

**BERNSTEIN LITOWITZ BERGER &  
GROSSMANN LLP**

REBECCA E. BOON (*pro hac vice*)

(rebecca.boon@blbglaw.com)

SCOTT FOGLIETTA (*pro hac vice*)

(scott.foglietta@blbglaw.com)

1251 Avenue of the Americas

New York, NY 10020

Tel: (212) 554-1400

Fax: (212) 554-1444

*Counsel for Lead Plaintiffs and the  
Settlement Class*

[Additional counsel appear on signature page]

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION**

RETAIL WHOLESALE DEPARTMENT  
STORE UNION LOCAL 338 RETIREMENT  
FUND, et al.,

Plaintiffs,

v.

STITCH FIX, INC., et al.,

Defendants.

Case No. 5:22-cv-04893-PCP

CLASS ACTION

**STIPULATION AND AGREEMENT  
OF SETTLEMENT**

Courtroom: Courtroom 8 - 4th Floor  
Judge: Hon. P. Casey Pitts

1 This Stipulation and Agreement of Settlement dated as of February 6, 2026 (“Stipulation”)  
2 is entered into between (i) Lead Plaintiffs Retail Wholesale Department Store Union Local 338  
3 Retirement Fund, Retail Wholesale Department Store Union Local 338 Health & Welfare Fund,  
4 Retail Wholesale Department Store Union Local 338 General Fund, and Retail Wholesale  
5 Department Store Union Local 338 Benefits Trust Fund (the “Local 338 Funds” or “Lead  
6 Plaintiffs”), on behalf of themselves and the Settlement Class (defined below), and (ii) defendant  
7 Stitch Fix, Inc. (“Stitch Fix” or the “Company”), and individual defendants Katrina Lake and  
8 Elizabeth Spaulding (collectively, the “Individual Defendants” and, together with Stitch Fix,  
9 “Defendants”). This Stipulation embodies the terms and conditions of the settlement of the above-  
10 captioned action (“Action”).<sup>1</sup> Subject to the approval of the Court and the terms and conditions  
11 expressly provided herein, this Stipulation is intended to fully, finally, and forever compromise,  
12 settle, release, resolve, and dismiss with prejudice the Action and all Released Plaintiffs’ Claims  
13 (defined below) against Defendants.

14 WHEREAS:

15 A. On August 26, 2022, the Local 338 Funds brought a putative class action, Case No.  
16 22-cv-04893, in the United States District Court for the Northern District of California (the  
17 “Court”), against Defendants, alleging violations of the Securities Exchange Act of 1934 (the  
18 “Exchange Act”). ECF No. 1.

19 B. On May 22, 2023, the Court (the Honorable Haywood S. Gilliam) appointed the  
20 Local 338 Funds as Lead Plaintiffs for the Action and approved Bernstein Litowitz Berger &  
21 Grossmann LLP as Lead Counsel under the Private Securities Litigation Reform Act (“PSLRA”),  
22 15 U.S.C. § 78u-4. ECF No. 42.

23 C. On August 15, 2023, Lead Plaintiffs filed an Amended Class Action Complaint for  
24 Violations of the Federal Securities Laws (the “Amended Complaint”). ECF No. 52. The Amended  
25 Complaint asserted claims on behalf of all persons and entities who purchased the common stock  
26

---

27 <sup>1</sup> All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed  
28 to them in paragraph 1 below.

1 of Stitch Fix from December 8, 2020 through June 9, 2022, and were damaged thereby. *Id.* at 1.  
2 The Amended Complaint alleged that Defendants made materially false and misleading statements  
3 or omissions concerning Stitch Fix’s new business line called “Direct Buy” and whether Direct  
4 Buy was “additive,” “incremental” and “complementary” to the Company’s core line of business,  
5 known as the “Fix.” *Id.* ¶¶ 1-14. The Amended Complaint asserted (i) claims under Section 10(b)  
6 of the Exchange Act, 15 U.S.C. § 78j(b), and SEC Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated  
7 thereunder, against all Defendants and (ii) claims under Section 20(a) of the Exchange Act, 15  
8 U.S.C. § 78t(a) against the Individual Defendants.

9 D. On August 18, 2023, the Action was reassigned to the Honorable P. Casey Pitts for  
10 all further proceedings.

11 E. On November 1, 2023, Defendants moved to dismiss the Amended Complaint  
12 asserting (among other things) that Lead Plaintiffs failed to sufficiently allege: (i) any actionable  
13 misrepresentation or (ii) that Defendants acted with scienter in making any alleged  
14 misrepresentation. ECF No. 69. Defendants also made a request for judicial notice of certain  
15 exhibits attached to their motion to dismiss. ECF No. 71.

16 F. On December 22, 2023, Lead Plaintiffs filed their oppositions to Defendants’  
17 motion to dismiss and the request for judicial notice. ECF Nos. 72, 73. On February 6, 2024,  
18 Defendants filed replies in further support of their motion to dismiss and their request for judicial  
19 notice. ECF Nos. 74, 75.

20 G. The Court held oral argument on Defendants’ motion to dismiss the Amended  
21 Complaint on April 18, 2024. ECF Nos. 76, 80.

22 H. On July 16, 2024, the Court granted Defendants’ motion to dismiss the Amended  
23 Complaint with leave to amend. ECF No. 81.

24 I. On September 13, 2024, Lead Plaintiffs filed the Second Amended Class Action  
25 Complaint for Violations of the Federal Securities Laws (the “SAC” or “Complaint”). ECF No.  
26 88. The SAC asserted claims on behalf of all persons and entities who purchased the common  
27 stock of Stitch Fix from June 9, 2020 through June 9, 2022, inclusive (the “Settlement Class  
28 Period”) and were damaged thereby. *Id.* at 1. Like the Amended Complaint, the SAC alleged that

1 Defendants made materially false and misleading statements or omissions concerning Stitch Fix’s  
2 new business line called “Direct Buy” and whether Direct Buy was “additive,” “incremental” and  
3 “complementary” to the “Fix.” *Id.* ¶¶ 1-14. The Complaint asserted (i) claims under Section 10(b)  
4 of the Exchange Act, 15 U.S.C. § 78j(b), and SEC Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated  
5 thereunder, against all Defendants and (ii) claims under Section 20(a) of the Exchange Act, 15  
6 U.S.C. § 78t(a) against the Individual Defendants.

7 J. On November 8, 2024, Defendants moved to dismiss the Complaint asserting  
8 (among other things) that Lead Plaintiffs failed to sufficiently allege any actionable false or  
9 misleading statements or an inference of scienter. ECF No. 91. Defendants also made a request for  
10 judicial notice of certain exhibits attached to their motion to dismiss. ECF No. 93.

11 K. On December 23, 2024, Lead Plaintiffs filed their opposition to Defendants’ motion  
12 to dismiss the Complaint. ECF No. 94. On January 31, 2025, Defendants filed their reply. ECF  
13 No. 95.

14 L. The Court held oral argument on Defendants’ motion to dismiss the Complaint on  
15 March 27, 2025. ECF Nos. 97, 100.

16 M. On July 9, 2025, the Court granted in part and denied in part Defendants’ motion  
17 to dismiss the Complaint. ECF No. 101. The Court sustained Lead Plaintiffs’ Section 10(b) claims  
18 with respect to four statements that Defendants made from December 2020 through September  
19 2021 and dismissed all other alleged misstatements and dismissed Lead Plaintiffs’ Section 20(a)  
20 claims. *Id.*

21 N. Defendants filed their answer to the Complaint on October 2, 2025. ECF No. 114.

22 O. Discovery in the Action commenced following the Court’s July 9, 2025 partial  
23 denial of Defendants’ motion to dismiss the Complaint. Thereafter, the Parties negotiated and  
24 submitted a discovery schedule to the Court, held an initial meet and confer on September 22,  
25 2025, and Lead Plaintiffs served Defendants with a first set of requests for production of  
26 documents on that same day.

27 P. The Parties began exploring the possibility of a settlement in the summer of 2025.  
28 The Parties agreed to engage in private mediation and retained Michelle Yoshida of Phillips ADR

1 (PADRE) to act as mediator in the Action (the “Mediator”). On November 13, 2025, counsel for  
2 the Parties participated in a full-day mediation session before the Mediator. In advance of that  
3 session, the Parties negotiated and Defendants produced over 6,000 pages of internal Company  
4 documents to Lead Plaintiffs for the purpose of facilitating the mediation, and the Parties  
5 exchanged and submitted detailed mediation statements to the Mediator.

6 Q. At the conclusion of the mediation, Ms. Yoshida made a mediator’s  
7 recommendation that the Parties settle the Action for \$32,000,000, which the Parties accepted. The  
8 agreement’s terms were memorialized in a term sheet executed on November 20, 2025 (the “Term  
9 Sheet”). The Term Sheet set forth, among other things, the Parties’ agreement to settle and release  
10 all claims against Defendants in the Action in return for a cash payment of \$32,000,000 for the  
11 benefit of the Settlement Class, subject to certain terms and conditions and the execution of a  
12 customary “long form” stipulation and agreement of settlement and related papers.

