

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

STEVEN STEGMANN, individually and)	
behalf of all others similarly situated,)	
)	
Plaintiff,)	Case No. 1:22-cv-01179
v.)	
)	Hon. Thomas M. Durkin
PETSMART LLC,)	
)	
Defendant.)	

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement (the “Agreement” or the “Settlement Agreement”) is entered into by and between Plaintiff Steven Stegmann (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendant PetSmart LLC (“Defendant”) in the above-captioned action. Plaintiff and Defendant are each a “Party” and collectively are the “Parties.” This Settlement Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims upon and subject to the terms and conditions hereof, and subject to the approval of the Court.

I. FACTUAL BACKGROUND AND RECITALS

1. On January 20, 2022, Plaintiff filed a class action complaint against Defendant in the Circuit Court for the 13th Judicial Circuit, LaSalle County, Illinois, asserting violations of the Illinois Biometric Information Privacy Act, 740 ILCS 14/1, *et seq.* (“BIPA”), allegedly arising from Defendant’s use of a Vocollect order picking system at its distribution center in Ottawa, Illinois (the “Action”). Defendant subsequently removed the Action to the United States District Court for the Northern District of Illinois, where it was assigned to the Honorable Thomas M. Durkin.

2. Following arms-length negotiations, the Parties have agreed to enter into this Settlement Agreement. Plaintiff and Class Counsel have concluded that a settlement according to the terms set forth below is fair, reasonable, and adequate, and beneficial to and in the best interests of Plaintiff and the Settlement Class recognizing: (i) the existence of complex and contested issues of law and fact; (ii) the risks inherent in litigation; (iii) the likelihood that future proceedings will be unduly protracted and expensive if the proceeding is not settled by voluntary agreement; (iv) the magnitude of the benefits derived from the contemplated settlement in light of both the maximum potential and likely range of recovery to be obtained through further litigation, and the expense thereof, as well as the potential of no recovery whatsoever.

3. Defendant denies all allegations of wrongdoing or liability for the claims asserted in the Action. Neither the fact of this Settlement, nor of the Settlement Agreement, nor any other

Settlement documents, including the previously executed Settlement Term Sheet and communications in relation to the Settlement, shall be offered, used or received in this case for any purpose other than seeking approval of and effectuating the Settlement, or offered, used or received in any other case or proceeding for any purpose, whether as an argument, admission, concession, evidence or otherwise, including, but not limited to, relating to the validity of any claim or defense that was or could have been asserted in the Action, the truth of any fact alleged by any Party, or the appropriateness of class certification, or as evidence of any admission by Defendant of any liability with respect to any claim for damages or other relief, or of any admission by Plaintiff that he would not have prevailed on liability on any of his claims. Any representation that could be construed as a stipulation or admission by Defendant or Plaintiff contained in any document pertaining to the Settlement is made for settlement purposes only. In the event the Court does not enter the Final Approval Order and Judgment, nothing contained herein shall be construed as a waiver by Defendant of any arguments against class certification, liability, and relief in this Action or any other case or proceeding, or by Plaintiff of his contention that class certification is appropriate in the Action or in any other case or proceeding. Defendant does not consent to certification of the Settlement Class for any purpose other than to effectuate the Settlement. If the Court does not enter the Final Approval Order and Judgment, or if for any other reason final approval of the Settlement does not occur, including, without limitation, because the Settlement Agreement is lawfully terminated, is successfully objected to, or successfully challenged on appeal, any certification of the Settlement Class will be vacated and deemed null and void, the Parties will be returned to their positions with respect to the Action as if the Settlement Agreement had not been entered into, and the fact of certification shall not be cited by the Parties, used on behalf of any Party for any purpose, or be admissible in any proceeding for any purpose or with respect to any issue, substantive or procedural, including, but not limited to, whether any group of individuals exists to maintain a class action under Illinois law, Rule 23 of the Federal Rules of Civil Procedure, or comparable state laws or rules.

4. The Parties are satisfied that the terms and conditions of this Settlement Agreement are fair, reasonable, adequate, and in their respective best interests considering the risks and uncertainties of continued litigation and all factors bearing on the merits of settlement.

5. In consideration of the covenants, agreements, and releases set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and among the undersigned that the Action be settled and compromised, and that the Releasers release the Released Parties of the Released Claims, subject to the approval of the Court, on the following terms and conditions.

