will deliver the Class List to the Administrator only in the form of a Microsoft Excel spreadsheet. Class Counsel shall have no right to the Class List or any of the data therein, except Class Counsel shall be provided the data of any individual Class Member who contests the Settlement or disputes the amount of his or her Individual Class Payment or the number of Workweeks or PAGA Pay Periods worked. To protect Class Members’ privacy rights, the Administrator must maintain the Class List in confidence, use the Class List only for purposes of this Settlement and for no other purpose, and restrict access to the Class List to Administrator

1 employees who need access to the Class List to effect and perform under this Agreement. Crocs  
2 has a continuing duty to immediately notify Class Counsel and the Administrator if it discovers  
3 that the Class List omitted class member identifying information and to provide corrected or  
4 updated Class List as soon as reasonably feasible. Without any extension of the deadline by  
5 which Crocs must send the Class List to the Administrator, the Parties and their counsel will  
6 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues relating  
7 to missing or omitted Class List.

8 6.2. Funding of Gross Settlement Amount. Crocs shall fully fund the Gross Settlement  
9 Amount and the amounts necessary to fully pay Crocs' share of payroll taxes by transmitting the  
10 funds to the Administrator no later than 30 days after the Effective Date.

11 6.3. Payments from the Gross Settlement Amount. Within 7 days after Crocs funds  
12 the Gross Settlement Amount and the amounts necessary to fully pay Crocs' share of payroll  
13 taxes, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA  
14 Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel  
15 Litigation Expenses Payment, and the Class Representative Service Payments. Disbursement of  
16 the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class  
17 Representative Service Payments shall not precede disbursement of the Individual Class  
18 Payments and the Individual PAGA Payments.

19 6.3.1. The Administrator will issue checks for the Individual Class Payments  
20 and/or Individual PAGA Payments and send them to Participating Class Members and Aggrieved  
21 Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently  
22 state the date (not less than 180 days after the date of mailing) when the check will be voided.  
23 The Administrator will cancel all checks not cashed by the void date. The Administrator will  
24 send checks for Individual Settlement Payments to all Participating Class Members (including  
25 those for whom Class Notice was returned undelivered). The Administrator will send checks for  
26 Individual PAGA Payments to all Aggrieved Employees (including Non-Participating Class  
27 Members who qualify as Aggrieved Employees and including those for whom Class Notice was  
28 returned undelivered). For Participating Class Members who are also Aggrieved Employees, the

1 Administrator may send a single check combining the Individual Class Payment and the  
2 Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must  
3 update the recipients' mailing addresses using the National Change of Address Database.

4 6.3.2. The Administrator must conduct a Class Member Address Search for all  
5 other Class Members whose checks are returned undelivered without a USPS forwarding address.  
6 Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS  
7 forwarding address provided or to an address ascertained through the Class Member Address  
8 Search. The Administrator need not take further steps to deliver checks to Class Members whose  
9 re-mailed checks are returned as undelivered. The Administrator shall promptly send a  
10 replacement check to any Class Member whose original check was lost or misplaced if requested  
11 by the Class Member prior to the void date.

12 6.3.3. For any Class Member whose Individual Class Payment check or  
13 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator  
14 shall transmit the funds represented by such checks to the California Controller's Unclaimed  
15 Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to  
16 the requirements of California Code of Civil Procedure section 384, subd. (b).

17 6.3.4. The payment of Individual Class Payments and Individual PAGA  
18 Payments shall not obligate Crocs to confer any additional benefits or make any additional  
19 payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in  
20 this Agreement.

## 21 **7. RELEASE OF CLAIMS**

22 Effective on the date when Crocs fully funds the entire Gross Settlement Amount and all  
23 employer payroll taxes owed on the Wage Portion of Individual Class Payments, Plaintiffs, Class  
24 Members, and Class Counsel will release claims against all Released Parties as follows:

25 7.1. Class Representatives' Release. Plaintiffs and their respective present and former  
26 spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns  
27 generally release and discharge Released Parties from all claims, transactions, or occurrences,  
28 including, but not limited to all claims, including PAGA claims, that were, or reasonably could

1 have been, alleged based on the facts contained in the Operative Complaint, all prior pleadings in  
2 the Action, and the PAGA Notices or that were ascertained during the Action and released under  
3 Paragraph 7.2, below (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or  
4 actions to enforce this Agreement or to any claims for vested benefits, unemployment benefits,  
5 disability benefits, social security benefits, or workers’ compensation benefits that arose at any  
6 time or that are based on occurrences outside the Class Period. Plaintiffs acknowledge that they  
7 might discover facts or law different from, or in addition to, the facts or law that Plaintiffs now  
8 know or believe to be true but agree, nonetheless, that Plaintiffs’ Release shall be and remain  
9 effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery  
10 of them.

