

Exhibit A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

JEREMY ROSSMEISL AND GUY
LAUTURE, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

No. _____

A.C. MOORE ARTS & CRAFTS, INC.,

Defendant.

JOINT STIPULATION OF SETTLEMENT AND RELEASE

This Joint Stipulation of Settlement and Release (the “Agreement”) is entered into by and between Jeremy Rossmeisl and Guy Lauture (collectively, the “Named Plaintiffs”), individually and on behalf of the class of individuals that they seek to represent (collectively with Named Plaintiffs, “Plaintiffs”), and Defendant A.C. Moore Arts & Crafts, Inc. (“Defendant”) (together with Plaintiffs, the “Parties”).

RECITALS

WHEREAS, the Named Plaintiffs have filed a Collective Action Complaint asserting claims against Defendant under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201 *et seq.*, for the alleged failure to pay overtime compensation to Plaintiffs (the “Litigation”);

WHEREAS, the purpose of this Agreement is to settle fully and finally all claims asserted in the Litigation and those claims that could have been asserted, relating to the non-payment of overtime to individuals employed in the position of Assistant General Managers (“AGMs”), or similar titles, for overtime hours worked between February 8, 2011 and November 27, 2016 in Maine and New York and between February 8, 2014 and November 27, 2016 in all other states.

WHEREAS, Defendant denies all of the allegations made by Named Plaintiffs in the Litigation and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nonetheless, without admitting or conceding any liability or damages whatsoever, Defendant has agreed to settle the Litigation on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation;

WHEREAS, the Parties agreed in February 2016 to engage in negotiation discussions regarding the possibility of a voluntary resolution of the claims asserted in the Litigation;

WHEREAS, on August 24, 2016, the Parties participated in a mediation session of this matter in Philadelphia, Pennsylvania, which was conducted by experienced mediator and former United States District Court judge, Hon. Diane Welsh, and reached an accord resulting in this Agreement; and

WHEREAS, Plaintiffs' Counsel analyzed and evaluated the merits of the claims made against Defendant in the Litigation, conducted interviews with Named Plaintiffs, obtained and reviewed documents relating to Defendant's compensation policies and practices, and analyzed payroll data, and based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation, including the possibility that the Litigation, if not settled now, might not result in any recovery or might result in a recovery less favorable, and that any recovery would not occur for several years, Plaintiffs' Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Plaintiffs,

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties agree to a full and complete settlement of the Litigation on the following terms and conditions.

1. DEFINITIONS

The defined terms set forth in this Agreement have the meanings ascribed to them below.

- 1.1** "Agreement" means this agreement and the exhibits hereto, which the Parties understand and agree set forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.
- 1.2** "Assistant General Manager" or "AGM" means any employee of Defendant who held the position of Assistant General Manager (however variously titled) at any time between February 8, 2011 and November 27, 2016 in Maine and New York and between February 8, 2014 and November 27, 2016 in all other states.
- 1.3** "Claim Forms" shall mean the claim form included in the Settlement Notice, as defined below, for Eligible Settlement Class Members to opt-in to the litigation.
- 1.4** "Claim Period" shall mean: (i) the 45-calendar day period beginning immediately after the Settlement Administrator first mails a Settlement Notice and Claim Form to any of the Eligible Settlement Class Members; or (ii) for individuals receiving a re-mailing, the forty-five (45) days from the Settlement Administrator's last re-mailing of a Settlement Notice and Claim Form that was returned as undeliverable.¹
- 1.5** "Court" means the United States District Court for the District of Massachusetts.
- 1.6** "Defendant" means A.C. Moore Arts & Crafts, Inc.

¹ All time periods provided by this Agreement are stated in calendar days, not business days unless otherwise specifically identified.