II. DEFINITIONS

The following terms, as used in this Agreement, have the following meanings:

6. “Action” means *Steven Stegmann v. PetSmart LLC*, Case No. 1:22-cv-01179, currently pending in the United States District Court for the Northern District of Illinois.

7. “Administrative Expenses” means fees and out-of-pocket expenses associated with the work performed by the Settlement Administrator, including but not limited to expenses in

providing notice, communicating with Settlement Class Members, and disbursing payments to Settlement Class Members.

8. “Class Counsel” means David Fish, Mara Baltabols, or any other attorney from Fish Potter Bolaños, P.C.

9. “Class List” means the Excel spreadsheet that Defendant will provide to the Settlement Administrator that contains names, last known addresses, last four digits of their social security numbers (if necessary to track down a class member), last known phone numbers (if available), and last known email addresses (if available) of Plaintiff and the Settlement Class Members.

10. “Counsel” or “Counsel for the Parties” means both Class Counsel and Defendant’s Counsel, collectively.

11. “Defendant” means Petsmart LLC.

12. “Defendant’s Counsel” means David Layden and Elena Olivieri of Jenner & Block LLP.

13. “Effective Date” means the date on which the Final Approval Order and Judgment becomes final and non-appealable, which is one business day after the latest of: (a) the date upon which time expires for filing or noticing any appeal of the Court’s Final Approval Order and Judgment; (b) the date of completion of any appeal or appeals, in a manner that finally affirms and leaves in place the Final Approval Order and Judgment without any material modification, of all proceedings arising out of the appeal or appeals (including, but not limited to, the expiration of all deadlines for motions for reconsideration or petitions for review or certiorari, all proceedings ordered on remand, and all proceedings arising out of any subsequent appeal or appeals following decisions on remand); or (c) the date of final dismissal of any appeal or the final dismissal of any proceeding on certiorari.

14. “Fee Award” means the amount of attorneys’ fees and reimbursement of expenses and costs awarded by the Court to Class Counsel.

15. “Final Approval Hearing” means the hearing before the Court where the Plaintiff will request that the Court approve the Settlement, approve the Fee Award, approve the Service Award to the Class Representative, and enter the Final Approval Order and Judgment.

16. “Final Approval Order and Judgment” means an order that (i) is entered by the Court; (ii) approves the Settlement as fair, reasonable, and adequate and in the best interests of the Settlement Class as a whole; and (iii) dismisses the Action in its entirety and with prejudice. A proposed version of the Final Approval Order and Judgment shall be submitted to the Court in the form attached as Exhibit C.

17. “Gross Settlement Fund” means a cash settlement fund which the Settlement Administrator will establish from funds paid by Defendant in the amount of \$424,455.00 or a gross

amount of \$899.27 per person based upon there being 472 people in the Settlement Class. If the total number of people on the Class List provided by PetSmart to the Settlement Administrator exceeds 472, the Gross Settlement Fund will be increased by \$899.27 for every person above 472.

18. “Net Settlement Fund” means the Gross Settlement Fund minus Administrative Expenses and Court-awarded amounts for Plaintiff’s Service Award and the Fee Award.

19. “Notice” means the direct notice of this proposed Settlement, which is to be provided substantially in the manner set forth in this Agreement and Exhibit A and consistent with the requirements of Due Process.

20. “Objection/Exclusion Deadline” means the date by which a written objection to this Settlement Agreement or a request for exclusion submitted by a person within the Settlement Class must be postmarked or filed with the Court, which is 45 days after entry of the Preliminary Approval Order, subject to the Court’s order.

21. “Parties” means the Defendant and Plaintiff, collectively.

22. “Plaintiff” or “Class Representative” means the named class representative, Steven Stegmann, and their heirs, successors and assigns.

23. “Preliminary Approval Order” means the Court’s Order preliminarily approving the Settlement Agreement certifying the Settlement Class for settlement purposes and directing notice of the Settlement to the Settlement Class substantially in the form of the Notice set forth in this Agreement. A proposed version of the Preliminary Approval Order shall be submitted to the Court in the form attached as Exhibit B.

24. “Released Claims” means any and all actual, potential, filed, unfiled, known or unknown, fixed or contingent, claimed or unclaimed, suspected or unsuspected, claims, demands, liabilities, rights, causes of action, damages, punitive, exemplary or multiplied damages, expenses, costs, attorneys’ fees, or obligations, whether in law or in equity, accrued or unaccrued, direct, individual or representative, of every nature and description whatsoever, whether based on BIPA or other federal, state, local, statutory or common law or any other law, against the Released Parties, or any of them, arising out of or relating to actual or alleged facts, transactions, events, matters, occurrences, acts, disclosures, statements, representations, omissions or failures to act regarding the collection, capture, storage, use, profit from, possession, disclosure, and/or dissemination of biometric data, including all claims that were brought or could have been brought in the Action, belonging to any and all Releasers.