11                   7.1.1. Class Representatives’ Waiver of Rights Under California Civil Code  
12 Section 1542. For purposes of Plaintiffs’ Release only, Plaintiffs expressly waive and relinquish  
13 the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which  
14 reads:

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

20                   7.2. Release by Participating Class Members. All Participating Class Members, on  
21 behalf of themselves and their respective present and former spouses, representatives, agents,  
22 attorneys, heirs, administrators, successors, and assigns, release and discharge Released Parties  
23 from all claims, debts, liabilities, demands, obligations, guarantees, actions, or causes of action  
24 of whatever kind or nature during the Class Period, whether known or unknown, that were alleged  
25 in the Operative Complaint or that reasonably could have been alleged, based on the facts stated  
26 in the Operative Complaint and that were ascertained in the course of the Action, including those  
27 arising out of or related to: (1) all claims for failure to pay minimum, straight-time, and/or overtime  
28 wages for all hours worked, including all off-the-clock time both before clocking in for a shift,

1 after clocking out for meal periods, and after clocking out at the end of shift; (2) all claims for  
2 failure to provide compliant meal periods or compensation in lieu thereof; (3) all claims for failure  
3 to authorize and permit compliant rest periods or compensation in lieu thereof; (4) all claims for  
4 failure to pay overtime, meal and/or rest period compensation, and/or sick pay at the regular rate  
5 of pay; (5) all claims for failure to timely pay wages due upon termination or resignation of  
6 employment; (6) all claims for failure to pay wages due upon regularly-scheduled paydays; (7) all  
7 claims for non-compliant wage statements; (8) all claims for failure to reimburse necessary  
8 business expenses; and (9) all claims asserted through California Business & Professions Code  
9 section 17200 *et seq.* arising out of the Labor Code violations referenced in the Operative  
10 Complaint (the “Released Claims”). The Released Claims include all related claims of any kind  
11 for unpaid wages, premium pay, liquidated damages, statutory penalties, civil penalties,  
12 restitution, interest, injunctive relief, punitive damages, and other damages, costs, expenses,  
13 and attorneys’ fees arising from the alleged violation of any provision of common or statutory  
14 law that were or reasonably could have been raised as part of Plaintiffs’ claims in the Operative  
15 Complaint, including but not limited to claims under California Labor Code sections 201, 202,  
16 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 246 *et seq.*, 510, 512, 558, 1174, 1174.5, 1194,  
17 1194.2, 1197, 1197.1, 1198, 2800, and 2802, all provisions of the California Industrial Welfare  
18 Commission Wage Orders that provide the same or similar protections, and section 17200 *et seq.*  
19 of the California Business and Professions Code.

20 7.2.1. Except as set forth in Section 7.3 of this Agreement, Participating Class  
21 Members do not release by virtue of this Agreement any other claims, including claims for vested  
22 benefits, wrongful termination, violation of the Fair Employment and Housing Act,  
23 unemployment insurance, disability, social security, workers’ compensation, or claims based on  
24 facts occurring outside the Class Period. The foregoing exception shall have no effect on the  
25 releases of claims that Class Members and Aggrieved Employees have agreed to in other executed  
26 agreements.

27 7.2.2. Plaintiffs and each Participating Class Member acknowledge that the  
28 Released Claims in Paragraph 7.2 above are also intended to include in their effect the release of

1 all Released Claims whether or not each Plaintiff and/or any Participating Class Member knows  
2 or suspects them to exist. With respect to the Released Claims, Plaintiffs and Participating Class  
3 Members may hereafter discover facts or legal arguments in addition to or different from those  
4 they now know or currently believe to be true with respect to the claims and causes of action in  
5 this case which are the subject matter of the Released Claims. Regardless, the discovery of new  
6 facts or legal arguments shall in no way limit the scope or definition of the Released Claims and,  
7 by virtue of this Agreement, Plaintiffs and Participating Class Members shall be deemed to have,  
8 and by operation of the Judgment shall have, fully, finally, and forever settled and released all of  
9 the Released Claims as defined above.

