

**KOHL'S  
DISPUTE RESOLUTION POLICY**

**PLEASE READ THIS DISPUTE RESOLUTION POLICY (“DRP”) CAREFULLY. UNLESS A COVERED INDIVIDUAL PROPERLY ELECTS TO NOT BE BOUND BY THIS DRP, ANY COVERED DISPUTES MUST BE RESOLVED ONLY BY VOLUNTARY MEDIATION, BINDING INDIVIDUAL ARBITRATION, OR A SMALL CLAIMS COURT ACTION. THIS DRP OTHERWISE WAIVES THE RIGHT TO GO TO COURT OR AN ADMINISTRATIVE AGENCY, TO HAVE A JUDGE OR JURY TRIAL OR AN ADMINISTRATIVE HEARING, AND TO BRING OR PARTICIPATE IN A REPRESENTATIVE ACTION, MASS ARBITRATION OR PAGA ACTION.**

**Translated Version of DRP:** Covered Individuals who need a translated version of this DRP in a language other than English may email [kohlscareerssupport@kohls.com](mailto:kohlscareerssupport@kohls.com) to discuss or ask whether such a translated version is available.

**Versión Traducida de DRP:** Las personas cubiertas que necesitan una versión traducida de este DRP en un idioma que no sea inglés pueden enviar un correo electrónico a [kohlscareerssupport@kohls.com](mailto:kohlscareerssupport@kohls.com) para discutir o preguntar si tal versión traducida está disponible.

**1. WHAT IS THE PURPOSE OF THE DRP?** This DRP is aimed at resolving covered employment-related and other disputes quickly and fairly and in a mutually beneficial way. In keeping with Kohl’s open door culture, associates are encouraged to use its internal resolution processes before using the arbitration or Small Claims Court provisions of this DRP. Any workplace issues, including wage and hour issues or unlawful harassment, discrimination, or retaliation, should initially be reported to a manager/supervisor, an Associate Relations/Human Resources representative, the Kohl’s Integrity Hotline ([www.kohlsintegrity.com](http://www.kohlsintegrity.com) or 1-800-837-7297) or through any other dispute resolution processes made available by Kohl’s. For any workplace issues not resolved through Kohl’s internal resolution processes, mandatory final and binding individual arbitration in accordance with the terms of this DRP or a Small Claims Court action, as applicable, are the sole and exclusive remedies for formal resolution of all unresolved Covered Disputes (as defined below), except as otherwise expressly provided in this DRP.

**2. WHO IS COVERED BY THE DRP?** This DRP applies to the Company and all Covered Individuals (referred to in this DRP collectively as “Parties” and individually as a “Party.”) “Company” means and refers to, individually and collectively, the Kohl’s entity that a Covered Individual applied for employment with, or is or was employed by, including Kohl’s, Inc., a Delaware corporation, and its parent, subsidiary, sibling and other affiliated operating divisions and entities, and its or their respective agents, employees, officers, directors, and owners, who are all intended third party beneficiaries of this DRP regardless of whether they otherwise are bound by its terms. Except as further provided in Section 28 of this DRP, “Covered Individual” and its plural form “Covered Individuals” means and refers to any individual who has applied for employment with Company, or who is or was employed by Company, including where such employment terminates after becoming bound by this DRP. As used in this DRP, “employment” and “employed” means and refers to actual and/or alleged employment and being actually and/or allegedly employed, respectively.<sup>1</sup>

**3. WHAT TYPES OF DISPUTES ARE COVERED BY THE DRP?** This DRP applies only to “Covered Disputes,” which are defined to mean any and all claims, causes of action, or other disputes or

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<sup>1</sup> This DRP shall not be interpreted or enforced in a manner to make any particular entity or person a Covered Individual’s employer or joint employer based on the definition of “Company” herein.

