

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ERIC PAUL, individually and on behalf of all
others similarly situated,

Plaintiff,

v.

STAPLES THE OFFICE SUPERSTORE,
LLC, a Delaware Limited Liability Company;
and DOES 1 through 50,

Defendants.

Case No. 19STCV22782

**NOTICE OF SETTLEMENT OF CLASS
ACTION**

ATTENTION: If you were employed by Staples the Office Superstore, LLC as a Sales Manager in California at any time from July 1, 2015 to October 12, 2021, you may be a Class Member eligible to receive money from a proposed Settlement in the above-captioned class action lawsuit.

PLEASE READ THIS NOTICE CAREFULLY. This Notice relates to the proposed Settlement of the Action. If you are a Class Member, it contains important information affecting your rights to participate in the Settlement as further described below. This Notice advises you of the terms of the Settlement and your rights and options under it.

To be eligible for your share of the Settlement, you are not required to make a claim. However, you must update the Settlement Administrator, Phoenix Class Action Administration Solutions, with any change of address.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	If you take no further action, you will remain a Class Member, represented by Class Counsel. You will receive a Settlement Award and will be bound by the terms of the Settlement Agreement. As a Class Member, you will not be charged for the services of Class Counsel.
EXCLUDE YOURSELF	You may submit a Request for Exclusion to “opt out” of this Settlement. If you do not want to remain a Class Member, you must timely submit a Request for Exclusion within 60 days of the postmark date of this Class Notice or, if applicable, the re-mailed Class Notice. If you submit a timely and valid Request for Exclusion, you will not receive a Settlement Award or be bound by the terms of the Settlement Agreement.
OBJECT	You may object to the Settlement by submitting a written objection within 60 days of the postmark date of this Class Notice or, if applicable, the re-mailed Class Notice. You may also object orally to the Settlement by appearing at the Final Approval Hearing currently set for 11:00 a.m. on March 15, 2022, in Department 7 of the Spring Street Courthouse located at 312 North Spring Street, Los Angeles, California 90012. If the Court grants final approval of the Settlement despite your objection, you will receive a Settlement Award and you will be bound by the terms of the Settlement Agreement.

According to Staples' records, you are a member of the Class that has been conditionally certified for purposes of the Class Action Settlement, and therefore are receiving this Notice. Based on Staples' records and the Parties' assumptions, the average estimated payment to Class Members is \$558.92, the highest estimated payment is \$1,239.44 and the lowest estimated payment is \$5.93. The actual amount you may receive may be different and will depend on a number of factors.

Your options are further explained in this Notice. To exclude yourself from, or object to, the Settlement, you must act by certain deadlines. If you want to participate in the Settlement as proposed, you do not need to do anything to obtain your Settlement Award. Staples will not retaliate against you for any actions you take with respect to the settlement.

What is this proposed Settlement about?

Plaintiff Eric Paul filed the Action on July 1, 2019, alleging that Staples failed to pay minimum and overtime wages, reimburse business expenses, and pay wages in a timely manner to terminated employees, and in these ways engaged in unfair competition. Former Staples Sales Manager Devin Glasere was added as a plaintiff in May, 2021. All of the claims in the Action are premised on the allegation that persons employed by Staples as Sales Managers in California were not compensated for time spent reading and responding to GroupMe and other group text messages while off-the-clock and were not reimbursed for the use of their personal cell phones in connection with such activities. The Action was brought as a putative class action and sought unreimbursed business expenses, unpaid wages, restitution, prejudgment interest, attorneys' fees, and costs.

Under the proposed Settlement, Staples agrees to make payments to Class Members who do not opt out of the Settlement. These payments will be based on the number of GroupMe Work Weeks and Post-GroupMe Work Weeks worked by each Settlement Class Member during the Class Period compared to the total number of Eligible Work Weeks worked by all Settlement Class Members during the Class Period, as more fully described below.

Staples also agrees to pay the Settlement Administration Costs, an Enhancement payment to each Plaintiff, and attorneys' fees and costs to Plaintiffs' counsel up to the amounts described below, all subject to the Court's approval. Staples's maximum total payment obligation under the proposed Settlement is \$425,000.00, plus the employer-side share of Withholdings and Taxes.

