

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEVADA

*In re: WAL-MART WAGE & HOUR EMPLOYMENT PRACTICES LITIGATION, MDL 1735*

**NOTICE OF: PROPOSED CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS; HEARING TO DETERMINE WHETHER TO APPROVE PROPOSED CLASS SETTLEMENT**

**THIS NOTICE IS BEING SENT TO YOU BECAUSE YOU HAVE BEEN IDENTIFIED AS A MEMBER OF A CLASS OF CURRENT OR FORMER HOURLY EMPLOYEES OF WAL-MART IN CALIFORNIA WHO MAY BE ELIGIBLE TO SUBMIT A CLAIM TO RECOVER MONEY AS PART OF A PROPOSED CLASS ACTION SETTLEMENT (THE "CALIFORNIA SETTLEMENT CLASS").**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.  
YOUR RIGHTS WILL BE AFFECTED BY THIS SETTLEMENT.**

**TO BE ELIGIBLE TO RECEIVE A PAYMENT FROM THE SETTLEMENT, YOU MUST BE A MEMBER OF THE CALIFORNIA SETTLEMENT CLASS DESCRIBED BELOW, AND YOU MUST COMPLETE THE ATTACHED CLAIM FORM, WHICH MAY BE SUBMITTED ONLINE OR BY MAIL. IF YOU SUBMIT THE CLAIM FORM ONLINE, YOU MUST DO SO ON OR BEFORE NOVEMBER 9, 2009. IF YOU SUBMIT THE CLAIM FORM BY MAIL, THE CLAIM FORM MUST BE POSTMARKED ON OR BEFORE NOVEMBER 9, 2009.**

IF YOU DO NOT WANT TO BE PART OF THE SETTLEMENT, YOU MUST TAKE THE STEPS DESCRIBED IN PARAGRAPH VI.B BY SEPTEMBER 24, 2009 TO REQUEST EXCLUSION. OTHERWISE, YOU WILL BE BOUND BY THE TERMS OF THE SETTLEMENT.

IF YOU HAVE ANY QUESTIONS ABOUT ANY PORTION OF THIS NOTICE, YOU MAY CALL THE CLAIMS ADMINISTRATOR AT 1-800-677-5163, OR YOU MAY VISIT THE SETTLEMENT WEBSITE AT [www.walmartmdl.com](http://www.walmartmdl.com), WHERE YOU MAY OBTAIN ADDITIONAL INFORMATION.

**THE CALIFORNIA SETTLEMENT CLASS CONSISTS OF:** All current and former hourly employees of Wal-Mart in the State of California at any time from March 19, 2003 up to February 27, 2009, whose records show a one or two-minute punch or inserted meal period which deprived the employee of time worked for which the employee was not subsequently paid.

This Notice is given pursuant to the Order of the United States District Court for the District of Nevada (the "Court") to advise you that Wal-Mart has entered into a Proposed Settlement Agreement which has been preliminarily approved by the Court and which shall become effective, if at all, upon the Court issuing an Order finally approving the Proposed Settlement and, thereafter, the time for appealing that Order having ended.

**I. SUMMARY OF THE CLASS ACTION LITIGATION CLAIMS**

Lawsuits consolidated together as *In Re: Wal-Mart Wage and Hour Employment Practices Litigation* were filed in or transferred to the United States District Court for the District of Nevada before the Honorable Judge Phillip M. Pro, MDL 1735, Docket No. 2:06-cv-00225-PMP-PAL. The lawsuits cover claims brought on behalf of approximately 3,200,000 current and former hourly employees who worked for Wal-Mart in one or more of 30 states or territories, including California.

In the California lawsuit (*Bayardo v. Wal-Mart Stores, Inc., et al.*, Case No. 07-00349), Plaintiffs claim that Wal-Mart engaged in "time-shaving" practices and consequently did not pay California Settlement Class Members for all time worked. Plaintiffs' claims are more fully described in the Amended Consolidated Complaint, which may be downloaded from the Settlement Website, [www.walmartmdl.com](http://www.walmartmdl.com) and are collectively referred to as the "California Settlement Class Claims." Wal-Mart denies all California Settlement Class Claims and all other allegations of wrongdoing.

If the Proposed Settlement with Wal-Mart is approved, the California Settlement Class Claims will be dismissed with prejudice. By giving this Notice, the Court is not expressing any opinion regarding the merits of the California Settlement Class Claims or the defenses of Wal-Mart to those claims. Nothing contained in this Notice should be construed as suggesting the Court's view as to which side might prevail should this matter proceed to trial.