controversies that have already accrued, now exist, or arise in the future between a Covered Individual and Company and/or between Covered Individuals based on any legal, equitable, or other ground or theory (including whether any such ground or theory constitutes an unwaivable statutory right) and would be cognizable and could be properly brought in a federal, state, or local court or agency under applicable laws. Unless falling within the definition of Excluded Disputes, below, Covered Disputes include those arising out of or related to (i) a Covered Individual's employment with or work for Company, applying for or seeking or being denied such employment or work, the termination of such employment or work, and/or any of the terms, conditions, or benefits of such employment or work (including any wage and hour issues), (ii) issues of arbitrability (such as the formation, interpretation, applicability or enforceability of this DRP, except to the extent they are Excluded Disputes), (iii) the procedures to be followed in the arbitration proceedings other than any that would allow a Representative Action, Mass Arbitrations or a PAGA Action (all as defined below), (iv) allegations of delay and waiver, (v) whether prerequisites such as time limits, notice, laches, estoppel, and other conditions precedent to an obligation to arbitrate have been met, and (vi) any disputes over the payment and/or apportionment of the arbitration forum costs (including arbitrator fees), including as to whether the arbitration forum costs provisions of this DRP are unconscionable under applicable law.

Subject to the provisions of Sections 11, 12 and 26 of this DRP, Covered Disputes include those that (a) arose or accrued before and/or arise or accrue after the date of becoming bound by this DRP, including those that are the subject of or asserted in a previously-threatened or filed and/or currently-pending Representative Action or PAGA Action (both as defined below) in which no class or collective certification has been granted or no trial has been commenced by the court as of the date of becoming bound by this DRP,<sup>2</sup> and/or in any subsequently-threatened or filed Representative Action or PAGA Action (both as defined below), (b) arise or accrue before, upon, or after a Covered Individual's employment with or work for Company terminates or his/her application for employment or work is denied, and/or (c) concern or relate to whether a Covered Individual has suffered and/or is suffering or was and/or is subjected to any violation(s) or breach(es) of any legal obligations, including declaratory relief to resolve that issue. Covered Disputes must only be heard and decided by the appointed arbitrator.

**4. WHAT TYPES OF DISPUTES ARE NOT COVERED BY THE DRP?** This DRP does not apply to "Excluded Disputes," which are defined to mean: (i) claims for workers' compensation benefits under state law; (ii) claims for unemployment or disability insurance or other health or welfare benefits under government-administered programs; (iii) claims arising under a pension, retirement, or other health and welfare benefit plan that contains an arbitration or other dispute resolution procedure; (iv) claims within the jurisdiction of the National Labor Relations Board; (v) claims arising or regulated under federal law for which there is an unwaivable specific statutory or regulatory enactment making such claims not arbitrable; (vi) exhausting administrative remedies or notice requirements, and/or participating in government proceedings, as provided in Sections 16 and 25 of this DRP; (vii) claims for temporary or provisional equitable relief in aid of arbitration under this DRP, as permitted under applicable law, which may be brought either before the appointed arbitrator or a court of competent jurisdiction; (viii) disputes regarding the applicability, interpretation, enforceability, and/or severability of the provisions of Sections 11, 12 and 26 of this DRP, including whether such provisions are governed by the Federal Arbitration Act, which must be decided only by a court of competent jurisdiction; (ix) disputes as to whether Company and any Covered Individual agreed to allow any Representative Action, PAGA Action or alleged Mass Arbitrations (all as defined below) to be arbitrated under this DRP, which must be decided only by a court of competent jurisdiction; (x) claims or disputes required to be grieved and/or arbitrated under the terms of an applicable collective bargaining agreement, if any; and (xi) any disputes as to whether any claims or disputes are Excluded Disputes, which must be decided only by a court of competent jurisdiction.

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<sup>2</sup> Information about any such actions now pending can be requested in writing from Company's Legal Department by sending an email to Legal@Kohls.com.

**5. IS MEDIATION AN AVAILABLE OPTION?** The Parties may, at any time, voluntarily agree to pursue an informal resolution of their Covered Disputes through mediation. A Covered Individual who wishes to pursue mediation of Covered Disputes with Company must submit a written request to Company's General Counsel (see Section 18, below, for contact information). If the Parties then mutually agree to mediate their Covered Disputes with a mutually agreed upon mediator, and unless the parties agree otherwise, Company will pay the mediator's fee for up to eight hours (if the mediator charges by the hour) or one day (if the mediator charges by the day) of mediation services. However, nothing in this DRP obligates the Parties to agree to mediate or settle any Covered Disputes, which is strictly voluntary.