The proposed Settlement is not an admission of liability by Staples. Throughout this case, Staples has denied any liability or wrongdoing, or that any compensable injury arose out of any of the matters alleged in the Action. Staples contends that it has complied with all California and federal laws and regulations regarding those matters.

Class Counsel believes that the proposed Settlement is in the best interests of the Class Members. Further proceedings would be very expensive and take a long time. Moreover, no one can predict the precise outcome of the disputed issues in this case. Therefore, Class Counsel believes that the proposed Settlement is fair, reasonable, and adequate for the Class Members.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, reasonable, and adequate. Any final determination of those issues will be made at the Final Approval Hearing.

Summary of the proposed Settlement

Staples has agreed to pay \$425,000.00 ("Settlement Consideration") to resolve all claims that were alleged in the Complaint, First Amended Complaint, and Second Amended Complaint, or claims that could have been alleged based on any facts discovered in the course of the Action, and for Class Members' release of claims described below. If finally approved by the Court, the proposed Settlement will distribute money as follows:

Settlement Awards to Class Members: Settlement Class Members (Class Members who do not exclude themselves from the Settlement) will be paid their pro-rata share of the Net Settlement Sum, calculated as follows: The Settlement Administrator will calculate the total number of Eligible Work Weeks worked by all Settlement Class Members during the Class Period. For every GroupMe Work Week worked by a Settlement Class Member, the Settlement Class Member will receive five (5) Net Settlement Shares. For every Post-GroupMe Work Week worked by a Settlement Class Member, the Settlement Class Member will receive one (1) Net Settlement Share. The Settlement Administrator will distribute the Net Settlement Sum on a pro rata basis among the Settlement Class Members based on the number of Net Settlement Shares each Settlement Class Member has been allocated divided by the total number of Net Settlement Shares.

“GroupMe Work Weeks” means the number of weeks a Class Member was employed by Staples as a Sales Manager in California between July 1, 2015 and January 29, 2017. “Post GroupMe Work Weeks” means the number of weeks a Class Member was employed by Staples as a Sales Manager in California between January 30, 2017 and the Preliminary Approval Date. “Eligible Work Weeks” means the aggregate number of GroupMe Work Weeks and Post-GroupMe Work Weeks worked by a Class Member during the Class Period. “Net Settlement Share” is the ratio by which the Net Settlement Sum is allocated to a particular work week. Eligible Work Weeks will be calculated according to Staples’s records.

“Net Settlement Sum” means the Settlement Consideration minus the payment of (a) the Fee and Expense Award, (b) Plaintiffs’ Enhancement payments, and (c) the Settlement Administration Costs, all of which are described below.

Settlement Awards shall be subject to applicable Withholdings and Taxes.

Fee and Expense Award to Class Counsel: Class Counsel (Jeremy F. Bollinger, Dennis F. Moss, and Ari E. Moss of Moss Bollinger LLP) will be requesting 33.33% of the Settlement Consideration (\$141,666.67) as their fee for prosecuting this case and \$47,000.00 for reimbursement of their costs/expenses incurred in the Action. You are not personally responsible for any of Class Counsel’s attorneys’ fees or costs/expenses.

Enhancement Payments: Each Plaintiff (Eric Paul and Devin Glasere) will each request an Enhancement Payment for their services in the case of \$7,500, or a total of \$15,000. You are not personally responsible for any Enhancement Payment.

Costs and Expenses of the Settlement Administrator: The Parties have hired a professional company to administer the Settlement. It will be paid an amount not to exceed \$8,500. You are not personally responsible for any amount paid to the Settlement Administrator.

The Court will rule on these requests at the Final Approval Hearing. The amounts awarded by the Court at the Hearing will decrease the amounts that will be distributed to the Settlement Class Members.

What are my rights and options?

1. **You can exclude yourself from the Settlement:** If you do not want a Settlement Award and do not want to be bound by any of the proposed Settlement’s terms, you must make a timely written Request for Exclusion. Your Request for Exclusion (a) must contain your name, address, telephone number and last four digits of your Social Security number, (b) must be signed and dated by you, (c) the words “Request for Exclusion” at the top of the document; and (d) a statement setting forth your intent to be excluded from the Settlement. Your Request for Exclusion must be mailed, faxed, or emailed to the Settlement Administrator and must be postmarked or sent by January 16, 2022 or, if applicable, 60 days from the postmark date of the re-mailed Class Notice. You should not request exclusion if you wish to receive money from the Settlement.