- 1.7** “Defendant’s Counsel” means Brown & Connery, LLP and Peabody & Arnold LLP.
- 1.8** “Effective Date” means the date on which this Agreement becomes effective, which shall mean the later of (i) 30 days following the Court’s Order Granting Approval of the Agreement if no appeal is taken of such Order, or (ii) the Court’s entry of a final order and judgment after any appeals are resolved.
- 1.9** “Eligible Settlement Class Member” means any and all current and former employees employed by Defendant in the position of AGM, however variously titled, in the Relevant Period, as defined below.
- 1.10** “Employer Payroll Taxes” means all taxes and withholdings an employer is required to make arising out of or based upon the payment of employment/wage compensation in this Litigation, including FICA, FUTA, and SUTA obligations.
- 1.11** “Gross Settlement Amount” means Two Million and Nine Hundred Thousand Dollars (\$2,900,000.00), which is the maximum amount that Defendant has agreed to pay to fully resolve and settle this Litigation, including any claim for attorneys’ fees and costs approved by the Court; any and all amounts to be paid to Participating Settlement Class Members; the cost of settlement administration; any Court-approved Service Awards; and Employer Payroll Taxes for each Participating Settlement Class Member. Defendant will not be required to pay any more than the gross total of Two Million Nine Hundred Thousand Dollars (\$2,900,000.00). There are exactly 342 Eligible Settlement Class Members.
- 1.12** “Last Known Address” or “Last Known Addresses” means the most recently recorded personal mailing address for an Eligible Settlement Class Member as shown in Defendant’s records.
- 1.13** “Last Known Telephone Number” or “Last Known Telephone Numbers” means the most recently recorded personal mobile and/or home telephone number for an Eligible Settlement Class Member as shown in Defendant’s records.
- 1.14** “Litigation” or the “Lawsuit” or the “Action” mean the lawsuit entitled *Rossmeisl, et al. v. A.C. Moore Arts & Crafts, Inc.*, in the United States District Court for the District of Massachusetts. “Complaint” means the Collective Action Complaint dated February 8, 2017.
- 1.15** “Named Plaintiffs” means Jeremy Rossmeisl and Guy Lauture.
- 1.16** “Net Settlement Fund” means the remainder of the Gross Settlement Amount after deductions/payments for Court-approved: (i) Settlement Administration fees and costs; (ii) Plaintiffs’ Counsel’s attorneys’ fees and costs; and (iii) Service Awards to Named Plaintiffs.
- 1.17** “Order Granting Approval of Settlement” or “Approval Order” means an order entered by the Court, which gives final approval to the Settlement and this Agreement, and enters final judgment.

- 1.18** “Participating Settlement Class Member” means all Eligible Settlement Class Members who timely execute and returns a Claim Form. Named Plaintiffs shall be considered Participating Settlement Class Members regardless of whether they return a timely executed Claim Form.
- 1.19** “Parties” collectively means the Named Plaintiffs and Defendant.
- 1.20** “Plaintiffs” means the Named Plaintiffs and the class of individuals that they seek to represent.
- 1.21** “Plaintiffs’ Counsel” means Outten & Golden LLP, Shavitz Law Group, P.A., and Fair Work, P.C.
- 1.22** “Qualified Settlement Fund” or “QSF” means the account established by the Settlement Administrator from the Gross Settlement Amount paid by Defendant. The QSF will be controlled by the Settlement Administrator subject to the terms of this Agreement and the Court’s order(s). Interest, if any, earned on any monies in the QSF will become part of the Net Settlement Fund.
- 1.23** “Releasees” means Defendant and the other companies that comprise A.C. Moore Arts & Crafts, Inc. and their officers, directors, employees, agents, insurers, successors, predecessors, affiliates, parents, subsidiaries, attorneys, and other related entities.
- 1.24** “Relevant Period” means the time period of each Eligible Settlement Class Member’s employment with Defendant that is eligible for overtime payment pursuant to this Agreement. The Relevant Period covers the time period between February 8, 2011 and November 27, 2016 in Maine and New York and between February 8, 2014 and November 27, 2016 in all other states.
- 1.25** “Settlement” means the settlement between the Parties embodied and contained in this Agreement.
- 1.26** “Settlement Administrator” means Rust Consulting.
- 1.27** “Settlement Amount” or “Settlement Amounts” means each Eligible Settlement Class Member’s proportionate share of the Net Settlement Fund calculated in accordance with this Agreement.
- 1.28** “Settlement Check” means the check issued to each Participating Settlement Class Member for their proportionate share of the Net Settlement Fund calculated in accordance with this Agreement.
- 1.29** “Settlement Notice” means the document entitled Notice of Settlement and Opportunity to Join Collective Action and Claim Form, to be approved by the Court in a form substantially similar to Exhibit B attached hereto.