**6. ARE SMALL CLAIMS COURT ACTIONS ALLOWED?** Any Covered Disputes that are within the jurisdiction of a Small Claims Court may, at the option of the Party asserting such Covered Disputes, be resolved in a Small Claims Court proceeding instead of an individual arbitration proceeding pursuant to this DRP.

**7. ARE JUDGE AND JURY TRIALS & ADMINISTRATIVE HEARINGS WAIVED?** The Parties waive any and all rights to a judge or jury trial and/or administrative hearing of their own Covered Disputes and agree to their resolution exclusively by final and binding individual arbitration in accordance with this DRP, whether initiated by any Covered Individual or by Company, or in a Small Claims Court action. Except as expressly permitted under the terms of this DRP (including Section 25, below), no formal dispute resolution proceedings concerning any Covered Disputes are permitted to take place in any local, state, or federal court or agency.

**8. HOW IS ARBITRATION COMMENCED?** A demand for arbitration of any Covered Disputes must be made in writing, comply with the requirements for pleadings under the Federal Rules of Civil Procedure ("FRCP"), and be served on the other Party in the manner provided for service of a summons under the FRCP within the applicable statute of limitations periods (including on a proper registered agent for service of process). Service of the demand for arbitration in this manner will stop the statute of limitations periods applicable to the Covered Disputes in the demand from running further until the arbitration concludes.

**9. HOW IS THE ARBITRATOR SELECTED?** The Covered Individual and Company must mutually agree on the selection and appointment of a separate neutral arbitrator for the Covered Disputes placed at issue in the demand who is experienced in the laws placed at issue thereby.<sup>3</sup> If no such agreement can be reached, the Parties must mutually agree on a dispute resolution services provider ("DRS Provider") to administer the arbitration, whose procedures for appointing an arbitrator will be followed. However, unless the Parties expressly agree otherwise in writing post-dispute, neither the American Arbitration Association ("AAA") nor JAMS will be permitted to serve as a DRS Provider to administer any aspect of an arbitration under this DRP. The appointed arbitrator must be located, and the Covered Disputes between the Covered Individual and Company must be heard and decided by the arbitrator, within the geographic district for the United States District Court in which the Covered Individual who is a Party to the Covered Disputes being arbitrated most recently applied to work, currently works, or last worked for Company. The appointed arbitrator must interpret, apply, and enforce this DRP only as written. If mutual agreement on the selection and appointment of an arbitrator or a DRS Provider as set forth herein is not reached, appointment of an arbitrator meeting the terms and requirements of this DRP may be sought in a court of competent

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<sup>3</sup> Potential arbitrators can be identified through an attorney representing a Covered Individual in connection with Covered Disputes, as well as through online resources such as [www.arbitrate.com](http://www.arbitrate.com) and the National Academy of Distinguished Neutrals' Member Directory ([www.nadn.org](http://www.nadn.org)), or through national and regional arbitration service providers such as the International Institute for Conflict Prevention & Resolution (CPR) ([www.cpradr.org](http://www.cpradr.org)), Judicate West ([www.judicategwest.com](http://www.judicategwest.com)), ADR Services, Inc. ([www.adrservices.com](http://www.adrservices.com)), and IVAMS ([www.ivams.com](http://www.ivams.com)). The foregoing list is of examples only and not intended to be exhaustive.

jurisdiction pursuant to applicable law. Any arbitrator appointed by a DRS Provider or by a court rather than by mutual agreement must be a retired federal court judge meeting the qualifications set forth above, unless otherwise agreed.

**10. WHAT ARBITRATION RULES AND PROCEDURES WILL APPLY?** The Federal Rules of Civil Procedure (the “FRCP”) and the Federal Rules of Evidence (“FRE”) (both of which are accessible via links at <http://www.uscourts.gov/RulesAndPolicies/rules/current-rules.aspx>), are incorporated into this DRP and will apply to and must be followed and enforced by the appointed arbitrator in any arbitration proceedings. The Parties will have the right to make offers of judgment, conduct normal civil discovery, and bring motions (including to dismiss/strike and for summary judgment), as provided under the FRCP and if not inconsistent with the terms of this DRP. The terms of this DRP will supersede, control, and must be followed as written over any different or inconsistent FRCP rules and/or any rules or procedures of an administering DRS Provider.

