

NOTICE OF CLASS ACTION SETTLEMENT

**In the Matter of
James S. Evans v. Wal-Mart Stores, Inc., et al.
United States District Court for the Central District of California, Case No. 2:17-cv-07641-AB-KK**

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

**IMPORTANT: YOU MAY BE ENTITLED TO MONEY IF THE COURT APPROVES
THE SETTLEMENT DESCRIBED IN THIS NOTICE**

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT,
YOUR RIGHTS AND OPTIONS FOR YOU TO CONSIDER**

Pursuant to the order of the Court, **YOU ARE HEREBY NOTIFIED AS FOLLOWS:** A settlement has been reached between the parties in a lawsuit pending in the United States District Court for the Central District on behalf of a Settlement Class consisting of: All Walmart associates who worked in a non-exempt position at a Walmart store, supercenter or neighborhood market in California at any time during the period beginning September 16, 2016 through July 26, 2021 (the "Settlement Class Period").

You have received this notice because Walmart's records indicate that you worked as an associate in a non-exempt position at a Walmart store, supercenter or neighborhood market in California during the Settlement Class Period. This notice is to advise you of how you can participate in this Settlement or how to be excluded from the Settlement.

PLEASE READ THIS NOTICE CAREFULLY

I. WHAT IS THE PURPOSE OF THIS NOTICE?

This Notice is to let you know that there is a class action pending in the United States District Court for the Central District of California, that you may be a member of the Settlement Class for the lawsuit, AND THAT YOU MAY BE ENTITLED TO A PAYMENT AS PART OF THE CLASS SETTLEMENT OF THIS LAWSUIT.

This Notice advises you of the benefits that may be available to you under the proposed Settlement and your rights and options as a potential Settlement Class Member and notifies you that court hearings will be held to approve the Settlement.

II. WHAT IS THE LAWSUIT ABOUT?

On September 13, 2017, Plaintiff James S. Evans, on behalf of himself and on behalf of all others similarly situated, filed a class action Complaint, and subsequently a First Amended Complaint, entitled "*James S. Evans v. Wal-Mart Stores, Inc.*" Case No. 2:17-cv-07641-AB-KK (U.S.D.C. Central District of California) (the "Lawsuit"). This Lawsuit alleged various claims including, among others, claims for Failure to Provide Accurate Written Wage Statements (Labor Code section 226. The Court certified certain of these claims, including the claim for the alleged Failure to Provide Accurate Written Wage Statements under Section 226, as a class which means that one person (in this case the Settlement Class Representative James Evans) can proceed on behalf people who have similar claims. Walmart denies the allegations in the Lawsuit, denies all liability and contends that Plaintiff's claims do not have merit and do not meet the requirements for class certification.

After many years of litigation, the Plaintiff and Walmart entered into a written Settlement Agreement, that resolves the class-wide Section 226 wage statement claims on behalf of the persons in the Settlement Class.

Considering the risks, uncertainties, inconvenience, and expense associated with this Lawsuit, the parties have concluded that it is in the best interests of the parties and the Settlement Class Members to settle the Lawsuit on the terms summarized in this Notice.

Counsel for the Plaintiff has determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Settlement Class, subject to a final fairness hearing discussed below. The Settlement is not an admission of liability on the part of Walmart. The Court has not ruled on the merits of Plaintiff's claims or Walmart's defenses.

Walmart will not fire, punish, retaliate, or otherwise discriminate against any employee because he or she chooses to participate in this settlement, chooses not to participate, or objects to the settlement.

III. WHERE DO I GET ADDITIONAL INFORMATION?

The information contained in this Notice is only a summary of the litigation and the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed Settlement Agreement and Preliminary Approval Order thereon, which are available at the Settlement Administrator's website at <http://www.evanswalmartwageandhour.com/> and are also on file with the Office of the Clerk of the United States District Court for the Central District of California, 350 West First Street, Los Angeles, California 90012. The pleadings and other records in this litigation, may also be examined during regular business hours at the same location.

IV. WHY DID I GET THIS NOTICE?

You received this Notice because Walmart's records identify you as a member of the Settlement Class.