13 R. This Stipulation (together with the exhibits hereto) reflects the final and binding  
14 agreement between the Parties and supersedes the Term Sheet.

15 S. Based upon their investigation, prosecution, and mediation of the case, Lead  
16 Plaintiffs and Lead Counsel have concluded that the terms and conditions of this Stipulation are  
17 fair, reasonable, and adequate to Lead Plaintiffs and the other members of the Settlement Class,  
18 and in their best interests. Based on Lead Plaintiffs’ direct oversight of the prosecution of this  
19 matter and with the advice of its counsel, Lead Plaintiffs have agreed to settle and release the  
20 Released Plaintiffs’ Claims pursuant to the terms and provisions of this Stipulation, after  
21 considering, among other things: (a) the substantial financial benefit that Lead Plaintiffs and the  
22 other members of the Settlement Class will receive under the proposed Settlement; and (b) the  
23 significant risks and costs of continued litigation and trial.

24 T. This Stipulation constitutes a compromise of all matters that are in dispute between  
25 the Parties. Throughout the course of the Action and in this Stipulation, Defendants have denied  
26 and continue to deny each, any, and all allegations of wrongdoing, fault, liability, or damage of  
27 any kind whatsoever, including, *inter alia*, each and every of the allegations, claims, and  
28 contentions that have been or could have been asserted by Lead Plaintiffs in the Action, as well as

1 the allegations that Lead Plaintiffs or the Settlement Class were harmed by the conduct alleged or  
2 that could have been alleged in the Action. Defendants have asserted and continue to assert that  
3 their public statements during the Settlement Class Period contained no material misstatements or  
4 omissions, and that at all times, they acted in good faith and in a manner they reasonably believed  
5 to be in accordance with all applicable rules, regulations, and laws. Defendants continue to believe  
6 the claims asserted against them in the Action are without merit and maintain that they have  
7 meritorious defenses to all claims alleged in the Action. Nonetheless, Defendants have agreed to  
8 enter into the Settlement set forth in this Stipulation solely to avoid the expense, distraction, time,  
9 burden, and uncertainty of further litigation. Having taken into account the expense, risks, and  
10 uncertainty inherent in any litigation, especially in complex cases such as this Action, Defendants  
11 have concluded that it is desirable and beneficial that the Action be fully and finally settled in the  
12 manner and upon the terms and conditions set forth in this Stipulation.

13 U. As set forth in more detail below, this Stipulation and the Settlement set forth  
14 herein, whether or not consummated, shall in no event be construed or deemed to be evidence of  
15 or an admission or concession on the part of Defendants with respect to any claim or allegation of  
16 any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that  
17 Defendants have, or could have, asserted. Defendants expressly deny that Lead Plaintiffs have  
18 asserted any valid claims as to any of them, and expressly deny any and all allegations of fault,  
19 liability, wrongdoing, or damages whatsoever. Similarly, this Stipulation shall in no event be  
20 construed or deemed to be evidence of or an admission or concession on the part of Lead Plaintiffs  
21 of any infirmity in any of the claims asserted in the Action, or an admission or concession that any  
22 of the Defendants' defenses to liability had any merit.

23 NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among Lead  
24 Plaintiffs (individually and on behalf of all other members of the Settlement Class) and  
25 Defendants, by and through their respective undersigned attorneys and subject to the approval of  
26 the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of  
27 the benefits flowing to the Parties from the Settlement, all Released Plaintiffs' Claims as against  
28

1 the Defendants' Releasees and all Released Defendants' Claims as against the Plaintiffs' Releasees  
2 shall be settled and released, upon and subject to the terms and conditions set forth below.

3 **DEFINITIONS**

4 1. As used in this Stipulation and any exhibits attached hereto and made a part hereof,  
5 the following capitalized terms shall have the following meanings:

6 (a) "Action" means the securities class action captioned *Retail Wholesale*  
7 *Department Store Union Local 338 Retirement Fund v. Stitch Fix, Inc.*, Case No. 5:22-cv-04893-  
8 PCP (N.D. Cal.) pending in the United States District Court for the Northern District of California  
9 before the Honorable P. Casey Pitts.

10 (b) "Alternate Judgment" means a form of final judgment that may be entered  
11 by the Court herein but in a form other than the form of Judgment provided for in this Stipulation.

12 (c) "Authorized Claimant" means a Settlement Class Member who submits a Claim  
13 to the Claims Administrator that is approved by the Court for payment from the Net Settlement  
14 Fund.

15 (d) "Claim" means a paper claim submitted on a Proof of Claim Form or an  
16 electronic claim that is submitted to the Claims Administrator.

17 (e) "Claim Form" or "Proof of Claim Form" means the form, substantially in the  
18 form attached hereto as Exhibit 2 to Exhibit A, that a Claimant must complete and submit should  
19 that Claimant seek to share in a distribution of the Net Settlement Fund.

20 (f) "Claimant" means a person or entity who or which submits a Claim to the Claims  
21 Administrator seeking to be eligible to share in the proceeds of the Net Settlement Fund.

22 (g) "Claims Administrator" means the firm retained by Lead Counsel, subject to  
23 approval of the Court, to provide all notices approved by the Court to potential Settlement Class  
24 Members and to administer the Settlement.

25 (h) "Class Distribution Order" means an order entered by the Court authorizing  
26 and directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized  
27 Claimants.

1 (i) “Complaint” means the Second Amended Class Action Complaint for Violations  
2 of the Federal Securities Laws filed by Lead Plaintiffs in the Action on September 13, 2024.

3 (j) “Court” means the United States District Court for the Northern District of  
4 California.

5 (k) “Defendants” means Stitch Fix and the Individual Defendants.

6 (l) “Defendants’ Counsel” means Cooley LLP.

7 (m) “Defendants’ Releasees” means Defendants and all other defendants  
8 previously named in this Action, and their respective current and former parents, affiliates,  
9 subsidiaries, divisions, controlling persons, associates, joint ventures, officers, directors, agents,  
10 successors, predecessors, assigns, assignees, partnerships, partners, general partners, limited  
11 partners, principals, members, trustees, trusts, employees, accountants, auditors, underwriters,  
12 investment or financial advisors, administrators, agents, community property, estates, Immediate  
13 Family members, heirs, executors, insurers, reinsurers, co-insurers, and attorneys, in their  
14 capacities as such, and any other entities in which Defendants (or other defendants previously  
15 named in this Action) have or had a controlling interest. For the avoidance of doubt, Defendants’  
16 Releasees shall include defendants previously named in this Action, including Steven Anderson,  
17 Baseline Ventures LLC, Baseline Ventures 2009 LLC, Baseline Increased Exposure Fund, LLC,  
18 Baseline Cable Car, LLC, and Baseline Encore, L.P.

19 (n) “Effective Date” with respect to the Settlement means the first date by which  
20 all of the events and conditions specified in ¶ 35 of this Stipulation have been met and have  
21 occurred or have been waived.

22 (o) “Escrow Account” means an account maintained at Citibank, N.A. wherein  
23 the Settlement Amount shall be deposited and held in escrow under the control of Lead Counsel.

24 (p) “Escrow Agent” means Citibank, N.A. and its successors.

25 (q) “Escrow Agreement” means the agreement between Lead Counsel and the  
26 Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow  
27 Account.

1 (r) “Final,” with respect to the Judgment or, if applicable, the Alternate Judgment,  
2 or any other court order, means the occurrence of either of the following (whichever is earlier): (i)  
3 if no appeal is filed, the expiration date of the time provided for filing or noticing any appeal under  
4 the Federal Rules of Appellate Procedure, i.e., thirty (30) days after entry of the judgment or order;  
5 or (ii) if there is an appeal from the judgment or order, (a) the date of final dismissal of all such  
6 appeals, or the final dismissal of any proceeding on certiorari or otherwise, or (b) the date the  
7 judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for  
8 a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of  
9 review, and, if certiorari or other form of review is granted, the date of final affirmance following  
10 review pursuant to that grant. However, any appeal or proceeding seeking subsequent judicial  
11 review pertaining solely to an order issued with respect to (i) attorneys’ fees, costs, or expenses,  
12 (ii) the Plan of Allocation of Settlement proceeds (as submitted or subsequently modified), or (iii)  
13 the procedures for determining Authorized Claimants’ recognized claims or distribution of the Net  
14 Settlement Fund to Authorized Claimants, shall not in any way delay or preclude a judgment from  
15 becoming Final.

16 (s) “Immediate Family” means, as defined in 17 C.F.R § 229.404, Instructions  
17 1(a)(iii) and 1(b)(ii), children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-  
18 law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law and any persons  
19 (other than a tenant or employee) sharing the household.

20 (t) “Individual Defendants” means Katrina Lake and Elizabeth Spaulding.