25. “Released Parties” refers, jointly and severally, and individually and collectively to, Defendant and Defendant’s current and former, direct and indirect, owners, parents, subsidiaries, affiliates, divisions and holding companies, including each such entity’s predecessors, successors and assigns, and their respective principals, members, trustees, administrators, executors, officers, directors, members, managers, shareholders, employees, board members, partners, agents, representatives, limited partners, attorneys, accountants, financial and other advisors, contractors, investment bankers, insurers, reinsurers, underwriters, lenders, benefit

plans, estates, trusts, beneficiaries, landlords, vendors, licensees, lessors, lessees, sub-lessees, tenants, franchisees, franchisors, and joint venturers.

26. “Releasors” refers, jointly and severally, and individually and collectively, to the Plaintiff, Settlement Class Members (with the exception of the Settlement Class Members, if any, that timely exercise their right to be excluded from the Settlement), and to each of their heirs, spouses, executors, administrators, beneficiaries, conservators, assigns and anyone claiming by, through, under, in concert with, or on behalf of them.

27. “Service Award” means monetary compensation that the Court orders to the Class Representative for the time and labor they expended in helping Class Counsel resolve the Action.

28. “Settlement” means the settlement embodied in the Settlement Agreement.

29. “Settlement Administrator” means Analytics Consulting, LLC.

30. “Settlement Class” means:

The persons identified on the Class List, which includes the current and former PetSmart LLC employees that PetSmart LLC’s records identify as having used the Vocollect system at the Ottawa, Illinois distribution center during the period from January 20, 2017 to the date of preliminary approval of the settlement and who are not subject to an arbitration agreement with PetSmart LLC.

31. “Settlement Class Member” means a member of the Settlement Class.

III. SETTLEMENT CLASS CERTIFICATION

32. For the purposes of the Settlement only, the Parties stipulate and agree that: (1) the Settlement Class shall be certified; (2) Plaintiff shall represent the Settlement Class for settlement purposes and shall be the Settlement Class representative; and (3) Plaintiff’s Counsel shall be appointed as Class Counsel.

33. Defendant does not consent to certification of the Settlement Class for any purpose other than to effectuate the Settlement. If the Court does not enter the Final Approval Order and Judgment, or if for any other reason final approval of the Settlement does not occur, is successfully objected to, or challenged on appeal, any certification of the Settlement Class will be vacated and the Parties will be returned to their positions with respect to the Action as if the Settlement had not been entered into. In the event that final approval of the Settlement is not achieved or the Effective Date does not occur: (i) any Court orders preliminarily or finally approving the certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity; and (ii) the fact of the Settlement reflected in this Agreement, that Defendant did not oppose the certification of the Settlement Class under this Agreement, or that the Court preliminarily approved the certification of the Settlement Class, shall not be used or cited thereafter by any person or entity, including in any manner whatsoever, including without limitation any contested proceeding relating to the certification of any class.

34. Excluded from the Settlement Class are all persons who timely elect to exclude themselves from the Settlement Class in accordance with the requirements in this Agreement and the legal representatives, heirs, successors or assigns of any such excluded persons, and the Court and staff to whom this case is assigned, and any member of the Court's or staff's immediate family.

IV. SETTLEMENT OF ACTION AND RELEASES

35. Subject to entry of the Final Approval Order and Judgment, Releasors will, upon the Effective Date, fully and completely, finally and forever release, acquit, relinquish and completely discharge the Released Parties from any and all the Released Claims. All Settlement Class Members are bound by the foregoing release regardless of whether their Settlement Award is redeemed (i.e., checks are timely cashed or paid time off is utilized).