V. WHO ARE THE PARTIES IN THIS CLASS ACTION?

The Plaintiff is James S. Evans ("Settlement Class Representative"), who used to work as a non-exempt associate at Walmart in California. The Settlement Class Representative is pursuing the Lawsuit on behalf of all other similarly situated non-exempt associates who worked at a Walmart store, supercenter or neighborhood market in California. The Defendant is Wal-Mart Stores, Inc., now known as Walmart Inc.

VI. WHO ARE THE ATTORNEYS FOR THE PARTIES?

Attorneys for Plaintiff

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VII. HOW MUCH ARE THE PLAINTIFF'S ATTORNEYS BEING PAID?

The attorneys for the Class will seek attorneys' fees in the amount of \$11,666,666.66, Plaintiff's reasonable and actual costs incurred in this Lawsuit, not to exceed **\$250,000.00**, and the cost of administering the Settlement, estimated not to exceed **\$550,000.00**.

VIII. WHAT IS THE PROPOSED SETTLEMENT?

The Parties have agreed to the Settlement of claims under Section 226 of the California Labor Code on behalf of members of the Settlement Class as generally described below:

Without admitting any wrongdoing, Walmart agreed to pay **\$35,000,000.00** (the "Class Settlement Amount") to resolve the Lawsuit, which amount will be fully funded by Walmart and includes: (i) Net Settlement Amount (constituting payments to the Settlement Class Members who do not opt out); (ii) reasonable settlement Notice and Administration Costs not to exceed **\$550,000.00** to be approved by the court; (iii) payment of Attorneys' Fees not to exceed **\$11,666,666.66** and reasonable Litigation Expenses not to exceed **\$250,000.00**, each to be approved by the Court; (iv) the PAGA Payment of **\$375,000.00** (75% of the **\$500,000.00** total amount allocated to PAGA penalties) to the California Labor & Workforce Development Agency, to be approved by the Court; and (v) an enhancement to the Settlement Class Representative in an amount not to exceed **\$20,000.00**, to be approved by the Court.

The Net Settlement Amount (subpart (i) above) shall be the amount remaining after deduction of the amounts approved by the Court for Notice and Administration Costs, Attorneys' Fees and Litigation Expenses, the PAGA Payment and the Settlement Class Representative Payment (as set forth in subparts (ii) – (v) above). After the deduction of these amounts, the Net Settlement Amount is estimated to be approximately \$22,100,000.

The foregoing and following is a summary of the Settlement provisions. The specific and complete terms of the proposed settlement are stated in the Settlement Agreement, a copy of which is available at the Settlement Administrator's website at <http://www.evanswalmartwageandhour.com/> and has also been filed with the Clerk of the Court.

Individual Settlement Payments to Settlement Class Members. Each member of the Settlement Class who does not opt out of the Settlement as described in Section XI, below, will receive an Individual Settlement Award from the Net Settlement Amount. **The amount of your Individual Settlement Award will depend upon the number of pay period during which you worked at Walmart. The average Settlement Payment is anticipated to be \$83.67. This is just an estimate of the average payment to Settlement Class Members.** Your payment could be higher or lower depending on various factors including the number of Settlement Class Members who choose to opt out and the number of pay periods you worked at Walmart. In addition, Settlement Class Members who received all of their wage statements as a detachable part of a paper check will receive a proportionally lower payment than Settlement Class Members who received some or all of their wage statements in electronic format.

The calculation of Individual Settlement Awards is based on data provided by Walmart. Walmart's records will be determinative with respect to the number of pay periods Settlement Class Members worked.

Payments will be made to Settlement Class Members pursuant to the Court-approved plan of distribution as described in the Settlement, based on the number of Applicable Pay Periods worked by each Settlement Class Member during the Settlement Class Period. Once the settlement checks are mailed, Settlement Class Members will have 90 days to cash their settlement checks. Any checks which remain uncashed after that date shall be transferred to the California State Controller's Office — Unclaimed Property Division. None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

IX. RELEASE OF CLAIMS.

"Released Parties" means Defendants and all of their respective present and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Claims and Defendants' counsel of record in the Action.