**II. CLASS CERTIFICATION**

For purposes of this Settlement, the Court has entered an order certifying the California Settlement Class for settlement purposes pursuant to Rule 23 of the Federal Rules of Civil Procedure. In that Order, the Court appointed Erica Bayardo as Class Representative for the California Settlement Class.

The Court has also designated the following lawyers as Co-Lead Class Counsel: Robert J. Bonsignore, BONSIGNORE & BREWER, 23 Forest Street, Medford, MA 02155, and Carolyn Beasley Burton, THE MILLS LAW FIRM, 880 Las Gallinas Avenue, Suite Two, San Rafael, CA 94903.

The Court has also appointed the following lawyers as Class Counsel for the California Settlement Class: Jill P. Telfer, LAW OFFICES OF JILL P. TELFER, 331 J Street, Suite 200, Sacramento, California 95814; Carol P. LaPlant, Attorney At Law, 89 Menlo Place, Berkeley, California 94707

**III. THE PROPOSED CLASS SETTLEMENT**

After lengthy and hard-fought litigation, thoroughly testing all claims and defenses, and after extensive negotiations, Class Counsel and Wal-Mart agreed to settle the California Settlement Class Claims on the terms described below, subject to final approval by the Court. The Court has preliminarily approved the Proposed Settlement for the purpose of giving this Notice and scheduling a Final Approval Hearing, at which time the Court will decide whether to give final approval to the Proposed Settlement. The basic terms of the Settlement which the Court is being asked to approve are as follows:

**A. Monetary Payments.**

1. The Class Settlement Amount for the settlement of the lawsuits from the 30 states or territories participating in the settlement of MDL 1735, including California, shall have an aggregate Ceiling of up to \$85,000,000 and a Floor of \$65,000,000 to cover Class Member Claims, Attorneys' Fees and Costs, payments to Class Representatives and other Named Plaintiffs, and the costs of Notice and Administration. California Settlement Class Member Claims will be paid on a claims-made basis to those who submit a timely and valid Claim Form.
2. Class Member Claims, Attorneys' Fees and Costs, payments to Class Representatives and other Named Plaintiffs and the first \$1,500,000 of the costs of Notice and Administration shall be counted against the Floor. In the event that the aggregate total of these amounts does not reach the Floor, any remaining funds below the Floor shall be redistributed as described in paragraph 3.b below, or, if after such distribution any residual up to the Floor still remains, to a charity in accordance with the terms of the Settlement Agreement, and shall not be returned to Wal-Mart. If the aggregate total of these amounts plus additional reasonable costs of Notice and Administration exceed the Floor but are below the Ceiling, the additional funds up to the Ceiling shall remain with Wal-Mart. In the event that the aggregate total of these amounts plus additional reasonable costs of Notice and Administration exceed the Ceiling, payments of approved California Settlement Class Member Claims shall be decreased on a pro-rata basis, so that the Ceiling is not exceeded.
3. In order to receive a share of the Class Settlement Amount, you must submit a claim by completing and timely submitting a California Claim Form, which provides for variable payments based upon how long you worked as an hourly employee of Wal-Mart in California and your answers to questions regarding your work experiences.

- a. You may submit **only one** Claim Form with respect to your work experiences in California. The California Claim Form may be submitted online or by mail and must be sworn to under oath. If you submit a California Claim Form by mail you must provide the last four digits of your Social Security number. If you submit a California Claim Form online, you must provide your complete Social Security number. The Claim Form you submit may be subject to audit by the Claims Administrator or by Wal-Mart as further described in the Settlement Agreement.
- b. Class Members who submit a valid California Claim Form shall be eligible to recover monetary payment. The payments available under the California Claim Form are as follows:

Under 1 year: up to <b>\$15</b>	2 to 4 years: up to <b>\$40</b>
1 to 2 years: up to <b>\$30</b>	4 years or more: up to <b>\$50</b>

The above payment schedule could change, and the amount you are eligible to recover could increase or decrease, depending on a variety of factors, including the total number of approved claims, the total amount of Attorneys' Fees and Costs awarded by the Court, the amount of payments to Class Representatives and other Named Plaintiffs approved by the Court, and the cost of Notice and Administration. We cannot predict the likelihood that this will happen or the extent to which your payment may increase or decrease. The maximum amount you can receive is:

Under 1 year: up to <b>\$75</b>	2 to 4 years: up to <b>\$200</b>
1 to 2 years: up to <b>\$150</b>	4 years or more: up to <b>\$250</b>

Applicable taxes will be deducted from any payment.