**11. ARE REPRESENTATIVE ACTIONS ALLOWED?** As used in this DRP, “Representative Action” means any action or proceeding brought or sought to be brought by any person or entity (whether or not bound by this DRP) in a representative capacity on behalf of or for the benefit of (in whole or in part) a Covered Individual, Company, and/or any governmental entity, other than a PAGA Action (as defined in Section 26), including any type of (i) class action or arbitration, (ii) collective action or arbitration (including without limitation pursuant to the Fair Labor Standards Act [“FLSA”]), (iii) private attorney general action or arbitration, (iv) joined, consolidated, or coordinated actions or arbitrations, and/or (v) claims or disputes brought in a representative capacity on behalf of the general public, of any governmental entity, of other Covered Individuals or Company, or of other persons or entities alleged to be similarly situated or aggrieved. Under this DRP, Covered Individuals and Company (a) cannot bring or participate in a Representative Action in connection with any Covered Disputes, (b) have no agreement, right, or authority for any Covered Disputes to be heard, arbitrated, or decided as any type of Representative Action, and (c) expressly waive any and all rights to bring or participate in any type of Representative Action to resolve, decide, or adjudicate any Covered Disputes and are prohibited from doing so. The appointed arbitrator will have no power, authority, or jurisdiction to (I) hear or decide any Covered Disputes as any type of Representative Action; (II) award any type of remedy or relief for any Covered Disputes in connection with any type of Representative Action; (III) join or consolidate in the arbitration any Covered Disputes brought by or against any other Covered Individuals or Company; (IV) award injunctive relief other than in favor of the Covered Individual or Company seeking such relief and only to the extent permitted by applicable law and necessary to provide relief warranted by that Covered Individual’s or Company’s Covered Disputes; or (V) interpret, apply, enforce, or modify this DRP in any manner that would empower or authorize the arbitrator to do any of the foregoing.

**12. ARE MASS ARBITRATIONS PERMITTED?** As used in this DRP, “Mass Arbitrations” means and refers to when, during any rolling 52-week period, 100 or more arbitration demands asserting the same or similar Covered Disputes are made and/or sought to be compelled by Covered Individuals against Company, and such Covered Individuals are represented by the same lawyer(s) or law firm(s) and/or by one or more of several affiliated, associated or coordinated lawyers or law firms. If Company believes that Mass Arbitrations are being asserted against it, then it shall give written notice of such to the Covered Individual and Arbitrator (if appointed) in each of the arbitration demands at issue. Upon giving such notice, Company shall not have any further obligation to arbitrate those arbitration demands, and any arbitration proceedings shall be automatically stayed, pending Company seeking a determination from a court of competent jurisdiction that the arbitrations at issue are Mass Arbitrations. Company will not be required to pay any arbitration fees as a condition of and while seeking such a court determination or any appeal thereof. Should a court of competent jurisdiction hold that any arbitration demand made or sought to be compelled by any Covered Individual under this DRP is one of such Mass Arbitrations as defined herein, then Company will not be required to arbitrate the Covered Disputes at issue. Instead, those Mass

Arbitrations will be litigated in a court of competent jurisdiction. Covered Individuals consent and agree to the personal and subject matter jurisdiction of any court in which Company seeks a Mass Arbitrations determination that otherwise would have such jurisdiction over any of the Covered Individuals involved in the court action notwithstanding this consent and agreement.