10 7.3. Release by Aggrieved Employees. All Aggrieved Employees, on behalf of  
11 themselves and their respective present and former spouses, representatives, agents, attorneys,  
12 heirs, administrators, successors, and assigns, are deemed to release and discharge the Released  
13 Parties from all claims for any and all PAGA remedies during the PAGA Period that were alleged  
14 in, or reasonably could have been alleged in, or that were based on, arise from, or relate to the  
15 facts stated in the Operative Complaint, the PAGA Notices, and that were ascertained in the  
16 course of the Action, including any right, claim, or demand for civil penalties pursuant to Labor  
17 Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of  
18 Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 246 *et seq.*, 510, 512, 1174,  
19 1194, 1194.2, 1197, 1198, 2800, and 2802, all provisions of the California Industrial Welfare  
20 Commission Wage Orders that provide the same or similar protections, and section 17200 *et seq.*  
21 of the California Business and Professions Code. Plaintiffs and Aggrieved Employees will be  
22 bound by this release of PAGA claims even if they, or any of them, request to be excluded from  
23 the Settlement in accordance with Paragraph 9.5, below.

## 24 **8. MOTION FOR PRELIMINARY APPROVAL**

25 The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion  
26 for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary  
27 Approvals as follows:  
28



1           8.1.    Crocs' Declaration in Support of Preliminary Approval. Within 14 days of full  
2 execution of this Agreement, Crocs will prepare and deliver to Class Counsel a signed declaration  
3 from Crocs and/or Defense Counsel (i) identifying any other pending matter or action asserting  
4 claims that will be extinguished or adversely affected by the Settlement or (ii) averring that they  
5 are not aware of any such other pending matters or actions.

6           8.2.    Class Representatives' Responsibilities. Plaintiffs will prepare and to deliver to  
7 Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a  
8 draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that  
9 includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA  
10 components of the Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed  
11 order both for Preliminary Approval and for approval of the PAGA-portion of the Settlement;  
12 (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its  
13 "not to exceed" bid for administering the Settlement and attesting to (1) its willingness to serve,  
14 (2) its competency, (3) its operative procedures for protecting the security of Class List, (4) the  
15 amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance,  
16 (5) all facts relevant to any actual or potential conflicts of interest with Class Members, and (6) the  
17 nature and extent of any financial relationship with Plaintiffs, Class Counsel, or Defense Counsel;  
18 (v) signed declarations from Plaintiffs confirming their willingness and competency to serve and  
19 disclosing all facts relevant to any actual or potential conflicts of interest with Class Members  
20 and/or the Administrator; (vi) a signed declaration from Class Counsel attesting to their  
21 competency to represent the Class Members, their timely transmission to the LWDA of all  
22 necessary PAGA documents, including the initial notice of violations (Labor Code section  
23 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), and this  
24 Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the Parties'  
25 Agreement showing all modifications made to the Model Agreement ready for filing with the  
26 Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members  
27 and the Administrator. In their Declarations, Plaintiffs and Class Counsel shall either (i) identify  
28 any other pending matter or action asserting claims that will be extinguished or adversely affected

1 by the Settlement or (ii) aver that they are not aware of any such other pending matters or actions.

2 8.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly  
3 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval not later  
4 than 30 days after the full execution of this Agreement, obtaining a prompt hearing date for the  
5 Motion for Preliminary Approval, and for appearing in Court to advocate in favor of the Motion  
6 for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary  
7 Approval to the Administrator.

8 8.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion  
9 for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and  
10 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and  
11 conferring in good faith to resolve the disagreement. If the Court does not grant Preliminary  
12 Approval or conditions Preliminary Approval on any material change to this Agreement, Class  
13 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by  
14 meeting and conferring in good faith to modify the Agreement and otherwise satisfy the Court's  
15 concerns.