Subject to these maximums, the potential payment amount under the California Claim Form shall be determined based on your answers to questions about your individual work experience at Wal-Mart in California, applying the following schedule:

- (i) Two Dollars and Fifty Cents (\$2.50) for each claimed inserted meal break; and
- (ii) Fifteen Dollars (\$15.00) for each claimed one-minute or two-minute punch event.

- c. Retaliation by Wal-Mart against California Settlement Class Members relating to their submission of a California Claim Form or opting out of the Proposed Settlement is unlawful and is strictly prohibited. Your managers and co-workers will not be told if you participated in or excluded yourself from the Proposed Settlement or about the nature of your participation or non-participation, absent a showing to the Court by Wal-Mart of good cause to disclose such information.

**B. Programmatic Relief.**

The Proposed Settlement provides that for a three-year period Wal-Mart will implement and/or continue to utilize reasonably feasible technology to help prevent management from inserting one-minute or two-minute shifts that are not approved by the hourly employee.

**C. Releases.**

Regardless of whether you submit a Claim Form, once the Court enters an order granting final approval of the Settlement, **you will be bound by the release of claims contained in the Settlement Agreement, unless you submit an Exclusion Letter in the manner and by the deadline set forth below. The release of claims to which you will be bound if you do not opt out is more fully described in the Settlement Agreement and includes certain claims under the Fair Labor Standards Act.**

**IV. ATTORNEYS' FEES AND EXPENSES AND PAYMENTS TO CLASS REPRESENTATIVES AND OTHER NAMED PLAINTIFFS**

Class Counsel shall request that the Court award Class Counsel a reasonable attorneys' fee of 33.333% of the total Class Settlement Amount of \$85,000,000 to compensate Class Counsel for the work performed by Class Counsel in bringing this Litigation, award reimbursement to Class Counsel for Court-Approved costs and expenses incurred in bringing this Litigation, award the four Class Representatives who were deposed \$15,000 each, and award the other 39 Class Representatives and the 14 Dismissing Named Plaintiffs \$10,000 each.

**V. FINAL APPROVAL OF THE PROPOSED SETTLEMENT**

The Court preliminarily approved the Proposed Settlement and certified a California Settlement Class, pursuant to Rule 23 of the Federal Rules of Civil Procedure, on May 28, 2009. The Court will conduct a hearing on October 19, 2009, at 11:00 a.m., to determine whether to grant final approval of the Proposed Settlement (the "Final Approval Hearing"). The Final Approval Hearing will be held before the Honorable Phillip M. Pro at the United States District Court, 333 Las Vegas Boulevard South, Las Vegas, Nevada 89101-7065. Without further notice, the Court may adjourn and reconvene the Final Approval Hearing and set it for a different time.

You do not need to appear at the Final Approval Hearing. If you, or your personal attorney, wish to attend the hearing, you may do so at your own expense.

At the Final Approval Hearing, the Court will determine whether the Settlement should be given final approval as fair, reasonable, and adequate; determine whether judgment dismissing this Litigation with prejudice should be entered; and determine what amounts to award Class Counsel and Class Representatives. If objections have been filed, the Court will consider them at that time.

If the Court approves the Proposed Settlement, California Settlement Class Member Claims will be paid as soon as practicable after the Court grants final approval and any appeals of such Order have been resolved without possibility of further review.

**VI. WHAT ARE YOUR OPTIONS AS A CALIFORNIA SETTLEMENT CLASS MEMBER?**

**A. You May Remain a Member of the California Settlement Class and Be Eligible to Receive Benefits.**

You may remain a California Settlement Class Member in which case you will be bound by the terms of the Proposed Settlement, including your release of California Settlement Class Claims and related claims under the Fair Labor Standards Act, as described in the Settlement Agreement. If you wish to submit a claim, you **MUST** submit your completed Claim Form on or before November 9, 2009. Regardless of whether you submit a Claim Form, once the Court enters an Order granting final approval of the Settlement, you will be bound by the release of all California Settlement Class Released Claims, unless you submit an Exclusion Letter in the manner and by the deadlines set forth below.