**13. HOW DOES THE ARBITRATOR DECIDE COVERED DISPUTES?** Within 30 days following the close of the arbitration merits hearing, the Covered Individual and Company will have the right to submit to the arbitrator, and must serve on each other, a post-hearing brief not to exceed 50 pages in length. This time deadline and page limitation can be enlarged by agreement of the Parties or by order of the arbitrator for good cause shown. The arbitrator will be empowered to award either Party to the arbitration any individual remedy that otherwise would have been available to the Party on an individual basis under applicable law had the Covered Disputes been individually litigated in a court or before a governmental agency, subject to whatever limitations on such remedies exist under applicable law. The appointed arbitrator will have no authority or jurisdiction to issue any award that is contrary to or inconsistent with the terms and provisions of this DRP and the applicable laws at issue. Within 60 days after a dispositive motion is fully-briefed and heard, and within 60 days after a merits hearing is closed and all post-hearing briefing has been submitted, the arbitrator must issue an award in writing on the dispositive motion and/or on the merits which must be accompanied by or include a written, reasoned statement of decision with findings of fact and conclusions of law supporting the award. A judgment of any court having jurisdiction may be entered on the arbitrator's award upon it being confirmed by such court. However, the arbitrator will not have any power or authority to commit errors of law or legal reasoning and, to the extent permitted under applicable law, any award by the arbitrator shall be vacated or corrected for any such error on petition or appeal to a court of competent jurisdiction.

**14. ARE THE ARBITRATION PROCEEDINGS CONFIDENTIAL?** Unless otherwise prohibited under applicable law, the Parties to the Covered Disputes being arbitrated and the arbitrator shall maintain the existence, content, and outcome of any arbitration proceedings held pursuant to this DRP in the strictest confidence and shall not disclose the same without the prior written consent of all the parties.

**15. HOW ARE THE ARBITRATION FORUM COSTS PAID?** The Covered Individual and Company will each pay their own respective costs and attorneys' fees incurred in connection with the arbitration of the Covered Disputes, subject to any remedies to which either Party may later be entitled under applicable law. To the extent required by binding United States Supreme Court precedent, Company will pay up to all of the arbitration forum costs (including arbitrator fees), as apportioned by the arbitrator in accordance with such legal authority. Unless such binding precedent requires one party or the other to bear all or a greater share of the arbitration forum costs (including arbitrator fees), such costs shall be apportioned equally between the Covered Individual and Company. Any other apportionment made by the appointed arbitrator must be based on admissible, competent evidence of the Party's inability to pay the equal apportionment of costs, including the resources and/or obligation of the Party's counsel to advance and pay such costs on behalf of the Party. In the event there is a good faith dispute over proper payment or apportionment of any arbitration-related fees, any delay from resolving the dispute shall not be a waiver of the right to arbitrate under this DRP.

**16. DO ADMINISTRATIVE REMEDIES NEED TO BE EXHAUSTED?** Covered Individuals retain the right under the National Labor Relations Act ("NLRA") to file unfair labor practice charges with the National Labor Relations Board ("NLRB"), and to file charges or complaints with the United States Equal Employment Opportunity Commission ("EEOC"), the United States Department of Labor, and other federal, State, and local government agencies and officials for investigation under applicable laws within their jurisdiction, including but not limited to alleged criminal conduct or unlawful employment practices. This DRP does not prevent or excuse Covered Individuals or Company from satisfying any applicable statutory and/or regulatory conditions precedent or jurisdictional prerequisites to pursuing any Covered

Disputes. This includes, without limitation, giving proper notices to, filing administrative charges with, or obtaining right to sue notices or letters from governmental agencies. After complying with and exhausting all such remedies, conditions, or prerequisites, final and binding individual arbitration in accordance with this DRP is the sole and exclusive remedy or formal method of resolving the Covered Disputes.

**17. WHAT LAW GOVERNS THE DRP?** This DRP, any arbitration proceedings held pursuant to this DRP, and any court or other proceedings concerning arbitration under this DRP are expressly subject to and governed by the Federal Arbitration Act, 9 U.S.C. section 1 et seq. (the “FAA”), including the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 9 U.S.C. section 201 et seq. (the “Convention”), if the Convention is applicable. The Parties expressly waive the application or enforcement of any provision of the FAA and/or any state law that would otherwise exclude this DRP from being governed by the FAA and/or applicable to any Covered Disputes. The Parties agree that Company is engaged in transactions involving interstate commerce. To the extent that state law is applicable under the FAA and/or the Convention, and/or in the event a court of competent jurisdiction holds or decides that this DRP is not subject to and governed by the FAA, then the laws of the State of Delaware, where Kohl’s, Inc. is incorporated, will be the applicable state law, as applicable and without regard to or application of any conflict of laws principles (the “Chosen State Law”), unless the Covered Individual elects to not be bound by this Chosen State Law provision in the manner set forth in Section 18. To that end, should such a court hold or decide that the FAA does not govern this DRP, then the Delaware Uniform Arbitration Act, Del. Code tit. 10, § 5701 et seq. (the “Delaware UAA”) will govern instead, and by becoming bound by this DRP, the Company and each Covered Individual desire to have the Delaware UAA apply to this DRP in that event.