21 (u) “Judgment” means the final judgment, substantially in the form attached  
22 hereto as Exhibit B, to be entered by the Court approving the Settlement.

23 (v) “Lead Counsel” means Bernstein Litowitz Berger & Grossmann LLP.

24 (w) “Lead Plaintiffs” or the “Local 338 Funds” means Retail Wholesale  
25 Department Store Union Local 338 Retirement Fund, Retail Wholesale Department Store Union  
26 Local 338 Health & Welfare Fund, Retail Wholesale Department Store Union Local 338 General  
27 Fund, and Retail Wholesale Department Store Union Local 338 Benefits Trust Fund.

1 (x) “Litigation Expenses” means the costs and expenses incurred in connection  
2 with commencing, prosecuting, and settling the Action (which may include the costs and expenses  
3 of Lead Plaintiffs directly related to their representation of the Settlement Class), for which Lead  
4 Counsel intends to apply to the Court for payment or reimbursement from the Settlement Fund.

5 (y) “Net Settlement Fund” means the Settlement Fund less: (i) any Taxes;  
6 (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court;  
7 (iv) any attorneys’ fees awarded by the Court; and (v) any other costs or fees approved by the  
8 Court.

9 (z) “Notice” means the Notice of (I) Pendency of Class Action and Proposed  
10 Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys’ Fees and Litigation Expenses,  
11 substantially in the form attached hereto as Exhibit 1 to Exhibit A, or in such other form as may  
12 be approved in writing by all of the Parties acting by and through their respective counsel or record  
13 in the Action and approved by the Court, which is to be mailed to potential Settlement Class  
14 Members.

15 (aa) “Notice and Administration Costs” means the costs, fees, and expenses that  
16 are incurred by the Claims Administrator and/or Lead Counsel in connection with: (i) providing  
17 notices to the Settlement Class; and (ii) administering the Settlement, including but not limited to  
18 the Claims process, as well as the costs, fees, and expenses incurred in connection with the Escrow  
19 Account.

20 (bb) “Officer” means an officer as that term is defined in Securities and Exchange  
21 Act Rule 16a-1(f), 17 C.F.R § 229.16a-1(f).

22 (cc) “Parties” means Defendants and Lead Plaintiffs, on behalf of themselves and  
23 the Settlement Class.

24 (dd) “Plaintiffs’ Counsel” means Lead Counsel and additional counsel for the  
25 Local 338 Funds, Friedman & Anspach.

26 (ee) “Plaintiffs’ Releasees” means Lead Plaintiffs, all other plaintiffs in the  
27 Action, and all other Settlement Class Members, and their respective current and former parents,  
28 affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees,

1 partnerships, partners, trustees, trusts, employees, Immediate Family members, insurers,  
2 reinsurers, heirs, executors, administrators, and attorneys, in their capacities as such.

3 (ff) “Plan of Allocation” means the proposed plan of allocation of the Net  
4 Settlement Fund set forth in the Notice, or any other plan of distributing the Net Settlement Fund  
5 approved by the Court. Any Plan of Allocation is not part of the Stipulation, and Defendants’  
6 Releasees shall have no responsibility for the Plan of Allocation or its implementation and no  
7 liability with respect thereto. Any order or proceeding relating to the Plan of Allocation shall not  
8 operate to terminate or cancel this Stipulation or affect the finality of the Judgment or any other  
9 orders entered by the Court pursuant to this Stipulation.

10 (gg) “Preliminary Approval Order” means the order, substantially in the form  
11 attached hereto as Exhibit A, to be entered by the Court preliminarily approving the Settlement  
12 and directing that notice of the Settlement be provided to the Settlement Class.

13 (hh) “PSLRA” means the Private Securities Litigation Reform Act of 1995, 15  
14 U.S.C. § 78u-4, as amended.

15 (ii) “Released Claims” means all Released Defendants’ Claims and all Released  
16 Plaintiffs’ Claims.

17 (a) “Released Defendants’ Claims” means all claims and causes of action of  
18 every nature and description, known or unknown (including Unknown Claims, defined below)  
19 whether arising under federal, state, common, or foreign law, that arise out of or are based upon  
20 the institution, prosecution, or settlement of the claims against Defendants. This release does not  
21 cover, include, or release (i) any claims relating to the enforcement of the Settlement; or (ii) any  
22 claims against any person or entity who or which submits a request for exclusion from the  
23 Settlement Class that is accepted by the Court.

24 (jj) “Released Plaintiffs’ Claims” means all claims and causes of action of every  
25 nature and description, known or unknown (including Unknown Claims, defined below),  
26 suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, liquidated or  
27 unliquidated, concealed or hidden, regardless of legal or equitable theory, whether direct, indirect,  
28 representative, class, or individual in nature, and whether arising from federal, state, foreign, or

1 common law, (i) alleged by Lead Plaintiffs in the Action; or (ii) that have been, could have been,  
2 or in the future can or might be asserted in the Action or in any action or proceeding in any forum  
3 against Defendants' Releasees arising from, or based upon, or relating in any way to (A) the factual  
4 predicate of the Action, including any of the allegations, facts, transactions, events, matters,  
5 occurrences, acts, disclosures, oral or written statements, representations, omissions, failures to  
6 act, filings, publications, disseminations, press releases, or presentations involved, set forth,  
7 alleged, referenced, or referred to in the Action, and (B) the purchase or acquisition of Stitch Fix  
8 common stock during the Settlement Class Period. This release does not cover, include, or release  
9 (i) any claims asserted in any shareholder derivative action, including *Schultz v. Lake*, No. 3:25-  
10 cv-06152-PCP (N.D. Cal.), *Wells v. Lake*, No. 4:25-cv-09732-PCP (N.D. Cal.), and *Horton v.*  
11 *Lake*, C.A. No. 2023-0337-KSJM (D. Ch.); (ii) any claims related to enforcement of the  
12 Settlement; or (iii) any claims of any person or entity who or which submits a request for exclusion  
13 from the Settlement Class that is accepted by the Court.

14 (kk) "Releasee(s)" means each and any of the Defendants' Releasees and each  
15 and any of the Plaintiffs' Releasees.

16 (ll) "Releases" means the releases set forth in ¶¶ 5-6 of this Stipulation.

17 (mm) "Settlement" means the resolution of the Action on the terms and conditions  
18 set forth in this Stipulation.

19 (nn) "Settlement Amount" means thirty-two million U.S. dollars  
20 (\$32,000,000.00) in cash.

21 (oo) "Settlement Class" means all persons and entities who purchased or acquired  
22 Stitch Fix common stock from June 9, 2020 through June 9, 2022, inclusive (the "Settlement Class  
23 Period"), and were damaged thereby. Excluded from the Settlement Class are: (i) Defendants; (ii)  
24 members of the Immediate Family of any Individual Defendant; (iii) any person who is, or was  
25 during the Settlement Class Period, an officer or director of Stitch Fix and any members of their  
26 immediate families; (iv) any affiliates or subsidiaries of Stitch Fix; (v) any entity in which any  
27 Defendant or any member of their immediate families has or had a controlling interest; and (vi)  
28 the legal representatives, heirs, agents, affiliates, successors, or assigns of any such excluded

1 persons and entities. Also excluded from the Settlement Class are any persons and entities who or  
2 which submit a request for exclusion from the Settlement Class that is accepted by the Court.

3 (pp) “Settlement Class Member” means each person and entity who or which is a  
4 member of the Settlement Class.

5 (qq) “Settlement Class Period” means the period from June 9, 2020 through June  
6 9, 2022, inclusive.

7 (rr) “Settlement Fund” means the Settlement Amount plus any and all interest  
8 earned thereon.

9 (ss) “Settlement Hearing” means the hearing set by the Court under Rule 23(e)(2)  
10 of the Federal Rules of Civil Procedure to consider final approval of the Settlement.

11 (tt) “Stitch Fix” or the “Company” means Stitch Fix, Inc.

12 (uu) “Summary Notice” means the Summary Notice of (I) Pendency of Class  
13 Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys’ Fees and  
14 Litigation Expenses, substantially in the form attached hereto as Exhibit 3 to Exhibit A, to be  
15 published as set forth in the Preliminary Approval Order.

16 (vv) “Taxes” means: (i) all federal, state and/or local taxes of any kind (including  
17 any interest or penalties thereon) on any income earned by the Settlement Fund; and (ii) the  
18 expenses and costs incurred by Lead Counsel in connection with determining the amount of, and  
19 paying, any taxes owed by the Settlement Fund (including, without limitation, expenses of tax  
20 attorneys and accountants).

21 (ww) “Unknown Claims” means any Released Plaintiffs’ Claims which any Lead  
22 Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her, or its  
23 favor at the time of the release of such claims, and any Released Defendants’ Claims which any  
24 Defendant does not know or suspect to exist in her or its favor at the time of the release of such  
25 claims, which, if known by him, her, or it, might have materially affected his, her, or its decision(s)  
26 with respect to this Settlement, including the decision(s) to enter into this Settlement, execute this  
27 Stipulation, and agree to all the various releases set forth herein, or might have affected their  
28 decision not to object to this Settlement or not exclude themselves from the Settlement Class.