**B. You May Exclude Yourself from the California Settlement Class.**

If you do not wish to be a California Settlement Class Member, then you may exclude yourself from the California Settlement Class by sending an Exclusion Letter, as defined below, to the California Claims Administrator by September 24, 2009. If you do not comply with these exclusion requirements, you will remain a member of the California Settlement Class and be bound by any rulings, decisions, or judgments affecting the California Settlement Class, including the release of California Settlement Class Claims. The Exclusion Letter must identify the location or location(s) and each type of facility or facilities in California in which you worked, the time period during which you worked, your Social Security number, must be signed by you under oath, and must state the following:

“I do not want to be a member of the California Settlement Class in MDL 1735. I understand that by excluding myself, I will not be eligible to receive any monetary benefits of the settlement or to object to the settlement, and that any claim I wish to pursue against Wal-Mart will be my own responsibility and at own my expense.”

**C. You May Remain a Member of the California Settlement Class, but Object to the Proposed Settlement.**

You have the right to remain a California Settlement Class Member, eligible to submit a Claim, but still object to the Proposed Settlement and/or the requests for awards of fees to Class Counsel and Class Representatives, as described above. If you wish to object or comment, you must file a written statement of your objection with the Clerk of the Court, United States District Court for the District of Nevada, Lloyd D. George United States Courthouse, 1<sup>st</sup> Floor, 333 Las Vegas Boulevard South, Las Vegas, Nevada 89101-7065, and provide a copy of same to Co-Lead Class Counsel, Robert J. Bonsignore, Esq., BONSIGNORE & BREWER, 23 Forest Street, Medford, Massachusetts 02155 and Carolyn Beasley Burton, Esq., THE MILLS LAW FIRM, 880 Las Gallinas Avenue, Suite Two, San Rafael, California 94903 and to counsel for Wal-Mart, Naomi Beer, Esq. of GREENBERG TRAURIG, 1200 17th Street, Suite 2400, Denver, Colorado 80202, on or before September 24, 2009. Your written objection must be signed and must contain the following required information:

1. A heading referring to this Litigation;
2. Your name, address, telephone number, and the contact information for any attorney retained by you in connection with the objection or otherwise in connection with the Litigation of the California Claims in MDL 1735;
3. The specific location or locations, and the type of facility or facilities where you worked for Wal-Mart, your position at each location and your dates of employment at each location;
4. A detailed statement of the specific factual and legal basis for each objection, including why you have chosen to object rather than exclude yourself from the California Settlement Class;
5. A statement as to whether you intend to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address and telephone number;
6. A list of any witnesses you may call at the Final Approval Hearing, together with a brief summary of each witness's expected testimony;
7. A list of and copies of any exhibits which you may seek to use at the Final Approval Hearing;
8. A list of any legal authority you may present at the Final Approval Hearing; and
9. Your signature, executed under penalty of perjury.

Any California Settlement Class Member who fails to timely file the required written information will not be permitted to present any objection at the Final Approval Hearing, shall be regarded as having waived any right to object to the Proposed Settlement, and shall be barred from subsequently raising an objection in any proceeding relating to the Settlement.

**VII. CONDITIONS AND CONSEQUENCES OF NON-APPROVAL**

If the Court does not enter an Order finally approving the Proposed Settlement, or if the Court enters a Final Approval Order and appellate review of said Order results in reversal of the Order and no subsequent Final Order approving the Proposed Settlement is entered, then the Proposed Settlement shall become null and void and the California Settlement Class Claims will proceed to be litigated as though the parties had never entered into the Settlement Agreement.

**VIII. SCOPE OF NOTICE AND ADDITIONAL INFORMATION**

This Notice contains only a summary of the litigation of the California Settlement Class Claims and the Proposed Settlement. For more detailed information regarding the litigation of the California Settlement Class Claims, you are referred to the California Claims Administrator or Class Counsel. You may obtain a copy of the Settlement Agreement by contacting the Claims Administrator. You may request information by email or telephone by contacting the California Claims Administrator at info@walmartmdl.com, or toll-free at 1-800-677-5163. You may also visit the claims website at www.walmartmdl.com.

**If you believe that you are a California Settlement Class Member, but did not receive a copy of this Notice by mail, you should contact the California Claims Administrator concerning your claim.**

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE FOR INFORMATION.**