V. SETTLEMENT FUNDING, PRELIMINARY APPROVAL, AND BENEFITS TO SETTLEMENT CLASS MEMBERS

36. Establishment of Gross Settlement Fund

a. Within forty-five days of the Effective Date, Defendant shall pay the total sum of the Gross Settlement Fund to the Settlement Administrator. Provided that this Agreement is finally approved by the Court without material change, material amendment, or material modification, the Gross Settlement Fund will be used to satisfy all payments contemplated by this Agreement in exchange for a comprehensive release and the covenants set forth in this Agreement, including, without limitation, a full, fair and complete release of all Released Parties from Released Claims, and dismissal of the Action with prejudice.

b. The funds provided by Defendant to the Settlement Administrator will be maintained by an escrow agent as a Court-approved Qualified Settlement Fund pursuant to Section 1.468B-1, et seq. of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended, and shall be deposited in an interest-bearing account.

c. If the Final Approval Order and Judgment is not entered by the Court, or if the Effective Date does not occur, the Gross Settlement Fund and interest earned thereon shall be returned to Defendant, less any Administrative Expenses incurred to date. Plaintiff shall have no financial responsibility for any Administrative Expenses paid out of the Gross Settlement Fund if the Settlement is not finally approved.

d. The Gross Settlement Fund shall be used to pay (i) the benefits to Settlement Class Members described in this Agreement; (ii) the Service Award to the Class Representative; (iii) the Fee Award; and (iv) Administrative Expenses. Any remaining funds will be paid as provided for in Paragraph 38 below.

e. Administrative Expenses, and any award of attorneys' fees, costs, or expenses awarded in connection with the Settlement, shall be payable solely out of the Gross Settlement Fund.

f. The Gross Settlement Fund represents the total extent of the Released Parties' monetary obligations under the Settlement Agreement. Defendant's funding obligation with respect to the Gross Settlement Fund is fixed and shall be final. No Released Parties shall have any obligation to make further payments into the Gross Settlement Fund and shall have no financial responsibility or obligation relating to the settlement beyond the Gross Settlement Fund.

g. Class member payments and Plaintiff's Service Award will be classified as non-wage income, and the Settlement Administrator will report the payments on a 1099 form, if required by law.

37. Steps Necessary to Obtain Preliminary Approval by the Court

a. Plaintiff will file an unopposed motion seeking an order conditionally certifying the Settlement Class for settlement purposes, granting preliminary approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Notice.

b. At the hearing on the motion for preliminary approval, the Parties will appear, support the granting of preliminary approval of the Settlement and entry of the Preliminary Approval Order.

c. For the purposes of the Settlement and the proceedings contemplated herein only, the Parties stipulate and agree that the Settlement Class shall be conditionally certified, that Plaintiff shall be conditionally appointed class representative for the Settlement Class, and that Plaintiff's Counsel shall be conditionally appointed as counsel for the Settlement Class. Should the Court decline to preliminarily approve any aspect of the Settlement, the Parties shall attempt to renegotiate those aspects of the Settlement in good faith, with the mutual goal of attempting to reach an agreement as close to this Settlement as possible and will then submit the renegotiated Settlement to the Court for preliminary approval. If the Parties are unable to reach an agreement on a subsequent settlement or obtain preliminary approval of a Settlement after attempting to renegotiate, the Settlement will be null and void, the Parties will have no further obligations under it, and the Parties will revert to their prior positions in the Action as if the Settlement had not occurred.

38. Benefits to Settlement Class Members

a. The Settlement will provide the following benefits to Settlement Class Members from the Net Settlement Fund.

b. Settlement Class Members who are not employed by PetSmart as of the date of payment will be paid pro rata via direct checks from the Net Settlement Fund to such Settlement Class Members, if they do not timely opt out of the settlement.

c. Settlement Class Members who are currently employed by PetSmart will be offered the choice of (i) a pro rata cash payment via direct check as received by former employee Settlement Class Members; or (ii) an award by PetSmart of paid time off with a value equal to the

pro rata cash payment. If a Settlement Class Member elects to receive an award of paid time off, the Settlement Administrator will transmit to Defendant funds equivalent to the pro rata cash payment that the Settlement Class Member would have received had they elected a cash payment.

d. The Settlement Administrator will send Settlement Class Members who are employed by Defendant at the time of Notice a claim form they can return that permits them to choose to receive an award by Defendant of paid time off with a value equal to the pro rata cash payment. For example, if the pro rata direct check payment is \$550 per person, a Settlement Class Member who selects the paid time off option who earns \$20 per hour would receive 27.5 hours or more of paid time off. A copy of the claim form is attached as Exhibit D.

e. Settlement Class Members who do not return a claim form will receive a pro rata cash payment.

f. Settlement Class Members who elect to receive paid time off can use it at any time during which Defendant's employees otherwise are permitted to use paid time off: (i) during the calendar year in which the paid time off is awarded under this Settlement; and (ii) during the next calendar year. After that period, any unused paid time off awarded under this Settlement will expire.