## 16 **9. SETTLEMENT ADMINISTRATION**

17 9.1. Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to  
18 serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc.  
19 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this  
20 Agreement in exchange for the Administrator Expenses Payment. The Parties and their Counsel  
21 represent that they have no interest or relationship, financial or otherwise, with the Administrator  
22 other than perhaps a professional relationship arising out of prior experiences administering  
23 settlements.

24 9.2. Employer Identification Number. The Administrator shall have and use its own  
25 Employer Identification Number for purposes of calculating payroll tax withholdings and  
26 providing reports to state and federal tax authorities.

27 9.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund  
28 that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury

Regulation section 468B-1.

9.4. Notice to Class Members

9.4.1. No later than three (3) business days after receipt of the Class List, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class List.

9.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class List, the Administrator will send to all Class Members identified in the Class List, via first-class United States Postal Service (“USPS”) mail, the Class Notice, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

9.4.3. 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 the Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

9.4.4. The deadlines for Class Members’ written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 45 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.

9.4.5. If the Administrator, Crocs, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any person who believes he or she should have been included in the Class List and should have received Class Notice, the Parties will expeditiously meet and

1 confer in person or by telephone and in good faith in an effort to agree on whether to include them  
2 as Class Members. If the Parties agree, such persons will be Class Members entitled to the same  
3 rights as other Class Members and the Administrator will send, via email or overnight delivery, a  
4 Class Notice requiring them to exercise options under this Agreement not later than 15 days after  
5 receipt of the Class Notice or the deadline dates in the Class Notice, whichever are later.

6 9.5. Requests for Exclusion (Opt-Outs).

7 9.5.1. Class Members who wish to exclude themselves from (opt-out of) the class  
8 action components of the Settlement must send the Administrator, by mail, a signed written  
9 Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus  
10 an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for  
11 Exclusion is a letter from a Class Member or his/her representative that reasonably communicates  
12 the Class Member's election to be excluded from the Settlement and includes the Class Member's  
13 name, address, and email address and/or telephone number. To be valid, a Request for Exclusion  
14 must be timely postmarked by the Response Deadline.

15 9.5.2. The Administrator may not reject a Request for Exclusion as invalid  
16 because it fails to contain all the information specified in the Class Notice. The Administrator  
17 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the  
18 identity of the person as a Class Member and the Class Member's desire to be excluded. The  
19 Administrator's determination shall be final and not appealable or otherwise susceptible to  
20 challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion,  
21 the Administrator may demand additional proof of the Class Member's identity. The  
22 Administrator's determination of authenticity shall be final and not appealable or otherwise  
23 susceptible to challenge.

24 9.5.3. Every Class Member who does not submit a timely and valid Request for  
25 Exclusion is deemed to be a Participating Class Member under this Agreement and consequently  
26 entitled to all benefits, and bound by all terms and conditions, of the Settlement, including the  
27 Participating Class Members' Releases under Paragraphs 7.2 and 7.3 of this Agreement, whether  
28 or not the Participating Class Member actually receives the Class Notice or objects to the

1 Settlement.

2 9.5.4. Every Class Member who submits a valid and timely Request for  
3 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment  
4 or have the right to object to the class action components of the Settlement. However, Class  
5 Members who are Aggrieved Employees cannot exclude themselves from the PAGA components  
6 of the Settlement. Consequently, because future PAGA claims are subject to claim preclusion  
7 upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees  
8 are deemed to release the claims identified in Paragraph 7.3 of this Agreement (even if they submit  
9 a valid and timely Request for Exclusion) and are eligible for an Individual PAGA Payment.

10 9.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days  
11 after the Administrator mails the Class Notice (plus an additional 15 days for Class Members  
12 whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods  
13 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the  
14 allocation by communicating with the Administrator via fax, email, or mail. The Administrator  
15 must encourage the challenging Class Member to submit supporting documentation. In the  
16 absence of any contrary documentation, the Administrator is entitled to presume that the  
17 Workweeks contained in the Class Notice are correct so long as they are consistent with the Class  
18 List. The Administrator's determination of each Class Member's allocation of Workweeks and/or  
19 PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The  
20 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or  
21 PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination  
22 of the challenges.