**18. IS THERE A WAY TO OPT-OUT OF THE DRP OR ITS CHOSEN STATE LAW?** Not later than the 30th calendar day after the date the Covered Individual has received notice or a copy of this DRP (the “Election Deadline”), the Covered Individual can elect to not be bound by this DRP or its Chosen State Law provision by giving Company written notice of such election (an “Election Notice”). Before deciding whether to give Company an Election Notice, the Covered Individual is being provided with this 30-day opportunity to consult with an attorney and/or other advisors of the Covered Individual’s choosing. If a Covered Individual gives an Election Notice to Company, it must include (i) the Covered Individual’s name, mailing address, phone number, e-mail address (if any or as used on their application) and the Covered Individual’s Employee Identification Number or other unique identifier used by Company (if any); (ii) a statement that the Covered Individual is electing to not be bound by either this DRP or its Chosen State Law provision; and (iii) the Covered Individual’s signature and date thereof.

The Election Notice, must be sent or delivered by the Covered Individual to Company on or by the Election Deadline to General Counsel, N56 W17000 Ridgewood Drive, Menomonee Falls, WI 53051, E-mail: Legal@kohls.com, via either (a) hand delivery, with the Covered Individual being given an Acknowledgment of Receipt of the Election Notice; (b) e-mail with the word “ELECTION NOTICE” in the subject line of the e-mail message; or (c) the United States Postal Service (USPS) or private courier (such as FedEx, UPS, or DHL) using delivery services that produce a written record establishing the dates the notice was sent to and received by Company (a “Mail Record”). The Covered Individual must maintain a copy of the Election Notice sent to Company and, as may be applicable, a copy of (A) the Acknowledgment of Receipt received from Company, (B) the Covered Individual’s e-mail message, and any attachment(s) thereto, or (C) the Mail Record (collectively, “Election Records”). In the event of any dispute as to whether a Covered Individual gave Company an Election Notice, the Covered Individual will have the burden of proving he or she did so by producing a copy of the Election Notice and one of the Election Records, as applicable.

Company has no preference as to whether any Covered Individual gives either type of Election Notice, and a Covered Individual should feel free to do so without fear of retaliation or reprisal by Company, which is

strictly prohibited. If a Covered Individual fails to comply with these Election Notice requirements and prove such an election was made, the Covered Individual will be deemed to have irrevocably agreed to be bound by all of this DRP's provisions.

**19. IS RETALIATION PROHIBITED?** Company does not tolerate, and strictly prohibits, any form of retaliation against a Covered Individual for filing administrative charges and complaints, pursuing or opposing resolution of any Covered Disputes under this DRP, or giving Company an Election Notice.

**20. IS AT-WILL STATUS CHANGED AND HOW LONG DOES THE DRP APPLY?** Nothing in this DRP guarantees the employment or changes the at-will employment status of any Covered Individual, which can only be changed by a written agreement expressly stating it changes that status and is signed by both the Covered Individual and Company's CEO. The terms of this DRP will survive the termination of a Covered Individual's application for employment and, if hired, the termination of the Covered Individual's employment relationship with Company, and remain binding and in effect unless otherwise superseded.

**21. CAN THE DRP BE MODIFIED OR TERMINATED BY THE COMPANY?** This DRP is the full and complete policy and agreement between the Covered Individual and Company relating to the formal resolution of Covered Disputes, and shall be construed as a whole, according to its fair meaning, and not for or against Company or any Covered Individual. It may not be modified or terminated except in writing, or as otherwise expressly permitted or required by this DRP or controlling law, including by Company giving 30 days' advance written or electronic notice to Covered Individuals. Any modification or termination of this DRP will be prospective only and will not apply to any pending individual arbitration of any accrued Covered Disputes initiated pursuant to this version of the DRP before expiration of the 30-day period.