2. APPROVAL AND NOTICE TO ELIGIBLE SETTLEMENT CLASS MEMBERS

- 2.1** This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Litigation.
- 2.2** The Settlement Administrator will be responsible for establishing a QSF account; preparing and mailing the Settlement Notice and reminder postcards to Eligible Settlement Class Members; creating and maintaining a website containing information about the settlement and a method for Eligible Settlement Class Members to submit Claim Forms; preparing and mailing Settlement Checks; distributing approved Service Awards and attorneys' fees and expenses; calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms; calculating all Settlement Amounts to be paid to Participating Settlement Class Members; retaining and providing a copy of Settlement Checks and redacted Claim Forms signed by the Participating Settlement Class Members to Defendant's Counsel, and a copy of Claim Forms signed by Participating Settlement Class Members to Plaintiffs' Counsel. Disputed claims will be resolved by the Claims Administrator.
- 2.3** The Parties will have equal access to the Settlement Administrator and all information related to the administration of the Settlement, except that identifying information regarding Plaintiffs shall not be disclosed to Plaintiffs' Counsel unless and until such time as an individual submits a Claim Form to the Settlement Administrator. The Settlement Administrator shall provide such information to either Party upon request. The Settlement Administrator will provide regular reports to counsel for the Parties regarding the status of the mailing of the Settlement Notice and Claim Form, the claims administration process, and distribution of the Settlement Checks. The Settlement Administrator will provide a list containing the Names, Last Known Addresses, Last Known Telephone Numbers, social security numbers, and dates of employment for all Participating Settlement Class Members who submitted Claim Forms no later than 14 days after the Claim Period.
- 2.4** Defendant agrees to cooperate with the Settlement Administrator, provide accurate information, to the extent reasonably available, necessary to calculate the Settlement Amounts, and assist the Settlement Administrator in locating Eligible Settlement Class Members. Defendant's records shall be presumed accurate.
- 2.5** The Plaintiffs shall use their best efforts to file a Motion for Order Approving Settlement of Collective Action and Authorizing Notice of Settlement and Opportunity to Join Collective Action ("Approval Motion") no earlier than February 10, 2017. Plaintiffs' Counsel will provide Defendant's Counsel with a draft of the Approval Motion for review and comment at least seven (7) days prior to filing it with the Court, and Defendant's Counsel will provide Plaintiffs' Counsel with their comments within five (5) days of receiving the draft Approval Motion. With the Approval Motion, Plaintiffs' Counsel also will file the Agreement together with the Settlement Notice and Claim Form, attached hereto as Exhibits A and B, respectively. Among other things, the Approval Motion will ask the Court to: (i) issue and enter an Approval Order approving

the Settlement as fair, adequate, and reasonable; (ii) approve the proposed Settlement Notice to be sent to Eligible Settlement Class Members and the Settlement Notice distribution process; (iii) incorporate the terms of this Settlement; (iv) enter Judgment dismissing the case without prejudice, with leave to reinstate on or before 180 days after the first Settlement Notices are sent pursuant to the terms of the Settlement, and deemed with prejudice without further order of the Court if no such motion to reinstate is filed within that time; and (v) retain jurisdiction to enforce the Agreement.