g. If an employee who is awarded paid time off under this settlement is separated from Defendant before that paid time off is used or expires, Defendant will pay out the remaining balance upon separation.

h. If a Settlement Class Member who elected paid time off is separated from Defendant for any reason prior to the date that the Settlement Administrator makes payments, the Settlement Class Member will receive a pro rata cash payment from the Settlement Administrator via direct check in the same amount as those persons who did not elect paid time off.

i. Funds from checks not cashed by Settlement Class Members within 120 days of mailing will be distributed equally, with 50% of uncashed checks to *cy pres* recipient Prairie State Legal Services subject to approval by the Court and 50% of uncashed checks to the Defendant.

VI. PROSPECTIVE RELIEF

39. Without admitting any liability or that it is required by law to do so, Defendant agrees to undertake the following practices, if any: Defendant agrees that, on or before the Effective Date, it shall implement procedures, if any are required, to comply with BIPA should it continue to utilize the Vocollect system in Illinois or unless/until BIPA is found by a court or the legislature to no longer be in effect or to be otherwise unenforceable. Alternatively, Defendant agrees that, on or before the Effective Date, it shall discontinue the use of the Vocollect system in Illinois and implement procedures for the destruction of any alleged biometric data previously collected in compliance with BIPA.

VII. RELEASE

40. In addition to the effect of any final judgment entered in accordance with this Agreement, upon final approval of this Agreement, and for other valuable consideration as described herein, Released Parties shall be completely released, acquitted, and forever discharged from the Released Claims.

41. As of the Effective Date, and with the approval of the Court, all Releasors hereby fully, finally, and forever release, waive, discharge, surrender, forego, give up, abandon, and cancel the Released Claims against Released Parties. As of the Effective Date, all Releasors will be forever barred and enjoined from prosecuting or joining in any action against the Released Parties asserting any or all Released Claims.

42. Each Releasor waives all defenses, rights, and benefits that may be derived from the provisions of applicable law in any jurisdiction that, absent such waiver, may limit the extent or effect of the release contained in this Agreement.

VIII. PRELIMINARY APPROVAL ORDER AND FINAL APPROVAL ORDER

43. This Settlement is subject to the Court's approval. The Parties shall have the right to withdraw from the Settlement if the Court does not approve the Settlement.

44. Plaintiff shall submit this Agreement, together with its Exhibits, to the Court and shall move the Court for preliminary approval of the settlement set forth in this Agreement, certification of the Settlement Class, appointment of Class Counsel and the Class Representative, and entry of the Preliminary Approval Order, substantially in the form of Exhibit B.

45. At the time of the submission of this Settlement Agreement to the Court as described above, the Parties shall request that, after Notice is given, the Court hold a Final Approval Hearing approximately ninety days after entry of the Preliminary Approval Order and approve the settlement of the Action as set forth herein.

46. At least seven days prior to the Final Approval Hearing, or by some other date if so directed by the Court, Plaintiff will move for: (i) final approval of the Settlement; (ii) final appointment of the Class Representative and Class Counsel; and (iii) final certification of the Settlement Class, including for the entry of a Final Order and Judgment identical in all material respects to the proposed Final Order and Judgment attached as Exhibit C, and file a memorandum in support of the motion for final approval.

IX. NOTICE TO PROPOSED SETTLEMENT CLASS MEMBERS

47. **List or Other Means of Class Identification.** Within fourteen days after entry of the Preliminary Approval Order, Defendant will provide the Class List to the Settlement Administrator, which shall consist of an Excel spreadsheet with names, last known addresses, and the last four digits of their social security numbers (if necessary to track down a class member, and

only upon request of the settlement administrator) and last known phone numbers (if available) and last known email addresses (if available) of the Plaintiff and the Settlement Class Members.

48. Type of Notice Required

a. The Notice, which shall be substantially in the form of Exhibit A, shall be used prior to the Final Approval Hearing to inform proposed Settlement Class Members that there is the pending Settlement and inform them how to: (a) protect their rights regarding the Settlement; (b) request exclusion from the Settlement Class and the proposed Settlement, if desired; (c) object to any aspect of the proposed Settlement, if desired; and (d) participate in the Final Approval Hearing, if desired. The Notice shall make clear the binding effect of the Settlement on all persons who do not timely request exclusion from the Settlement Class.

b. Dissemination of the Notice shall be the responsibility of the Settlement Administrator.