23 9.7. Objections to Settlement

24 9.7.1. Only Participating Class Members may object to the class action  
25 components of the Settlement and/or this Agreement, including contesting the fairness of the  
26 Settlement and/or amounts requested for the Class Counsel Fees Payment, the Class Counsel  
27 Litigation Expenses Payment, and/or the Class Representative Service Payments.

1           9.7.2. Participating Class Members may send written objections to the  
2 Administrator by mail. In the alternative, Participating Class Members may appear in Court (or  
3 hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.  
4 A Participating Class Member who elects to send a written objection to the Administrator must  
5 do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an  
6 additional 15 days for Class Members whose Class Notice was re-mailed).

7           9.7.3. Non-Participating Class Members have no right to object to any of the class  
8 action components of the Settlement.

9           9.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks  
10 to be performed or observed by the Administrator contained in this Agreement or otherwise.

11           9.8.1. Website, Email Address, and Toll-Free Number. The Administrator will  
12 maintain and use an internet website to post information of interest to Class Members including  
13 the date, time, and location for the Final Approval Hearing and copies of the Settlement  
14 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the  
15 Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation  
16 Expenses Payment, and Class Representative Service Payments, the Final Approval, and the  
17 Judgment. The Administrator will also maintain and monitor an email address and a toll-free  
18 telephone number to receive Class Member calls, faxes, and emails.

19           9.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator  
20 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not  
21 later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the  
22 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names  
23 and other identifying information of Class Members who have timely submitted valid Requests  
24 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class  
25 Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for  
26 Exclusion from Settlement submitted (whether valid or invalid).

27           9.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide  
28 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 Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received (if any).

9.8.4. Workweek and/or Pay 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 Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

9.8.5. Administrator’s Declaration. Not later than 5 days before the date by which Plaintiffs are 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), and 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.

9.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross 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 7 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.

1 **10. CROCS' RIGHT TO WITHDRAW**

2 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5%  
3 of the total of all Class Members, Crocs may elect to withdraw from the Settlement. The Parties  
4 agree that, if Crocs withdraws, the Settlement shall be void *ab initio*, have no force or effect  
5 whatsoever, and that neither Party will have any further obligation to perform under this  
6 Agreement; provided, however, Crocs will remain responsible for paying all settlement  
7 administration expenses incurred to that point. Crocs must notify Class Counsel and the Court of  
8 its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List  
9 to Defense Counsel; late elections will have no effect.

10 **11. MOTION FOR FINAL APPROVAL**

11 Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will  
12 file in Court a motion for final approval of the Settlement that includes a request for approval of  
13 the PAGA components of the Settlement under Labor Code section 2699, subd. (l), a proposed  
14 Final Approval, and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs  
15 shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing  
16 the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and  
17 confer in good faith to resolve any disagreements concerning the Motion for Final Approval.

18 11.1. Response to Objections. Each Party retains the right to respond to any objection  
19 raised by a Participating Class Member, including the right to file responsive documents in Court,  
20 not later than 5 court days prior to the Final Approval Hearing or as otherwise ordered or accepted  
21 by the Court.

22 11.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final  
23 Approval on any material change to the Settlement (including, but not limited to, the scope of  
24 release to be granted by Class Members), the Parties will expeditiously work together in good  
25 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final  
26 Approval. The Court's decision to award less than the amounts requested for the Class  
27 Representative Service Payments, the Class Counsel Fees Payment, the Class Counsel Litigation  
28 Expenses Payment, and/or the Administrator Expenses Payment shall not constitute a material



1 modification to the Agreement within the meaning of this paragraph.

2 11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of  
3 Judgment, the Court will retain jurisdiction over the Parties, the Action, and the Settlement solely  
4 for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement  
5 administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

6 11.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms  
7 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and  
8 Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their  
9 respective counsel, and all Participating Class Members who did not object to the Settlement as  
10 provided in this Agreement waive all rights to appeal from the Judgment, including all rights to  
11 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions  
12 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver  
13 of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the  
14 Parties' obligations to perform under this Agreement will be suspended until such time as the  
15 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect  
16 the amount of the Net Settlement Amount.