1 In the event that the Judgment does not become Final or the Settlement fails to become effective  
2 for any reason, all Parties reserve all their rights on all issues.

3 **PRELIMINARY APPROVAL OF SETTLEMENT**

4 3. Within twenty (20) business days of execution of this Stipulation, Lead Plaintiffs  
5 will move for preliminary approval of the Settlement, authorization to provide notice of the  
6 Settlement to the Settlement Class, and the scheduling of a hearing for consideration of final  
7 approval of the Settlement, which motion shall be unopposed by Defendants. Concurrently with  
8 the motion for preliminary approval, Lead Plaintiffs shall apply to the Court for, and Defendants  
9 shall agree to, entry of the Preliminary Approval Order, substantially in the form attached hereto  
10 as Exhibit A.

11 **RELEASE OF CLAIMS**

12 4. The obligations incurred pursuant to this Stipulation are in consideration of: (a) the  
13 full and final disposition of the Action as against Defendants; and (b) the Releases provided for  
14 herein.

15 5. Pursuant to the Judgment, or the Alternate Judgment, if applicable, without further  
16 action by anyone, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other  
17 Settlement Class Members, on behalf of themselves, and their respective heirs, executors,  
18 administrators, predecessors, successors, and assigns, in their capacities as such (or any other  
19 person or entity asserting a claim or who could assert a claim on behalf of a Settlement Class  
20 Member), shall be deemed to have, and by operation of law and of the judgment shall have, fully,  
21 finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged  
22 each and every Released Plaintiffs' Claim (including Unknown Claims) against Defendants and  
23 the other Defendants' Releasees, and shall forever be barred, enjoined, and precluded from  
24 commencing, instituting, prosecuting, or maintaining any or all of the Released Plaintiffs' Claims  
25 against any of the Defendants' Releasees, whether or not such Settlement Class Member executes  
26 and delivers a Proof of Claim Form, seeks or obtains a distribution from the Settlement Fund, is  
27 entitled to receive a distribution under the Plan of Allocation approved by the Court, or has  
28 objected to any aspect of the Stipulation or the Settlement, the Plan of Allocation, or Lead

1 Counsel's application for an award of attorneys' fees or Litigation Expenses. This release shall not  
2 apply to any person or entity who or which submits a request for exclusion from the Settlement  
3 Class that is accepted by the Court.

4 6. Pursuant to the Judgment, or the Alternate Judgment, if applicable, without further  
5 action by anyone, upon the Effective Date of the Settlement, Defendants, on behalf of themselves,  
6 and their respective heirs, executors, administrators, predecessors, successors, and assigns, in their  
7 capacities as such (or any other person or entity asserting a claim or who could assert a claim on  
8 behalf of a Defendant), shall be deemed to have, and by operation of law and of the judgment shall  
9 have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived,  
10 and discharged each and every Released Defendants' Claim against Lead Plaintiffs and the other  
11 Plaintiffs' Releasees, and shall forever be barred and enjoined from prosecuting any or all of the  
12 Released Defendants' Claims against any of the Plaintiffs' Releasees. This release shall not apply  
13 to any person or entity who or which submits a request for exclusion from the Settlement Class  
14 that is accepted by the Court.

15 7. Upon the Effective Date, to the extent allowed by law, this Stipulation shall operate  
16 conclusively as an estoppel and full defense in the event, and to the extent, of any claim, demand,  
17 action, or proceeding brought by a Settlement Class Member against any of Defendants' Releasees  
18 with respect to any Released Plaintiffs' Claims, or brought by a Defendant against any of the  
19 Plaintiffs' Releasees with respect to any Released Defendants' Claim.

20 8. Notwithstanding ¶¶ 5-6 above, nothing in the Judgment, or the Alternate Judgment,  
21 if applicable, shall bar any action by any of the Parties to enforce or effectuate the terms of this  
22 Stipulation or the Judgment, or Alternate Judgment, if applicable.

### 23 **THE SETTLEMENT CONSIDERATION**

24 9. In consideration of the full and final Settlement of the Released Plaintiffs' Claims  
25 against Defendants and the other Defendants' Releasees, Stitch Fix and/or its insurers, on behalf  
26 of Defendants, shall pay or cause to be paid the Settlement Amount into the Escrow Account within  
27 twenty (20) business days after the later of: (a) entry of an order preliminarily approving the  
28 Settlement, and (b) Defendants' Counsel's receipt of all information necessary to effectuate a

1 transfer of funds, by check or wire transfer, including the bank name and ABA routing number,  
2 mailing address, account name and number, and a signed Form W-9.

3 10. The payments described in ¶ 9 are the only payments to be made by or on behalf of  
4 any and all of Defendants' Releasees in connection with this Settlement. All fees, costs, and  
5 expenses of any kind whatsoever incurred by or on behalf of Lead Plaintiffs and members of the  
6 Settlement Class associated with this Action or the Settlement, including but not limited to, (a) any  
7 Taxes or tax expenses, (b) any Notice and Administration Costs, (c) any Litigation Expenses  
8 awarded by the Court, (d) any attorneys' fees awarded by the Court, and (e) other Court-approved  
9 deductions, shall be paid from the Settlement Fund, and in no event shall any Defendants'  
10 Releasees bear any responsibility or liability for any such fees, costs, or expenses.

11 **USE OF SETTLEMENT FUND**

12 11. The Settlement Fund shall be used to pay: (a) any Taxes; (b) any Notice and  
13 Administration Costs; (c) any Litigation Expenses awarded by the Court; (d) any attorneys' fees  
14 awarded by the Court; and (e) any other costs and fees approved by the Court. The balance  
15 remaining in the Settlement Fund, that is, the Net Settlement Fund, shall be distributed to  
16 Authorized Claimants as provided in ¶¶ 24-31 below.

17 12. Except as provided herein or pursuant to orders of the Court, the Net Settlement  
18 Fund shall remain in the Escrow Account prior to the Effective Date. All funds held by the Escrow  
19 Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction  
20 of the Court until such time as the funds shall be distributed or returned pursuant to the terms of  
21 this Stipulation and/or further order of the Court. At the written direction of Lead Counsel, the  
22 Escrow Account shall invest any funds in the Escrow Account exclusively in instruments or  
23 accounts backed by the full faith and credit of the United States Government or fully insured by  
24 the United States Government or an agency thereof, including a United States Treasury Fund or  
25 bank account that is either (a) fully insured by the Federal Deposit Insurance Corporation  
26 ("FDIC"), or (b) secured by instruments backed by the full faith and credit of the United States  
27 Government. The Escrow Agent shall reinvest the proceeds of these instruments or accounts as  
28 they mature in similar instruments or accounts at their then-current market rates.

1 13. The Escrow Agent shall not disburse the Settlement Fund except as provided in the  
2 Stipulation or by an order of the Court.

3 14. The Parties agree that the Settlement Fund is intended to be a Qualified Settlement  
4 Fund within the meaning of Treasury Regulation § 1.468B-1 and that Lead Counsel, as  
5 administrator of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3),  
6 shall be solely responsible for filing or causing to be filed all informational and other tax returns  
7 as may be necessary or appropriate (including, without limitation, the returns described in Treasury  
8 Regulation § 1.468B-2(k)) for the Settlement Fund. Lead Counsel shall also be responsible for  
9 causing payment to be made from the Settlement Fund of any Taxes owed with respect to the  
10 Settlement Fund. Defendants' Releasees shall not have any liability or responsibility for any such  
11 Taxes. Upon written request, Defendants will provide to Lead Counsel the statement described in  
12 Treasury Regulation § 1.468B-3(e). Lead Counsel, as administrator of the Settlement Fund within  
13 the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are  
14 necessary or advisable to carry out this paragraph, including, as necessary, making a "relation back  
15 election," as described in Treasury Regulation § 1.468B-1(j), to cause the Qualified Settlement  
16 Fund to come into existence at the earliest allowable date, and shall take or cause to be taken all  
17 actions as may be necessary or appropriate in connection therewith.

18 15. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid, or  
19 caused to be paid, by Lead Counsel and without further order of the Court. Any tax returns  
20 prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with  
21 the previous paragraph and in all events shall reflect that all Taxes on the income earned by the  
22 Settlement Fund shall be paid out of the Settlement Fund as provided herein. Defendants'  
23 Releasees shall have no responsibility or liability whatsoever with respect to the payment of Taxes,  
24 as described herein, including for the acts or omissions of Lead Counsel or their agents with respect  
25 to the payment of Taxes, as described herein.

26 16. The Settlement is not a claims-made settlement. Upon the occurrence of the  
27 Effective Date, no Defendant, Defendants' Releasee, or any other person or entity (including  
28 Defendants' insurance carriers) who or which paid any portion of the Settlement Amount shall

1 have any right to the return of the Settlement Fund or any portion thereof for any reason  
2 whatsoever, including without limitation, the number of Claims submitted, the collective amount  
3 of Recognized Claims of Authorized Claimants, the percentage of recovery of losses, or the  
4 amounts to be paid to Authorized Claimants from the Net Settlement Fund.