49. **Notice Deadline.** Within 21 days of entry of the Preliminary Approval Order, the Settlement Administrator shall disseminate by U.S. Mail the Notice to Settlement Class Members identified on the Class List.

X. EXCLUSION FROM THE SETTLEMENT

50. **Exclusion Period.** Settlement Class Members will have up to and including forty-five days following the Preliminary Approval Order to exclude themselves from the Settlement in accordance with this Section. If the Settlement is finally approved by the Court, all Settlement Class Members who have not opted out by the end of the Objection/Exclusion Deadline will be bound by the Settlement and will be deemed a Releasor as defined herein, and the relief provided by the Settlement will be their sole and exclusive remedy for the Released Claims.

51. **Exclusion Process.** A member of the Settlement Class may request to be excluded from the Settlement Class in writing by a request postmarked on or before the Objection/Exclusion Deadline approved by the Court and specified in the Notice.

a. In order to exercise the right to be excluded, a member of the Settlement Class must timely send a written request for exclusion to the Settlement Administrator providing the Settlement Class Member's name, address, and telephone number; the name and number of this case; a statement that the Settlement Class Member wishes to be excluded from the Settlement Class; and a signature. A request to be excluded that is sent to an address other than that designated in the Class Notice, or that is not postmarked within the time specified is invalid and the person serving such a request shall be considered a member of the Settlement Class and shall be bound by the Agreement, if approved.

b. Any member of the Settlement Class who elects to be excluded shall not: (i) be bound by any order or the Final Approval Order and Judgment; (ii) be entitled to relief under this Settlement Agreement; (iii) gain any rights by virtue of this Settlement Agreement; or (iv) be

entitled to object to any aspect of this Settlement Agreement. A member of the Settlement Class who requests to be excluded from the Settlement Class also cannot object to the Settlement.

c. The request for exclusion must be personally signed by the person requesting exclusion. So-called “mass” or “class” exclusion requests shall not be allowed.

d. Within three business days after the Objection/Exclusion Deadline, the Settlement Administrator shall provide Class Counsel and Defendant’s Counsel a written list reflecting all timely and valid exclusions from the Settlement Class with copies of each such request for exclusion.

e. A list reflecting all individuals who timely and validly excluded themselves from the Settlement shall also be filed with the Court at the time of the motion for final approval of the settlement.

XI. OBJECTIONS

52. The Notice shall advise Settlement Class Members of their rights, including the right to be excluded from or object to the Settlement Agreement and its terms. The Notice shall specify that any objection to this Settlement Agreement, and any papers submitted in support of said objection, shall be received by the Court at the Final Approval Hearing, only if, on or before the Objection/Exclusion Deadline approved by the Court, the person making an objection shall file notice of their intention to do so and at the same time: (i) file copies of such papers they propose to submit at the Final Approval Hearing with the Clerk of the Court; and (ii) send copies of such papers via United States mail, hand delivery, or overnight delivery to both Class Counsel and Defendant’s Counsel. A copy of the objection must also be mailed to the Settlement Administrator at the address that the Settlement Administrator will establish to receive requests for exclusion or objections, and any other communication relating to this Settlement.

53. Any Settlement Class Member who intends to object to this Settlement must include in any such objection: (i) their full name, address, and telephone number; (ii) the case name and number of this Action; (iii) the date range during which they were employed by Defendant; (iv) all grounds for the objection, with factual and legal support for the stated objection, including any supporting materials; (iv) if applicable, the identification of any other objections they have filed, or has had filed on their behalf, in any other class action cases in the last four years; and (v) the objector’s signature. If represented by counsel, the objecting Settlement Class Member must also provide the name and telephone number of their counsel. If the objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, they must state as such in the written objection, and must also identify any witnesses they may call to testify at the Final Approval Hearing and all exhibits they intend to introduce into evidence at the Final Approval Hearing, which must also be attached to, or included with, the written objection.

54. Any Settlement Class Member who fails to timely file and serve a written objection and notice of intent to appear at the Final Approval Hearing pursuant to this Agreement, shall not be permitted to object to the approval of the Settlement at the Final Approval Hearing and shall be

foreclosed from seeking any review of the Settlement or the terms of the Agreement by appeal or other means.

XII. FINAL APPROVAL HEARING

55. The Parties will jointly request that the Court hold a Final Approval Hearing at least ninety days after entry of the Preliminary Approval Order. At the Final Approval Hearing, the Parties will request that the Court consider whether the Settlement Class should be certified as a class for settlement and, if so; (i) consider any timely and properly-filed objections; (ii) determine whether the Settlement is fair, reasonable and adequate, was entered into in good faith and without collusion, and should be approved, and shall provide findings in connections therewith; and (iii) enter the Final Approval Order and Judgment, including final approval of the Settlement Class and the Settlement Agreement, and a Fee Award.