2. **You can object to the Settlement:** You can object to the Settlement before the Court's final approval of the Settlement. To object in writing, you must submit a written objection to the Settlement Administrator and counsel for the Parties by January 16, 2022 or, if applicable, 60 days the postmark date of the re-mailed Class Notice. You may also appear at the Final Approval Hearing currently set for 11:00 a.m. on March 15, 2022, in Department 7 of the Spring Street Courthouse located at 312 North Spring Street, Los Angeles, California 90012. You are not required to appear, either personally or through counsel, at the Final Approval Hearing in order for your written objection to be considered. Nor are you required to submit a written objection in order to be heard at the Final Approval Hearing. The Court will hear from any Settlement Class Member who attends the Final Approval Hearing and asks to speak regarding his or her objection.

Your written objection and, if applicable, notice of intention to appear at the Final Approval Hearing must be submitted via mail, fax, or email to the Settlement Administrator with copies mailed to the following attorneys by January 16, 2022 or, if applicable, 60 days from the postmark date of the re-mailed Class Notice:

ATTORNEYS FOR PLAINTIFFS
ERIC PAUL AND DEVIN
GLASERE, AND THE CLASS
MEMBERS

ATTORNEYS FOR DEFENDANT
STAPLES THE OFFICE
SUPERSTORE, LLC

Jeremy F. Bollinger
(jeremy@mossbollinger.com)
MOSS BOLLINGER LLP
15300 Ventura Blvd., Ste. 207
Sherman Oaks, California 91403
Telephone: (310) 982-2984

Karen J. Kubin
(KKubin@mofoco.com)
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, California 94105-2482
Telephone: 415.268.7000

You may object to the Settlement only if you do not submit a Request for Exclusion.

If you intend to appear at the Final Approval Hearing or review court files, you must comply with the Court's social distancing procedures. All persons attending court proceedings, whether in person or remotely, must comply with applicable California Rules of Court, including Rule 1.150. If you are attending the Final Approval Hearing in person, you must wear a mask covering your nose and mouth. You are prohibited from gathering with or speaking to anyone outside your household in courthouse hallways or other public areas of the Court unless you can do so at least six feet apart from each other and while wearing a mask over your nose and mouth. Eating in courthouse hallways and courtrooms is prohibited at all times. If you have a disability that precludes you from wearing face coverings compliant with the California Department of Public Health Guidance Concerning the Use of Face Coverings issued on June 18, 2020, you are urged to seek an accommodation under Rule 1.100 of the California Rules of Court in advance of your court appearance.

3. **You can do nothing:** You can do nothing. If you do nothing, you will be bound by the proposed Settlement terms and you will be entitled to receive a Settlement Award as described above.

A Notice of Eligible Work Weeks form is attached as Form 1 to this Notice. It provides the number of Work Weeks you worked during the Class Period according to Staples's records. If you wish to participate in the Settlement but you do not agree with the number of Work Weeks shown on the form, you must complete the Notice of Eligible Work Weeks form and mail, fax, or email it to the Settlement Administrator by January 16, 2022 or, if applicable, 60 days from the postmark date of the re-mailed Class Notice.

You should also correct your mailing address if it is not correct by calling the Settlement Administrator at (800) 523-5773 or by emailing notice@phoenixclassaction.com.

Settlement Checks

You must cash your Settlement check by the void date stated on the check. If you do not cash your check by the void date, your check will be automatically cancelled, and you will not receive any moneys from the Settlement.

The money represented by your check will be irrevocably sent to the Justice Gap Fund of the State Bar of California.

The Settlement provides that your Settlement payment will be allocated 10% to wages (subject to withholding and taxes) and 90% to reimbursement of expenses, interest, and penalties. The Settlement Administrator will issue you an IRS Form W-2 for the wage portion of your Settlement payment and an IRS 1099-MISC for the balance of your payment representing reimbursement of expenses, interest and penalties. But please be advised that you are responsible for all taxes, penalties and interest owed with respect to your Settlement payment, regardless of the foregoing allocations. You should consult with an accountant or other tax professional with any questions. Neither the Parties, their lawyers nor the Court is providing you with financial or tax advice.

What claims am I releasing by participating in the Settlement?