5 17. Notwithstanding the fact that the Effective Date of the Settlement has not yet  
6 occurred, Lead Counsel may pay from the Escrow Account, without further approval from  
7 Defendants or further order of the Court, all reasonable Notice and Administration Costs actually  
8 incurred and paid or payable. Notice and Administration Costs shall include, without limitation,  
9 the actual costs of printing and mailing the Notice and Claim Form, developing the Settlement  
10 website, publishing the Summary Notice, reimbursements to nominee owners for searching and  
11 providing the names/addresses of prospective Settlement Class Members for noticing or  
12 forwarding the Notice and Claim Form directly to their beneficial owners, the administrative  
13 expenses incurred and fees charged by the Claims Administrator in connection with providing  
14 notice and administering the Settlement (including processing the submitted Claims), and the fees,  
15 if any, of the Escrow Agent. In the event that the Settlement is terminated pursuant to the terms of  
16 this Stipulation, all Notice and Administration Costs paid or incurred shall not be returned or repaid  
17 to Defendants or any other person or entity who or which paid any portion of the Settlement  
18 Amount.

19 **ATTORNEYS' FEES AND LITIGATION EXPENSES**

20 18. Lead Counsel will apply to the Court for a collective award of attorneys' fees  
21 incurred in prosecuting the Action to Plaintiffs' Counsel to be paid solely from (and out of) the  
22 Settlement Fund. Lead Counsel also will apply to the Court for payment of Litigation Expenses,  
23 which may include a request for reimbursement of Lead Plaintiffs' costs and expenses directly  
24 related to their representation of the Settlement Class, to be paid solely from (and out of) the  
25 Settlement Fund. Lead Counsel's application for attorneys' fees and/or Litigation Expenses is not  
26 the subject of any agreement between Defendants and Lead Plaintiffs other than what is set forth  
27 in this Stipulation.  
28

1           19. Any attorneys' fees and Litigation Expenses that are awarded by the Court shall be  
2 paid to Lead Counsel immediately upon award, notwithstanding the existence of any timely filed  
3 objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any  
4 part thereof, subject to Plaintiffs' Counsel's obligation to refund or repay to the Settlement Fund,  
5 plus accrued interest at the same net rate as is earned by the Settlement Fund, if the Settlement is  
6 terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further  
7 proceedings on remand, or successful collateral attack, the award of attorneys' fees and/or  
8 Litigation Expenses is reduced or reversed and such order reducing or reversing the award has  
9 become Final. Plaintiffs' Counsel shall make any refund or repayment in full no later than thirty  
10 (30) days after: (a) receiving from Defendants' Counsel notice of the termination of the Settlement;  
11 or (b) any order reducing or reversing the award of attorneys' fees and/or Litigation Expenses has  
12 become Final. An award of attorneys' fees and/or Litigation Expenses is not a necessary term of  
13 this Stipulation and is not a condition of the Settlement embodied herein. Neither Lead Plaintiffs  
14 nor Lead Counsel may cancel or terminate the Settlement based on this Court's or any appellate  
15 court's ruling with respect to attorneys' fees and/or Litigation Expenses. Lead Counsel's fee and  
16 expense application shall be treated by the Court separately from the fairness, reasonableness, and  
17 adequacy of the Settlement and shall not affect or delay the finality of the Judgment approving the  
18 Stipulation and the Settlement of the Action.

19           20. Lead Counsel shall allocate the attorneys' fees awarded amongst Plaintiffs'  
20 Counsel in a manner which it, in good faith, believes reflects the contributions of such counsel to  
21 the institution, prosecution, and settlement of the Action. Defendants' Releasees shall have no  
22 responsibility for or liability whatsoever with respect to the allocation or award of attorneys' fees  
23 or Litigation Expenses. The attorneys' fees and Litigation Expenses that are awarded to Plaintiffs'  
24 Counsel shall be payable solely from the Settlement Fund in the Escrow Account.

25                           **NOTICE AND SETTLEMENT ADMINISTRATION**

26           21. As part of the Preliminary Approval Order, Lead Counsel shall seek appointment  
27 of a Claims Administrator. The Claims Administrator shall administer the Settlement, including  
28 but not limited to the process of receiving, reviewing, and approving or denying Claims, under

1 Lead Counsel's supervision and subject to the jurisdiction of the Court. With the sole exception of  
2 Defendants' obligation to pay (or cause to be paid) the Settlement Amount into the Escrow  
3 Account as provided for in ¶ 9 above, none of the Defendants, nor any other Defendants'  
4 Releasees, shall have any involvement in or any responsibility, authority, or liability whatsoever  
5 with respect to: (i) the selection of the Claims Administrator; (ii) the administration of the  
6 Settlement, including any act, omission, or determination by Lead Counsel or Claims  
7 Administrator, or any of their respective designees, in connection with the administration of the  
8 Settlement or otherwise; (iii) the Plan of Allocation; (iv) the management, investment, or  
9 disbursement of the Settlement Fund; (v) the Claims process, including the determination,  
10 administration, calculation, or payment of any Claims; (vi) any loss suffered by, or fluctuation in  
11 value of, the Settlement Fund; or (vii) the payment or withholding of any Taxes, expenses, and/or  
12 costs incurred in connection with the taxation of the Settlement Fund, distributions or other  
13 payments from the Escrow Account, or the filing of any federal, state, or local returns, and shall  
14 have no liability whatsoever to any person or entity, including but not limited to Lead Plaintiffs,  
15 any other Settlement Class Members, or Lead Counsel, in connection with the foregoing.  
16 Defendants and Defendants' Counsel shall cooperate in the administration of the Settlement to the  
17 extent reasonably necessary to effectuate its terms.

18         22. In accordance with the terms of the Preliminary Approval Order to be entered by  
19 the Court, Lead Counsel shall cause the Claims Administrator to mail the Notice and Claim Form  
20 to those members of the Settlement Class as may be identified through reasonable effort. Lead  
21 Counsel shall also cause the Claims Administrator to post the Notice and Claim Form on the  
22 Settlement website as well as cause the Claims Administrator to have the Summary Notice  
23 published in accordance with the terms of the Preliminary Approval Order to be entered by the  
24 Court. For the purposes of identifying and providing notice to the Settlement Class, within ten (10)  
25 business days after the Court's entry of the Preliminary Approval Order, Stitch Fix shall provide  
26 or cause to be provided to Lead Counsel in electronic format (such as Excel) (at no cost to the  
27 Settlement Fund, Lead Plaintiffs, the Settlement Class, Lead Counsel or the Claims Administrator)  
28 a list, consisting of names, addresses, and e-mail addresses (if available), of record purchasers of

1 Stitch Fix common stock during the Settlement Class Period, to the extent that information is  
2 available to Stitch Fix from its transfer agent. Lead Counsel and the Claims Administrator shall  
3 treat and maintain this information as confidential.

4 23. No later than ten (10) calendar days following the filing of this Stipulation with the  
5 Court, Defendants shall serve the notice required under the Class Action Fairness Act, 28 U.S.C.  
6 § 1715 et seq. (“CAFA”). Defendants are solely responsible for the costs of the CAFA notice and  
7 administering the CAFA notice. At least seven (7) calendar days before the Settlement Hearing,  
8 Defendants shall cause to be served on Lead Counsel and filed with the Court proof, by affidavit  
9 or declaration, regarding compliance with CAFA § 1715(b). The Parties agree that any delay by  
10 Defendants in timely serving the CAFA notice will not provide grounds for delay of the Settlement  
11 Hearing or entry of the Judgment.

12 24. The Claims Administrator shall receive Claims and determine first, whether the  
13 Claim is a valid Claim, in whole or part, and second, each Authorized Claimant’s *pro rata* share  
14 of the Net Settlement Fund based upon each Authorized Claimant’s Recognized Claim compared  
15 to the total Recognized Claims of all Authorized Claimants (as set forth in the Plan of Allocation  
16 set forth in the Notice attached hereto as Exhibit 1 to Exhibit A, or in such other Plan of Allocation  
17 as the Court approves).

18 25. The Plan of Allocation proposed in the Notice is not a necessary term of the  
19 Settlement or of this Stipulation and it is not a condition of the Settlement or of this Stipulation  
20 that any particular Plan of Allocation be approved by the Court. Lead Plaintiffs and Lead Counsel  
21 may not cancel or terminate the Settlement (or this Stipulation) based on this Court’s or any  
22 appellate court’s ruling with respect to the Plan of Allocation in this Action. No Defendant, nor  
23 any other Defendants’ Releasees, shall have any involvement with or liability, obligation, or  
24 responsibility whatsoever for the application of the Court-approved Plan of Allocation.