**22. WHAT IF ANY PROVISIONS OF THE DRP ARE INVALID?** Specifically excluding the Representative Action, Mass Arbitrations and PAGA Action provisions set forth in Sections 11, 12, and 26, if any other provisions of this DRP are held or ruled to be invalid or unenforceable, such other provisions will be severed from this DRP and the remainder of this DRP will not be affected. However, absent Company's express written consent given while enforcing this DRP, the provisions of Sections 11, 12 and 26 are not severable and shall not be severed if they are held or ruled to be unenforceable in any material respect. In the event of such a holding or ruling, any Representative Action claims, Mass Arbitrations or PAGA Action claims, as applicable based on the provision(s) that are unenforceable, will only be resolved by court action and not by arbitration under this DRP. Notwithstanding the foregoing, if a court of competent jurisdiction determines that this DRP is lacking in any material respect in any protections for Covered Individuals required under applicable law, Company shall be permitted, at its option, to adhere to any such protections in order to ensure the enforceability of this DRP.

**23. CAN COMPANY WAIVE ENFORCEMENT OF THE DRP?** The failure of Company at any time to require any Covered Individual's performance of any provision of this DRP shall not affect its right thereafter to enforce the same; nor shall the waiver by Company of any breach of any provision of this DRP be construed to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself, or as a waiver of the breach of any other provision of this DRP.

**24. ARE SIGNATURES REQUIRED TO BE BOUND BY THE DRP?** Unless the Covered Individual properly gives an Election Notice to not be bound by this DRP as set forth herein, the application for or continuation of employment with Company by the Covered Individual following actual or constructive notice or knowledge of this DRP is deemed the Covered Individual's acceptance of and agreement to be bound by all of its terms and provisions, other than the Chosen State Law provision if the Covered Individual elects to not be bound thereby as set forth herein. Company's issuance of this DRP is deemed

its acceptance of and agreement to be bound by its terms. Should any provision be made on this DRP document, or on any related document, for signature by Company and/or by a Covered Individual, such signatures are not intended to be needed by Company and/or a Covered Individual as a manifestation of their assent to be bound by the terms and provisions of this DRP, and no signature by a Covered Individual or Company is required for this DRP to apply to Covered Disputes, except to the extent required for its enforcement under the Chosen State Law, if applicable and not preempted.

**25. IS PARTICIPATION IN GOVERNMENT PROCEEDINGS ALLOWED?** Subject to and without limiting the provisions of Section 16, above, Covered Individuals retain the right to (1) report any good faith allegation of unlawful employment practices to any appropriate federal, State, or local government agency enforcing discrimination laws; (2) report any good faith allegation of criminal conduct to any appropriate federal, State, or local government official; (3) participate in a proceeding with any appropriate federal, State, or local government agency enforcing discrimination laws; (4) make truthful statements or disclosures required by law, regulation, or legal process; and (5) request or receive confidential legal advice. In addition, Covered Individuals retain the right to testify in an administrative, legislative, or judicial proceeding concerning Company's alleged criminal conduct or alleged unlawful employment practices, or that of Company's agents or employees, when Covered Individuals have been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or legislative body. However, the provisions of this Section are only to the extent they are requirements of laws or regulations that are not otherwise preempted by applicable federal law, and nothing in this DRP is intended or should be construed as any type of express or implied waiver or limitation of Company's right to enforce the provisions of this DRP to the maximum extent permitted by controlling law.

**THE FOLLOWING SECTION APPLIES ONLY IN CALIFORNIA**

**26. ARE PAGA ACTIONS ALLOWED FOR CALIFORNIA COVERED INDIVIDUALS?** As used in this DRP, (i) "PAGA" means and refers to the California Labor Code Private Attorneys General Act of 2004 (California Labor Code Section 2698 et seq.) and (ii) a "PAGA Action" means and refers to any claims, action or proceeding brought or sought to be brought against Company pursuant to PAGA to recover civil penalties for the benefit—in whole or in part—of the State of California and allegedly aggrieved employees (as defined under PAGA) based on the individual bringing the action and other allegedly aggrieved employees having been subjected to one or more alleged violations of the California Labor Code and/or a California Industrial Welfare Commission Wage Order (referred to herein as "PAGA Violations").