As of the Settlement Effective Date, all **Settlement Class Members** who have not validly exercised their right to exclude themselves will be deemed to have waived and released claims against the Release Parties as follows:

Subject to final approval by the Court of the Settlement, and for good and valuable consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, all Releasing Settlement Class Members do hereby irrevocably release, acquit, and forever discharge all of the Releasees of and from any and all actual or potential claims, rights, demands, charges, complaints, causes of action, obligations, damages, penalties, debts, costs and expenses (other than those payments, costs, and expenses required to be paid pursuant to this Agreement), liens, or liabilities of any and every kind, that reasonably arise out of the same set of operative facts plead in the Complaint or First Amended Complaint in the Lawsuit, or that are reasonably related to the allegations in the Complaint or First Amended Complaint in the Lawsuit, with respect to claims that Walmart violated Section 226 of the Labor Code, whether known or unknown, whether such allegations were or could have been based on common law or equity, or on any statute, rule, regulation, order, or law, whether federal, state, or local and whether for damages, wages, penalties or injunctive or any other kind of relief ("the Released Claims").

X. WHEN IS THE FINAL FAIRNESS HEARING?

A final hearing will be held before the Honorable André Birotte Jr. on December 2, 2022, at 10:00 a.m., to determine whether the proposed Settlement is fair, reasonable and adequate and should be finally approved by the Court. The hearing will take place in Courtroom 3 of the United States District Court for the Central District of California, located at 350 West First Street, Los Angeles, California 90012. **You are not required to attend the hearing in order to participate in the Settlement.** If the Court finally approves the Settlement as fair, reasonable and adequate, this Final Judgment will be posted on the Settlement Administrator's website at <http://www.evanswalmartwageandhour.com/>.

XI. WHAT ARE MY RIGHTS WITH REGARD TO THIS MATTER?

If you fit the description of a Settlement Class Member as set forth in this Notice, you have three options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, follow.

A. Option One: Do Nothing, Release Your Claims as Stated Above and Receive an Individual Settlement Award.

Settlement Class Counsel, appointed and approved by the Court for Settlement purposes only, will represent your interests. You will receive a settlement payment from the Net Settlement Amount after the settlement has been finally approved by the Court. The judgment will bind all Settlement Class Members who do not request exclusion (Option Two below). Any Settlement Class Member who does not request exclusion may, if the Settlement Class Member so desires, enter an appearance through his or her own lawyer.

B. Option Two: You Can Exclude Yourself from the Settlement.

If you do not wish to participate in or be bound by the Settlement, you must submit a written statement requesting to be excluded from the Settlement Class postmarked no later than **October 13, 2022** ("Request for Exclusion"). Such a written Request for Exclusion must contain your name, address, and telephone number and the location(s) and dates of your employment by Walmart and must be sent by mail to the Settlement Administrator, Phoenix Settlement Administrators, at the address listed at the bottom of this Notice.

If you request exclusion, you will not receive any money from the Net Settlement Amount, nor will you be considered to have released your claims alleged in this Lawsuit.

If you request exclusion from the Settlement, you may not pursue any recovery under the Settlement. You may, however, pursue other remedies separate and apart from the Settlement that may be available to you.

C. Option Three: You May Object to the Settlement.

If you are a Settlement Class Member, and you do not exclude yourself from the Settlement Class, you may object to the Settlement before final approval of the Settlement by the Court. If you choose to object to the Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

In order to object to the Settlement, or any portion of it, you must submit any such written objection postmarked no later than **October 13, 2022**. Settlement Class Members who wish to object to the Settlement must send to the Settlement Administrator or the Court a written statement objecting to the Settlement. Such objection must: (i) indicate whether the objecting Class Member intends to appear at the Final Fairness Hearing; (ii) state the basis for the objection; and (iii) include copies of all papers and briefs being submitted to the Court regarding the Final Fairness Hearing.

XII. WHO CAN I CONTACT IF I HAVE FURTHER QUESTIONS?

The court-appointed Administrator for this Settlement is as follows:

James S. Evans v. Wal-Mart Stores, Inc. Class Settlement
Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

If you have questions, you may call the Settlement Administrator, toll free at (888) 510-9728. Ask about the *James S. Evans v. Wal-Mart Stores, Inc. Class Settlement*. You may also call or e-mail the attorneys for Plaintiff or Defendant listed in Section VI above. **PLEASE DO NOT CALL THE COURT OR WALMART.**