25 26. Any Settlement Class Member who does not submit a valid Claim will not be  
26 entitled to receive any distribution from the Net Settlement Fund, but will otherwise be bound by  
27 all of the terms of this Stipulation and the Settlement, including the terms of the Judgment or, the  
28 Alternate Judgment, if applicable, to be entered in the Action and the Releases provided for herein

1 and therein, and will be permanently barred and enjoined from bringing any action, claim, or other  
2 proceeding of any kind against the Defendants' Releasees with respect to the Released Plaintiffs'  
3 Claims in the event that the Effective Date occurs with respect to the Settlement.

4 27. Lead Counsel shall be responsible for supervising the administration of the  
5 Settlement and the disbursement of the Net Settlement Fund subject to Court approval. No  
6 Defendant, or any other Defendants' Releasees, shall be permitted to review, contest, or object to  
7 any Claim, or any decision of the Claims Administrator or Lead Counsel with respect to accepting  
8 or rejecting any Claim for payment. Lead Counsel shall have the right, but not the obligation, to  
9 waive what they deem to be formal or technical defects in any Claims submitted in the interests of  
10 achieving substantial justice.

11 28. For purposes of determining the extent, if any, to which a Settlement Class Member  
12 shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

13 (a) Each Claimant shall be required to submit a Claim in paper form,  
14 substantially in the form attached hereto as Exhibit 2 to Exhibit A, or in electronic form, in  
15 accordance with the instructions for the submission of such Claims, and supported by such  
16 documents as are designated therein, including proof of the Claimant's loss, or such other  
17 documents or proof as the Claims Administrator or Lead Counsel, in their discretion, may  
18 deem acceptable;

19 (b) All Claims must be submitted by the date set by the Court in the Preliminary  
20 Approval Order and specified in the notices. Any Settlement Class Member who fails to  
21 submit a Claim by such date shall be forever barred from receiving any distribution from  
22 the Net Settlement Fund or payment pursuant to this Stipulation (unless by Order of the  
23 Court such Settlement Class Member's Claim is accepted), but shall in all other respects  
24 be bound by all of the terms of this Stipulation and the Settlement, including the terms of  
25 the Judgment or Alternate Judgment, if applicable, and the Releases provided for herein  
26 and therein, and will be permanently barred and enjoined from bringing any action, claim,  
27 or other proceeding of any kind against any Defendants' Releasees with respect to any  
28 Released Plaintiffs' Claim. Provided that it is mailed by the claim-submission deadline, a

1 Claim Form shall be deemed to be submitted when postmarked, if received with a postmark  
2 indicated on the envelope and if mailed by first-class mail and addressed in accordance  
3 with the instructions thereon. In all other cases, the Claim Form shall be deemed to have  
4 been submitted on the date when actually received by the Claims Administrator;

5 (c) Each Claim shall be submitted to and reviewed by the Claims Administrator  
6 who shall determine in accordance with this Stipulation and the Plan of Allocation the  
7 extent, if any, to which each Claim shall be allowed, subject to review by the Court  
8 pursuant to subparagraph (e) below as necessary;

9 (d) Claims that do not meet the submission requirements may be rejected. Prior  
10 to rejecting a Claim in whole or in part, the Claims Administrator shall communicate with  
11 the Claimant in writing, to give the Claimant the chance to remedy any curable deficiencies  
12 in the Claim submitted. The Claims Administrator shall notify, in a timely fashion and in  
13 writing, all Claimants whose Claim the Claims Administrator proposes to reject in whole  
14 or in part, setting forth the reasons therefor, and shall indicate in such notice that the  
15 Claimant whose Claim is to be rejected has the right to a review by the Court if the Claimant  
16 so desires and complies with the requirements of subparagraph (e) below; and

17 (e) If any Claimant whose Claim has been rejected in whole or in part desires  
18 to contest such rejection, the Claimant must, within twenty (20) days after the date of  
19 mailing of the notice required in subparagraph (d) above, or a lesser time period if the  
20 Claim was untimely, serve upon the Claims Administrator a notice and statement of  
21 reasons indicating the Claimant's grounds for contesting the rejection along with any  
22 supporting documentation, and requesting a review thereof by the Court. If a dispute  
23 concerning a Claim cannot be otherwise resolved, Lead Counsel shall thereafter present  
24 the request for review to the Court, on reasonable notice to Defendants' Counsel.

25 29. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court  
26 with respect to the Claimant's Claim, and the Claim will be subject to investigation and discovery  
27 under the Federal Rules of Civil Procedure, provided, however, that such investigation and  
28 discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity

1 and amount of the Claimant's Claim. No discovery shall be allowed on the merits of this Action  
2 or of the Settlement in connection with the processing of Claims.

3 30. Lead Counsel will apply to the Court, on notice to Defendants' Counsel, for a Class  
4 Distribution Order: (a) approving the Claims Administrator's administrative determinations  
5 concerning the acceptance and rejection of the Claims submitted; (b) approving payment of any  
6 unpaid administration fees and expenses associated with the administration of the Settlement from  
7 the Escrow Account; and (c) if the Effective Date has occurred, directing payment of the Net  
8 Settlement Fund to Authorized Claimants from the Escrow Account.

9 31. Payment pursuant to the Class Distribution Order shall be final and conclusive  
10 against all Claimants and Settlement Class Members. All Settlement Class Members whose Claims  
11 are not approved by the Court for payment shall be barred from participating in distributions from  
12 the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and  
13 the Settlement, including the terms of the Judgment or Alternate Judgment, if applicable, to be  
14 entered in this Action and the Releases provided for herein and therein, and will be permanently  
15 barred and enjoined from bringing any action against any and all Defendants' Releasees with  
16 respect to any and all of the Released Plaintiffs' Claims.

17 32. No person or entity shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel,  
18 the Claims Administrator, or any other agent designated by Lead Counsel, or Defendants'  
19 Releasees and/or their respective counsel, arising from distributions made substantially in  
20 accordance with the Stipulation, the Plan of Allocation approved by the Court, or any order of the  
21 Court. Lead Plaintiffs and Defendants, and their respective counsel, and Lead Plaintiffs' damages  
22 expert and all other Defendants' Releasees and Plaintiffs' Releasees shall have no liability  
23 whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund,  
24 the Plan of Allocation, or the costs, expenses, determination, administration, calculation, or  
25 payment of any claim or nonperformance of the Claims Administrator, the payment or withholding  
26 of taxes (including interest and penalties) owed by the Settlement Fund, or any losses incurred in  
27 connection therewith.

1 33. All proceedings with respect to the administration, processing and determination of  
2 Claims and the determination of all controversies relating thereto, including disputed questions of  
3 law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.  
4 All Settlement Class Members, other Claimants, and Parties to this Stipulation expressly waive  
5 trial by jury (to the extent any such right may exist) and any right of appeal or review with respect  
6 to such determinations.

7 **TERMS OF THE JUDGMENT**

8 34. If the Settlement contemplated by this Stipulation is approved by the Court, Lead  
9 Counsel and Defendants' Counsel shall request that the Court enter a Judgment, substantially in  
10 the form attached hereto as Exhibit B. The Judgment shall, among other things, include the  
11 dismissal with prejudice of the Action against the Defendants and the Releases provided for herein.

12 **CONDITIONS OF SETTLEMENT AND EFFECT OF**  
13 **DISAPPROVAL, CANCELLATION OR TERMINATION**

14 35. The Effective Date of the Settlement shall be deemed to occur on the occurrence or  
15 waiver of all of the following events:

16 (a) the Court has entered the Preliminary Approval Order, substantially in the  
17 form set forth in Exhibit A attached hereto, as required by ¶ 3 above;

18 (b) the Settlement Amount has been deposited into the Escrow Account in  
19 accordance with the provisions of ¶ 10 above;

20 (c) Defendants have not exercised their option to terminate the Settlement  
21 pursuant to the provisions of this Stipulation;

22 (d) Lead Plaintiffs have not exercised their option to terminate the Settlement  
23 pursuant to the provisions of this Stipulation; and

24 (e) the Court has approved the Settlement as described herein, following notice  
25 to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of  
26 Civil Procedure, and entered the Judgment and the Judgment has become Final, or the  
27  
28

1 Court has entered an Alternate Judgment and none of the Parties seek to terminate the  
2 Settlement and the Alternate Judgment has become Final.

3 36. Upon the occurrence of all of the events referenced in ¶ 35 above, any and all  
4 remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely  
5 and forever extinguished and the Releases herein shall be effective.