XIII. FINAL APPROVAL ORDER AND JUDGMENT

56. The Parties shall jointly seek entry of a Final Approval Order and Judgment substantially in the form attached as Exhibit C, that, without limitation:

a. Finally approves the Settlement and its terms as being a fair, reasonable, and adequate settlement as to the Settlement Class Members; and

b. Dismisses, with prejudice, all claims of the Settlement Class against Defendant in the Action, without costs and fees except as explicitly provided for in this Agreement.

57. Class Counsel shall use their best efforts to assist Defendant in obtaining dismissal with prejudice of the Action and take all steps necessary and appropriate to otherwise effectuate all aspects of this Agreement.

XIV. TERMINATION OF THE SETTLEMENT

58. The Settlement is conditioned upon preliminary and final approval of the Settlement Agreement and all terms and conditions thereof without material change, material amendments, or material modifications by the Court (except to the extent such changes, amendments or modifications are agreed to in writing between the Parties). All Exhibits are incorporated into this Settlement Agreement. Accordingly, this Settlement Agreement shall be terminated and canceled within ten days of any of the following events:

a. If two percent or more of the Settlement Class Members submit valid and timely requests for exclusion from the Settlement, Defendant may—at its sole discretion—revoke the Settlement Term Sheet and Settlement Agreement;

b. This Settlement Agreement is changed in any material respect to which the Parties have not agreed in writing;

- c. The Court refuses to grant preliminary approval of the Settlement;
- d. The Court refuses to grant final approval of the Settlement in any material respect;
- e. The Court refuses to enter the Final Approval Order and Judgment;
- f. The Effective Date does not occur.

59. In the event the Settlement Agreement is not approved or the Effective Date does not occur, or the Settlement is terminated consistent with this Settlement Agreement, the Parties, pleadings, and proceedings will return to the *status quo ante* as if no settlement had been negotiated or entered into, the Gross Settlement Fund and interest earned thereon will be returned to Defendant less any Administrative Expenses incurred to date; and the Parties will negotiate in good faith to establish a new schedule for the Action.

XV. ATTORNEYS' FEES, COSTS, AND EXPENSES, AND SERVICE AWARD

60. Plaintiff's counsel will request that the Court award them up to 35% of the Gross Settlement Fund as attorney's fees plus their unreimbursed litigation costs. This amount shall not be an additional expense of Defendant but shall be paid out of the Gross Settlement Fund.

61. Notwithstanding any contrary provision of this Agreement, the Court's consideration of the Fee Award is to be conducted separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement Agreement, and any award made by the Court with respect to Class Counsel's attorneys' fees or expenses, or any proceedings incident thereto, including any appeal thereof, shall not operate to terminate or cancel this Agreement or be deemed material thereto.

62. Class Counsel shall provide the Settlement Administrator with its completed IRS Form W-9 at least seven business days prior to the payment of the Fee Award is due. Within fourteen days after the Effective Date, the Settlement Administrator shall pay to Class Counsel from the Gross Settlement Fund the amount awarded by the Court in the Fee Award. Any payment of the Fee Award shall be paid via paper check or by electronic wire transfer to an account designated by Class Counsel.

63. Prior to or at the same time as Plaintiff seeks final approval of the Settlement, Class Counsel shall move the Court for a Service Award for the Class Representative in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00), and Defendant agrees that it will not oppose such a request. This amount shall not be an additional expense of Defendant but shall be paid out of the Gross Settlement Fund. If the Court does not approve any Service Award for the Class Representative, or if the Court approves a Service Award in an amount less than Five Thousand Dollars and Zero Cents (\$5,000.00) for the Class Representative, any funds not awarded are to be added to the Net Settlement Fund and distributed to the Settlement Class Members.

64. In no event will Defendant's liability for attorneys' fees, expenses, and costs, settlement administration costs, or a Service Award exceed its funding obligations set out in this Agreement. Defendant shall have no financial responsibility for this Settlement outside of the Gross Settlement Fund. Defendant shall have no further obligation for attorneys' fees or expenses to any counsel representing or working on behalf of either one or more individual Settlement Class Members or the Settlement Class. Defendant will have no responsibility, obligation or liability for allocation of fees and expenses among Class Counsel.