17 11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If  
18 appealed and the reviewing Court vacates, reverses, or modifies the Judgment in a manner that  
19 requires a material modification of this Agreement (including, but not limited to, the scope of  
20 release to be granted by Class Members), this Agreement shall be null and void. The Parties shall  
21 nevertheless expeditiously work together in good faith to address the appellate court's concerns  
22 and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional  
23 settlement administration expenses reasonably incurred after remittitur. An appellate decision to  
24 vacate, reverse, or modify the Court's award of the Class Representative Service Payment, the  
25 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and/or the  
26 Administrator Expenses Payment shall not constitute a material modification of the Judgment  
27 within the meaning of this paragraph, as long as the Gross Settlement Amount remains  
28 unchanged.

1 **12. AMENDED JUDGMENT**

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

4 **13. ADDITIONAL PROVISIONS**

5 13.1. No Admission of Liability, Class Certification, or Representative Manageability  
6 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed  
7 claims. Nothing in this Agreement is intended or should be construed as an admission by Crocs  
8 or any of the other Released Parties that any of the allegations in the Operative Complaint have  
9 merit or that Crocs or the Released Parties have any liability for any claims asserted, nor should  
10 it be intended or construed as an admission by Plaintiffs that Crocs' defenses in the Action have  
11 merit. The Parties agree that class certification and representative treatment is for purposes of  
12 this Settlement only. If, for any reason, the Court does not grant Preliminary Approval, Final  
13 Approval, or enter Judgment, Crocs reserves the right to contest certification of any class for any  
14 reasons and reserve all available defenses to the claims in the Action and Plaintiffs reserve the  
15 right to move for class certification on any grounds available and to contest Crocs' defenses. The  
16 Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing  
17 on, and will not be admissible in connection with, any litigation (except for proceedings to enforce  
18 or effectuate the Settlement and this Agreement).

19 13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Crocs,  
20 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of  
21 Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause  
22 or permit another person to disclose, disseminate, or publicize, any of the terms of the Agreement,  
23 directly or indirectly, specifically or generally, to any person, corporation, association,  
24 government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses,  
25 all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related  
26 matter (if any); (3) to the extent necessary to report income to appropriate taxing authorities; (4) in  
27 response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a  
28 state or federal government agency. Each Party agrees to immediately notify each other Party of

1 any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class  
2 Counsel, Crocs, and Defense Counsel separately agree not to, directly or indirectly, initiate any  
3 conversation or other communication before the filing of the Motion for Preliminary Approval  
4 with any third party regarding this Agreement or the matters giving rise to this Agreement, except  
5 to respond only that “the matter was resolved” or words to that effect. This paragraph does not  
6 restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s  
7 ethical obligations owed to Class Members.

8 13.3. No Solicitation. The Parties separately agree that they and their respective counsel  
9 and employees will not solicit any Class Member to opt out of or object to the Settlement or  
10 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class  
11 Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical  
12 obligations owed to Class Members.

13 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this  
14 Agreement together with its attached exhibits shall constitute the entire agreement between the  
15 Parties relating to the Settlement, superseding any and all oral representations, warranties,  
16 covenants, or inducements made to or by any Party.

17 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant  
18 and represent that they are authorized by Plaintiffs and Crocs, respectively, to take all appropriate  
19 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate  
20 its terms and to execute any other documents reasonably required to effectuate the terms of this  
21 Agreement, including any amendments to this Agreement.

22 13.6. Cooperation. The Parties and their counsel will cooperate with each other and  
23 use their best efforts, in good faith, to implement the Settlement by, among other things,  
24 modifying the Settlement Agreement, submitting supplemental evidence, and supplementing  
25 points and authorities as requested by the Court. In the event the Parties are unable to agree upon  
26 the form or content of any document necessary to implement the Settlement or on any  
27 modification of the Agreement that may become necessary to implement the Settlement, the  
28 Parties will seek the assistance of a mediator and/or the Court for resolution.

1           13.7. No Prior Assignments. The Parties separately represent and warrant that they have  
2 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or  
3 encumber to any person or entity any portion of any liability, claim, demand, action, cause of  
4 action, or right released and discharged by the Party in this Settlement.

5           13.8. No Tax Advice. Neither Plaintiffs (or any of them) nor Class Counsel nor Crocs  
6 nor Defense Counsel have provided or are providing any advice regarding taxes or taxability and  
7 nothing in this Agreement shall be relied upon as such within the meaning of United States  
8 Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

9           13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,  
10 modified, changed, or waived only by an express written instrument signed by all Parties or their  
11 representatives and approved by the Court.