6 37. If (i) Defendants exercise their right to terminate the Settlement as provided in this  
7 Stipulation; (ii) Lead Plaintiffs exercise their right to terminate the Settlement as provided in this  
8 Stipulation; (iii) the Court disapproves the Settlement; or (iv) the Effective Date as to the  
9 Settlement otherwise fails to occur, then:

10 (a) The Settlement and the relevant portions of this Stipulation shall be  
11 canceled and terminated;

12 (b) Lead Plaintiffs and Defendants shall revert to their respective litigation  
13 positions in the Action as of November 13, 2025;

14 (c) Neither Lead Plaintiffs nor Defendants will use or rely on any statement,  
15 document, admission, or agreement concerning the Settlement and/or settlement  
16 discussions in the Action;

17 (d) The terms and provisions of this Stipulation, with the exception of this  
18 paragraph and ¶¶ 17, 19, 41, and 63, shall have no further force and effect with respect to  
19 the Parties and shall not be used in the Action or in any other proceeding for any purpose,  
20 and any Judgment, or Alternate Judgment, if applicable, or order entered by the Court in  
21 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*;  
22 and

23 (e) Within five (5) business days after joint written notification of termination  
24 is sent by Defendants' Counsel and Lead Counsel to the Escrow Agent, the Settlement  
25 Fund (including accrued interest thereon, and change in value as a result of the investment  
26 of the Settlement Fund, and any funds received by Lead Counsel consistent with ¶ 19  
27 above), less any Notice and Administration Costs actually incurred, paid or payable and  
28 less any Taxes paid, due or owing shall be refunded by the Escrow Agent pursuant to

1 written instructions from Defendants' Counsel to the party, or parties, or insurers that paid  
2 the Settlement Amount. In the event that the funds received by Lead Counsel consistent  
3 with ¶ 19 above have not been refunded to the Settlement Fund within the five (5) business  
4 days specified in this paragraph, those funds shall be refunded by the Escrow Agent,  
5 pursuant to written instructions from Defendants' Counsel, to the party, or parties, or  
6 insurers that paid the Settlement Amount immediately upon their deposit into the Escrow  
7 Account consistent with ¶ 19 above.

8 38. It is further stipulated and agreed that Defendants and Lead Plaintiffs shall each  
9 have the right to terminate the Settlement and this Stipulation, by providing written notice of their  
10 election to do so ("Termination Notice") to the other Parties to this Stipulation within thirty (30)  
11 days of: (a) the Court's final refusal to enter the Preliminary Approval Order in any material  
12 respect; (b) the Court's final refusal to approve the Settlement or any material part thereof; (c) the  
13 Court's final refusal to enter the Judgment in any material respect as to the Settlement; (d) the date  
14 upon which the Judgment is modified or reversed in any material respect by the United States  
15 Court of Appeals for the Ninth Circuit or the United States Supreme Court; or (e) the date upon  
16 which an Alternate Judgment is modified or reversed in any material respect by the United States  
17 Court of Appeals for the Ninth Circuit or the United States Supreme Court, and the provisions of  
18 ¶ 37 above shall apply. However, any decision or proceeding, whether in this Court or any  
19 appellate court, with respect to an application for attorneys' fees or Litigation Expenses or with  
20 respect to any Plan of Allocation shall not be considered material to the Settlement, shall not affect  
21 the finality of any Judgment or Alternate Judgment, if applicable, and shall not be grounds for  
22 termination of the Settlement.

23 39. In addition to the grounds set forth in ¶ 38 above, Stitch Fix shall also have the  
24 unilateral right to terminate the Settlement in the event that Settlement Class Members timely and  
25 validly requesting exclusion from the Settlement Class meet the conditions set forth in the  
26 confidential supplemental agreement between Lead Plaintiffs and Defendants ("Supplemental  
27 Agreement"), in accordance with the terms of that agreement. The Supplemental Agreement,  
28 which is being executed concurrently herewith, shall not be filed with the Court and its terms shall

1 not be disclosed in any other manner (other than the statements herein and in the Notice, to the  
2 extent necessary, or as otherwise provided in the Supplemental Agreement) unless the Court  
3 otherwise directs or a dispute arises between Lead Plaintiffs and Stitch Fix concerning its  
4 interpretation or application, in which event the Parties shall submit the Supplemental Agreement  
5 to the Court *in camera* and will request that the Court afford it confidential treatment.

6 40. Lead Plaintiffs shall also have the option to terminate the Settlement in the event  
7 that the Settlement Amount has not been paid as provided for in ¶ 8 above, by providing written  
8 notice of the election to terminate to Defendants' Counsel, and if, thereafter, there is a failure to  
9 pay the Settlement Amount within ten (10) business days of such written notice. For the avoidance  
10 of doubt, the Settlement will not be terminated under this paragraph unless the Settlement Amount  
11 is not paid within ten (10) business days after Lead Plaintiffs provides written notice in accordance  
12 with this paragraph. This remedy is not exclusive; Lead Plaintiffs also have the option to enforce  
13 the terms of the Settlement, including Defendants' obligations under ¶ 9.

14 **NO ADMISSION OF WRONGDOING**

15 41. Neither the Term Sheet, this Stipulation (whether or not consummated), including  
16 the exhibits hereto and the Plan of Allocation contained therein (or any other Plan of Allocation  
17 that may be approved by the Court), the Parties' mediation and subsequent Settlement, any  
18 documents produced or provided in connection with the Parties' mediation and subsequent  
19 Settlement, the communications and/or discussions leading to the execution of the Term Sheet and  
20 this Stipulation, nor any proceedings taken pursuant to or in connection with the Term Sheet, this  
21 Stipulation, and/or approval of the Settlement (including any arguments proffered in connection  
22 therewith):

23 (a) shall be (i) offered against any of the Defendants' Releasees as evidence  
24 of, or construed as, or deemed to be evidence of any presumption, concession, or  
25 admission by any of the Defendants' Releasees with respect to (aa) the truth of any fact  
26 alleged by Lead Plaintiffs or any Settlement Class Member, (bb) the validity of any  
27 claim that was or could have been asserted in this Action or any other litigation; (cc) the  
28 deficiency of any defense that has been or could have been asserted in this Action or in

1 any other litigation, (dd) any liability, negligence, fault, damages, or other wrongdoing  
2 of any kind of any of the Defendants' Releasees, (ee) any damages allegedly suffered  
3 by Lead Plaintiffs or the Settlement Class Members; or (ii) in any way referred to for  
4 any other reason as against any of the Defendants' Releasees, in any arbitration  
5 proceeding or other civil, criminal, or administrative action or proceeding, other than  
6 such proceedings as may be necessary to effectuate the provisions of this Stipulation;

7 (b) shall be offered against any of the Plaintiffs' Releasees, as evidence of,  
8 or construed as, or deemed to be evidence of any presumption, concession, or  
9 admission by any of the Plaintiffs' Releasees that any of their claims are without merit,  
10 that any of the Defendants' Releasees had meritorious defenses, or that damages  
11 recoverable under the Complaint would not have exceeded the Settlement Amount or  
12 with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any  
13 way referred to for any other reason as against any of the Plaintiffs' Releasees, in any  
14 arbitration proceeding or other civil, criminal, or administrative action or proceeding,  
15 other than such proceedings as may be necessary to effectuate the provisions of this  
16 Stipulation; or

17 (c) shall be construed against any of the Releasees as an admission,  
18 concession, or presumption that the consideration to be given hereunder represents the  
19 amount which could be or would have been recovered after trial;

20 *provided, however,* that if this Stipulation is approved by the Court, the Parties and the Releasees  
21 and their respective counsel may refer to it to effectuate the protections from liability granted  
22 hereunder or otherwise to enforce the terms of the Settlement.

23 **MISCELLANEOUS PROVISIONS**

24 42. All of the exhibits attached hereto are hereby incorporated by reference as though  
25 fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or  
26 inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto,  
27 the terms of the Stipulation shall prevail.  
28

1           43. Each Defendant warrants, as to the payments made or to be made on behalf of  
2 herself or itself only, that at the time of entering into this Stipulation and at the time of such  
3 payment they, or to the best of their knowledge any persons or entities contributing to the payment  
4 of the Settlement Amount, were not insolvent, nor will the payment required to be made by or on  
5 behalf of them render them insolvent, within the meaning of and/or for the purposes of the United  
6 States Bankruptcy Code, including §§ 101 and 547 thereof. This representation is made by each  
7 of the Defendants and not by their counsel.

8           44. In the event of the entry of a final order of a court of competent jurisdiction  
9 determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf  
10 of Defendants to be a preference, voidable transfer, fraudulent transfer or similar transaction and  
11 any portion thereof is required to be returned, and such amount is not promptly deposited into the  
12 Settlement Fund by others, then, at the election of Lead Plaintiffs, the Parties shall jointly move  
13 the Court to vacate and set aside the Releases given and the Judgment or Alternate Judgment, if  
14 applicable, entered in favor of Defendants and the other Releasees pursuant to this Stipulation, in  
15 which event the Releases and Judgment, or Alternate Judgment, if applicable, shall be null and  
16 void, and the Parties shall be restored to their respective positions in the litigation as provided in  
17 ¶ 37(b) above and any cash amounts in the Settlement Fund (less any Taxes paid, due or owing  
18 with respect to the Settlement Fund and less any Notice and Administration Costs actually  
19 incurred, paid or payable) shall be returned as provided in ¶ 37(e) above.