In exchange for the consideration given by Staples in the proposed Settlement, all Class Members who do not opt out of the Settlement (the Settlement Class Members) will expressly release, waive and discharge, and will be deemed to have released, waived and discharged, all Released Claims against all Released Parties.

“Released Claims” means all claims, debts, liabilities, demands, obligations, damages, and actions or causes of action of any kind that arose during the Class Period and that were alleged in, or arising out of the facts asserted in, the operative Second Amended Complaint, including (without limitation) claims for reimbursement of business expenses; for unpaid time worked off-the-clock; or under California Labor Code sections 200, 201, 202, 203, 218, 218.5, 218.6, 510, 1194, 1194.2, 1197, 1197.1, and 2802, and the Wage Orders promulgated thereunder; California Business and Professions Code section 17200 et seq.; California Code of Civil Procedure section 1021.5; and California Civil Code section 3287, subdivision (a). Expressly excluded from the Released Claims are (a) claims for wages in Workers’ Compensation and Unemployment Insurance benefits cases, and (b) claims for benefits under the Employee Retirement Income Security Act of 1974 (ERISA).

“Released Parties” means Staples the Office Superstore, LLC, its present, former or future parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors and assigns (including without limitation USR Parent Inc.), and each of their respective present, past or future officers, directors, employees, partners (both general and limited), shareholders, agents, attorneys, insurers, and any other successors, assigns, or legal representatives, and any other individual or entity which could be liable for any of the Released Claims.

All Settlement Class Members intend and are deemed to intend that this Settlement shall be effective as a bar to any and all Released Claims against any and all Released Parties.

The Settlement Class Members agree not to sue or otherwise make a claim against any of the Released Parties arising out of or related to any of the Released Claims. The Settlement Class Members further agree not to file any action, claim, complaint or proceeding regarding any of the Released Claims with the California Division of Labor Standards Enforcement or the United States Department of Labor Wage and Hour Division. The Settlement Class Members further agree that their release, waiver and relinquishment of the Released Claims shall preclude them from participating in any judgment or settlement of claims that are the subject of the Released Claims in any other class, collective or representative action.

When is the next Court hearing?

A Final Approval Hearing will be held before the Honorable Amy D. Hogue in Department 7 of the Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012, on March 15, 2022 at 11:00 a.m. to determine whether the Settlement is fair, reasonable, and adequate. Judge Hogue will be asked to approve the plan for distributing the Settlement Awards, Class Counsel's Fee and Expense Award, the Enhancement payments to Plaintiffs, and payment to the Settlement Administrator for its services. A motion for final approval of these items should be on file with the Court no later than February 21, 2022 and will be available for review after that date. This hearing may be continued by order of the Court. Notice of continuation of the hearing will be provided on the website, which can be found here: <http://www.phoenixclassaction.com/>. Notice of the Final Approval or Judgment will also be posted on this website. It is not necessary for you to appear at the hearing.

To appear at the Final Approval Hearing remotely, go to the court's website for remote appearances at <https://lacourt.portalscloud.com/VCourt/Landing.aspx>. Click on "schedule" and create a user account. To schedule your appearance, enter Case Number 19STCV22782. Under Attendee, select "other". Select "class member" from the drop-down menu and enter your email address and phone number. Under party, select "Paul". Click the box to the left of the date/time and choose "audio." On the next screen, follow the instructions to input payment information.

What if I need more information?

Capitalized terms in this Notice have the same meaning they are given in the Class Action Settlement Agreement and Release ("Agreement"), filed with the Court on September 16, 2021 as Exhibit 1 to the Supplemental Declaration of Jeremy F. Bollinger in Support of Preliminary Approval of Class Action Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed Agreement and the Preliminary Approval Order, which is also on file with the Court. If you have any questions, you can contact the Settlement Administrator at (800) 523-5773. You can also contact Class Counsel listed above.

Depending on what action you take in connection with the Settlement, you may need to contact or submit documents to the Settlement Administrator. You can do this as follows:

Eric Paul v. Staples The Office Superstore, LLC.
Settlement Administrator
c/o Phoenix Settlement Administrators.
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503
Email: notice@phoenixclassaction.com

**PLEASE DO NOT CONTACT THE SUPERIOR COURT FOR INFORMATION
ABOUT THIS SETTLEMENT**