XVI. MISCELLANEOUS REPRESENTATIONS

65. The Parties agree that the Settlement Agreement provides fair, equitable and just compensation for Settlement Class Members.

66. The Parties (i) acknowledge that it is their intent to consummate this Settlement Agreement, and (ii) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this Agreement. Class Counsel and Defendant's Counsel agree to cooperate with each other in seeking Court approval of the Preliminary Approval Order, the Settlement Agreement, and the Final Approval Order and Judgment, and promptly to agree upon and execute all such other documentation as may be reasonably required to obtain final approval of the Settlement.

67. The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and fully understand this Settlement Agreement, including its Exhibits, and have been fully advised as to the legal effect thereof by counsel of their own selection and intend to be legally bound by the same.

68. Any headings used herein are used for the purpose of convenience only and are not meant to have legal effect.

69. The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed as a waiver of any prior or subsequent breach of this Agreement.

70. This Agreement may not be amended, modified, altered, or otherwise changed in any manner except by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

71. The Parties agree that Exhibits A through D to this Settlement Agreement are material and integral parts thereof and are fully incorporated herein by this reference.

72. The Parties may agree, subject to the approval of the Court as required, to reasonable extensions of time to carry out the provisions of the Settlement Agreement.

73. Plaintiff represents and warrants that he has not assigned any claim or right or interest therein as against the Released Parties to any other person or party.

74. The provisions of this Settlement Agreement, and any orders, pleadings or other documents entered in furtherance of this Settlement Agreement, may be offered or received in evidence solely: (i) to enforce the terms and provisions hereof or thereof; (ii) as may be specifically authorized by a court of competent jurisdiction after an adversary hearing upon application of a Party hereto; (iii) in order to establish payment, or an affirmative defense of preclusion or bar in a subsequent case; (iv) in connection with any motion to enjoin, stay or dismiss any other action; or (v) to obtain Court approval of the Settlement Agreement.

75. This Agreement may be executed in one or more counterparts exchanged by mail or PDF as an electronic mail attachment. All executed counterparts and each of them shall be deemed to be one and the same instrument, if the exchange signed counterparts.

76. Plaintiff and all other Settlement Class Members will be solely responsible for all taxes, interest, penalties, or other amounts due with respect to any payment received pursuant to the Settlement, and shall defend, indemnify, and hold harmless Released Parties in relation to any claim relating to the same.

77. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to their conflicts of law provisions.

78. This Agreement was prepared by Counsel for the Parties through arms-length negotiations and should not be construed more strictly against one Party than another.

IN WITNESS HEREOF, the undersigned have caused this Settlement Agreement to be executed as of the dates set forth below.

**PLAINTIFF STEVEN
STEGMANN**

Steven Stegmann

Date: 06/06/2023 14:54 UTC

PETSMART LLC

By: _____

Name: _____

Title: _____

Date: _____

73. Plaintiff represents and warrants that he has not assigned any claim or right or interest therein as against the Released Parties to any other person or party.

74. The provisions of this Settlement Agreement, and any orders, pleadings or other documents entered in furtherance of this Settlement Agreement, may be offered or received in evidence solely: (i) to enforce the terms and provisions hereof or thereof; (ii) as may be specifically authorized by a court of competent jurisdiction after an adversary hearing upon application of a Party hereto; (iii) in order to establish payment, or an affirmative defense of preclusion or bar in a subsequent case; (iv) in connection with any motion to enjoin, stay or dismiss any other action; or (v) to obtain Court approval of the Settlement Agreement.

75. This Agreement may be executed in one or more counterparts exchanged by mail or PDF as an electronic mail attachment. All executed counterparts and each of them shall be deemed to be one and the same instrument, if the exchange signed counterparts.

76. Plaintiff and all other Settlement Class Members will be solely responsible for all taxes, interest, penalties, or other amounts due with respect to any payment received pursuant to the Settlement, and shall defend, indemnify, and hold harmless Released Parties in relation to any claim relating to the same.

77. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to their conflicts of law provisions.

78. This Agreement was prepared by Counsel for the Parties through arms-length negotiations and should not be construed more strictly against one Party than another.

IN WITNESS HEREOF, the undersigned have caused this Settlement Agreement to be executed as of the dates set forth below.

**PLAINTIFF STEVEN
STEGMANN**

Date: _____

PETSMART LLC

By: 

Name: Lacey Bundy

Title: EVP, Chief Legal Officer

Date: 6/7/2023