20           45. The Parties intend this Stipulation and the Settlement to be a final and complete  
21 resolution of all disputes asserted or which could be asserted by Lead Plaintiffs and any other  
22 Settlement Class Members against the Defendants' Releasees with respect to the Released  
23 Plaintiffs' Claims. Lead Plaintiffs and Defendants agree that each has complied fully with the  
24 strictures of Rule 11 of the Federal Rules of Civil Procedure, and the proposed Judgment will  
25 contain a statement to reflect this compliance. The Parties agree that the amounts paid and the  
26 other terms of the Settlement were negotiated at arm's length and in good faith by the Parties,  
27 including through a mediation process supervised and conducted by the Mediator, and reflect the  
28 Settlement that was reached voluntarily after extensive negotiations and consultation with

1 experienced legal counsel, who were fully competent to assess the strengths and weaknesses of  
2 their respective clients' claims or defenses.

3 46. While retaining their right to deny that the claims asserted in the Action were  
4 meritorious, Defendants and their counsel, in any statement made to any media representative  
5 (whether or not for attribution), will not assert that the Action was commenced or prosecuted in  
6 bad faith. Likewise, while retaining their right to assert their claims in the Action were meritorious,  
7 Lead Plaintiffs and their counsel, in any statement made to any media representative (whether or  
8 not for attribution) will not assert that Defendants' defenses were asserted in bad faith, nor will  
9 they deny that Defendants defended the Action in good faith. In all events, Lead Plaintiffs and  
10 their counsel and Defendants and their counsel shall not make any accusations of wrongful or  
11 actionable conduct by any Party concerning the prosecution, defense, and resolution of the Action,  
12 and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense  
13 alleged.

14 47. Defendants and any Defendants' Releasees may file the Stipulation and/or the  
15 Judgment in any action that may be brought against them in order to support a defense, claim, or  
16 counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement,  
17 judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar  
18 defense or counterclaim.

19 48. The terms of the Settlement, as reflected in this Stipulation, may not be modified  
20 or amended, nor may any of its provisions be waived, except by a writing signed on behalf of both  
21 Lead Plaintiffs and Defendants (or their successors-in-interest) or their counsel.

22 49. The headings herein are used for the purpose of convenience only and are not meant  
23 to have legal effect.

24 50. The administration and consummation of the Settlement as embodied in this  
25 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the  
26 purpose of entering orders providing for awards of attorneys' fees and Litigation Expenses to  
27 Plaintiffs' Counsel and enforcing the terms of this Stipulation, including the Plan of Allocation (or  
28

1 such other Plan of Allocation as may be approved by the Court) and the distribution of the Net  
2 Settlement Fund to Settlement Class Members.

3 51. The waiver by one Party of any breach of this Stipulation by any other Party shall  
4 not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

5 52. This Stipulation and its exhibits and the Supplemental Agreement constitute the  
6 entire agreement among Lead Plaintiffs and Defendants concerning the Settlement and this  
7 Stipulation and its exhibits. All Parties acknowledge that no other agreements, representations,  
8 warranties, or inducements have been made by any Party hereto concerning this Stipulation, its  
9 exhibits or the Supplemental Agreement other than those contained and memorialized in such  
10 documents.

11 53. This Stipulation and the Supplemental Agreement may be executed in one or more  
12 counterparts, including by signature transmitted via facsimile, or by a .pdf/.tif image of the  
13 signature transmitted via email. All executed counterparts and each of them shall be deemed to be  
14 one and the same instrument.

15 54. Without further order of the Court, the Parties may agree to reasonable extensions  
16 of time to carry out any of the provisions of this Stipulation.

17 55. This Stipulation shall be binding upon and inure to the benefit of the successors and  
18 assigns of the Parties, including any and all Releasees and any corporation, partnership, or other  
19 entity into or with which any Party hereto may merge, consolidate, or reorganize.

20 56. The construction, interpretation, operation, effect, and validity of this Stipulation,  
21 the Supplemental Agreement and all documents necessary to effectuate the Settlement shall be  
22 governed by the internal laws of California without regard to conflicts of laws, except to the extent  
23 that federal law requires that federal law govern.

24 57. Any action arising under or to enforce this Stipulation or any portion thereof shall  
25 be commenced and maintained only in the Court.

26 58. This Stipulation shall be interpreted in a neutral manner and shall not be construed  
27 more strictly against one Party than another merely by virtue of the fact that it, or any part of it,  
28 may have been prepared by counsel for one of the Parties, it being recognized that it is the result

1 of arm's-length negotiations between the Parties and all Parties have contributed substantially and  
2 materially to the preparation of this Stipulation.

3 59. All counsel and any other person executing this Stipulation and any of the exhibits  
4 hereto, or any related Settlement documents, warrant and represent that they have the full authority  
5 to do so and that they have the authority to take appropriate action required or permitted to be  
6 taken pursuant to the Stipulation to effectuate its terms.

7 60. Lead Counsel and Defendants' Counsel agree to cooperate fully with one another  
8 in seeking Court approval of the Preliminary Approval Order and the Settlement, as embodied in  
9 this Stipulation, and to use best efforts to promptly agree upon and execute all such other  
10 documentation as may be reasonably required to obtain final approval by the Court of the  
11 Settlement.

12 61. If any Party is required to give notice to another Party under this Stipulation, such  
13 notice shall be in writing and shall be deemed to have been duly given upon receipt of hand  
14 delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided  
15 as follows:

16 If to Lead Plaintiffs or Lead  
17 Counsel:

Bernstein Litowitz Berger & Grossmann LLP  
Attn: Rebecca E. Boon  
1251 Avenue of the Americas  
New York, NY 10020  
Tel: (212) 554-1400  
Fax: (212) 554-1444  
Email: rebecca.boon@blbglaw.com

21 If to Defendants or Defendants'  
22 Counsel:

Cooley LLP  
Attn: Patrick E. Gibbs  
Brett De Jarnette  
3175 Hanover Street  
Palo Alto, CA 94304-1130  
Tel: (650) 843 5000  
Fax: (650) 849 7400  
Email: pgibbs@cooley.com  
bdejarnette@cooley.com

26 62. Except as otherwise provided herein, each Party shall bear its own costs.  
27  
28

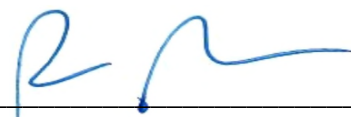
1 63. Whether or not the Stipulation is approved by the Court and whether or not the  
2 Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use  
3 their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts,  
4 documents signed, and proceedings in connection with the Settlement and Stipulation confidential.

5 64. All agreements made and orders entered during the course of this Action relating  
6 to the confidentiality of information shall survive this Settlement.

7 65. No opinion or advice concerning the tax consequences of the proposed Settlement  
8 to individual Settlement Class Members is being given or will be given by the Parties or their  
9 counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation.  
10 Each Settlement Class Member's tax obligations, and the determination thereof, are the sole  
11 responsibility of the Settlement Class Member, and it is understood that the tax consequences may  
12 vary depending on the particular circumstances of each individual Settlement Class Member.

13 **IN WITNESS WHEREOF**, the Parties hereto have caused this Stipulation to be executed,  
14 by their duly authorized attorneys, as of February 6, 2026.

15 **BERNSTEIN LITOWITZ BERGER &  
16 GROSSMANN LLP**

17 

18 REBECCA E. BOON (*pro hac vice*)  
19 (rebecca.boon@blbglaw.com)  
20 SCOTT FOGLIETTA (*pro hac vice*)  
21 (scott.foglietta@blbglaw.com)  
22 ALEC T. COQUIN (*pro hac vice*)  
23 (alec.coquin@blbglaw.com)  
24 JASON P. NAGEL (*pro hac vice*)  
25 (Jason.Nagel@blbglaw.com)  
26 1251 Avenue of the Americas  
27 New York, NY 10020  
28 Tel: (212) 554-1400  
Fax: (212) 554-1444

-and-

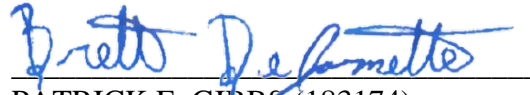
JONATHAN D. USLANER (256898)  
(jonathanu@blbglaw.com)  
2121 Avenue of the Stars, Suite 2575

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Los Angeles, CA 90067  
Tel: (310) 819-3472

*Lead Counsel for Lead Plaintiffs and the  
Settlement Class*

**COOLEY LLP**



---

PATRICK E. GIBBS (183174)  
(pgibbs@cooley.com)  
BRETT DE JARNETTE (292919)  
(bdejarnette@cooley.com)  
JANELLE M. FERNANDES (322217)  
(jfernandes@cooley.com)  
ZIWEI XIAO (314861)  
(zxiao@cooley.com)  
3175 Hanover Street  
Palo Alto, CA 94304-1130  
Tel: (650) 843 5000  
Fax: (650) 849 7400

*Counsel for Defendants*