12           13.10. Agreement Binding on Successors. This Agreement will be binding upon, and  
13 inure to the benefit of, the successors of each of the Parties.

14           13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will  
15 be governed by and interpreted according to the internal laws of the state of California, without  
16 regard to conflict of law principles.

17           13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and  
18 preparation of this Agreement. This Agreement will not be construed against any Party on the  
19 basis that the Party was the drafter or participated in the drafting.

20           13.13. Confidentiality. To the extent permitted by law, all agreements made and orders  
21 entered during the Action and in this Agreement relating to the confidentiality of information  
22 shall survive the execution of this Agreement

23           13.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid.  
24 Code § 1152 and all copies and summaries of the Class-related data and documents provided to  
25 Class Counsel by Crocs in connection with the mediation, other settlement negotiations, or in  
26 connection with the Settlement (hereafter, "Class Data") may be used only with respect to this  
27 Settlement and for no other purpose and may not be used in any way that violates any existing  
28 contractual agreement, statute, or rule of court. Class Counsel shall not be required to return or

1 destroy any copies of Class Data but shall be required to take all reasonable steps to maintain the  
2 confidentiality and security of such documents and information. Furthermore, neither Plaintiffs  
3 (or any of them) nor Class Counsel shall produce, disclose, transmit, or otherwise share Class  
4 Data with any third party without providing at least 10 days' written notice to Crocs and Defense  
5 Counsel. Moreover, they shall notify Crocs within 48 hours of their receipt of any demand by  
6 subpoena or in discovery for production of same and shall refrain from producing Class Data in  
7 response to such demands absent a court order.

8 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement  
9 is inserted for convenience of reference only and does not constitute a part of this Agreement.

10 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement  
11 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a  
12 weekend or federal legal holiday, such date or deadline shall be on the first business day  
13 thereafter.

14 13.17. Notice. All notices, demands, or other communications between the Parties in  
15 connection with this Agreement will be in writing and deemed to have been duly given as of the  
16 third business day after mailing by United States mail or the day sent by email or messenger,  
17 addressed as follows:

18 To Plaintiffs:

19 **WILSHIRE LAW FIRM**

20 Arrash T. Fattahi

21 *afattahi@wilshirelawfirm.com*

22 Arman A. Salehi

23 *asalehi@wilshirelawfirm.com*

24 3055 Wilshire Boulevard, 12th Floor

25 Los Angeles, California 90010

26 Tel: (213) 381-9988; Fax: (213) 381-9989

To Crocs:

**KADING BRIGGS LLP**

Glenn L. Briggs  
*gbriggs@kadingbriggs.com*  
 Kymberleigh Damron-Hsiao  
*kdh@kadingbriggs.com*  
 Stanley G. Stringfellow II  
*sgs@kadingbriggs.com*  
 100 Spectrum Center Drive, Suite 800  
 Irvine, California 92618  
 Tel: (949) 450-8040

13.18. 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.

13.19. 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, pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under section 583.310 for the entire period of this settlement process.

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


[CONTINUED ON FOLLOWING PAGE]

1 **IT IS SO AGREED:**

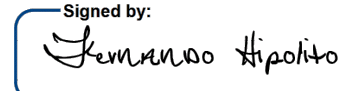
2  
3 Date: 2/18/2025

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Fernando Alberto Acevedo, Plaintiff


4  
5 Date: 2/19/2025

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Anthony Guzman, Plaintiff

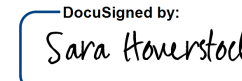
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7 Date: 2/20/2025

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Fernando Hipolito, Plaintiff

8  
9 Date: 2/18/2025

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Vanessa Olmos-Cortes, Plaintiff

10  
11 Date: 2/20/2025

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Crocs Retail, LLC, Defendant  
By: Sara Hoverstock

12  
13 Date: February 20, 2025

  
Arrash T. Fattahi  
Arman A. Salehi  
Counsel for Plaintiffs

14  
15 Date: 2/24/2025

DocuSigned by:  
  
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Glenn L. Briggs  
Kymberleigh Damron-Hsiao  
Stanley G. Stringfellow II  
Counsel for Defendant