Except as expressly set forth in this Section, under this DRP, a Covered Individual (I) cannot bring, participate in, or be a real party in interest of a PAGA Action in connection with any Covered Disputes, now existing or in the future, (II) has no agreement, right, or authority for any such Covered Disputes to be heard, arbitrated, or decided as a PAGA Action, and (III) expressly waives any and all rights to bring, participate in, or be a real party in interest of a PAGA Action to resolve, decide, or adjudicate any such Covered Disputes, and is prohibited from doing so. The appointed arbitrator will have no power, authority, or jurisdiction to (A) hear or decide any Covered Disputes as a PAGA Action; (B) award any type of remedy or relief for any Covered Disputes as a PAGA Action; (C) join or consolidate in the arbitration any Covered Disputes brought by or on behalf of any other Covered Individuals or the State of California pursuant to PAGA; or (D) interpret, apply, enforce, or modify this DRP in any manner that would empower or authorize the arbitrator to do any of the foregoing.

Without limiting the applicability or effect of the foregoing provisions in any way, a Covered Individual retains the right to individually arbitrate Covered Disputes under PAGA pursuant to this DRP, but only with respect to recovering civil penalties solely for any PAGA Violations to which that Covered Individual allegedly was or is being personally subjected. The appointed arbitrator will have the power, authority, and jurisdiction to hear and decide such a Covered Dispute only in an individual arbitration proceeding



commenced by the Covered Individual against Company or by Company against the Covered Individual, including for individual declaratory relief as to such a controversy, and not as to or on behalf of any other allegedly aggrieved employees and/or other Covered Individuals with respect to any violations to which they allegedly were or are being subjected.

Should any PAGA Action claims brought by a Covered Individual in breach of the provisions of this Section be held by a court of competent jurisdiction not to be subject to such provisions (including holding that the provisions are not enforceable), then such PAGA Action claims will be stayed by the court, including without limitation pursuant to Section 4 of the FAA, California Code of Civil Procedure Section 1281.4 (to the extent applicable), and/or other applicable law. While the PAGA Action claims are stayed, the controversy of whether the Covered Individual who brought the stayed PAGA Action claims was or is being personally subjected to any PAGA Violations properly at issue in the stayed PAGA Action claims, along with the Covered Individual's asserted individual claims (if any) held to be subject to the provisions of this DRP (including under Section 11, above), will be arbitrated solely on an individual basis. Thereafter, the PAGA Action claims seeking to recover civil penalties for PAGA Violations that aggrieved employees allegedly were or are being subjected to will be litigated in court only if: (A) the appointed arbitrator decides that the Covered Individual who brought the stayed PAGA Action claims was or is being subjected to one or more of such PAGA Violations properly at issue therein, and (B) the requirements for certifying the PAGA Action claims as a class action pursuant to applicable law are held to be satisfied by the court.

For purposes of this Section and Section 18, under this DRP, the definition of "Covered Individual" set forth in Section 2, above, is expanded to expressly include the California Labor and Workforce Development Agency and each of its constituent administrative entities (collectively referred to as the "LWDA"), which are also intended third party beneficiaries of this DRP. Any other Covered Individual who submits a notice of alleged PAGA Violations by Company to the LWDA under PAGA shall inform the LWDA that the Covered Individual is subject to this DRP and provide a copy of this DRP to the LWDA. If the Covered Individual does not so inform the LWDA, then Company may do so and provide the LWDA with a copy of this DRP and evidence of the Covered Individual having agreed to its terms. If, after being so informed and receiving such documents, the LWDA does not either provide an Election Notice to Company in the time and manner set forth in Section 18, above, or give any notice to Company and the Covered Individual who submitted the notice of violations in the time and manner required under PAGA, then that will be deemed to be the LWDA's agreement to this DRP, including without limitation the provisions of this Section.

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