- 2.6** By February 22, 2017, Defendant shall give the Settlement Administrator a list, in electronic form, of all Eligible Settlement Class Members' names, Last Known Addresses, Last Known Telephone Numbers, social security numbers, and the dates of employment during the Relevant Period ("Class List").
- 2.7** Settlement Notices will be mailed, via First Class United States Mail (with an enclosed, postage paid return envelope) to Eligible Settlement Class Members by the Settlement Administrator within twenty (20) days of the Effective Date. The Settlement Notice will advise Eligible Settlement Class Members of their estimated Settlement Amount and of a website where they can submit their Claim Form and review additional information regarding the Settlement. Before mailing the Settlement Notice to Eligible Settlement Class Members, the Settlement Administrator will perform a skip trace on all Eligible Settlement Class Members' addresses to obtain the most current address for each Eligible Settlement Class Member.
- 2.8** The Settlement Administrator shall take all reasonable steps to obtain the correct address for any Eligible Settlement Class Member or Participating Settlement Class Member for whom the Settlement Notice or Settlement Check, respectively, is returned by the post office as undeliverable, including using social security numbers to obtain better address information, and shall attempt re-mailings. Any Settlement Notices or Settlement Check returned as undeliverable shall be traced up to one time to obtain a new address and be re-mailed by First Class United States Mail.
- 2.9** The Settlement Administrator will also send reminder postcards via First Class U.S. Mail twenty-one (21) days after the initial mailing or, for those Eligible Settlement Class Members who receive a re-mailing, twenty-one (21) days after the re-mailing of the Settlement Notice to any Eligible Settlement Class Members who, at the time of mailing the reminder postcard, have not returned an executed Claim Form. The reminder postcards will advise Eligible Settlement Class Members of the last date on which they can timely return a Claim Form and of the website where they can submit their Claim Form and review additional information regarding the Settlement.
- 2.10** The submission and processing of Claim Forms from Eligible Settlement Class Members shall be in accordance with the following procedures.
- i. To be timely, a Claim Form must be completed and provide the information as instructed on the Claim Form and be signed, dated and postmarked or otherwise returned (via, for example, fax, e-mail, or online submission) to the Settlement Administrator within the Claim Period.

Claim Forms that are not timely returned are null and void, unless otherwise agreed to in writing by the Parties, if good cause is determined by the Claims Administrator, or approved by the Court.

- ii. If a Claim Form is returned to the Settlement Administrator and not properly completed as described above, within five (5) business days of its receipt, the Settlement Administrator shall send a notice to the relevant Eligible Settlement Class Member via First Class United States Mail and e-mail (if available) advising the Eligible Settlement Class Member of the defects (“Cure Letter”) and include a new Claim Form to be completed (with an enclosed, postage paid return envelope). The Settlement Administrator shall provide Plaintiffs’ Counsel with a copy of the Cure Letter for approval prior to its issuance. The Eligible Settlement Class Member shall then have the remainder of the Claim Period or fifteen (15) days from mailing of the Cure Letter (“Cure Period”), whichever is longer, to return the new Claim Form and provide the missing information. If a Claim Form is not received within that period, the Claim Form shall be null and void, unless otherwise agreed to in writing by the Parties, approved by the Court, or approved by the Claims Administrator on a case-by-case basis for good cause shown.
- iii. By the close of the Claim Period, Eligible Settlement Class Members for whom a Claim Form has not been returned to the Claims Administrator or whose Claim Form is not a valid Claim Form in compliance with this Section are not Participating Settlement Class Members and do not release their claims against the Releasees as described in Section 4 below, but do waive any right to receive any payment associated with the Settlement.

2.11 Plaintiffs’ Counsel and Defendant’s Counsel have the right to make inquiries and receive any information from the Settlement Administrator related to the claims administration process, except that Defendant’s Counsel is not entitled to updated contact information located by Settlement Administrator for Eligible Settlement Class Members or provided by Participating Settlement Class Members, or communications sent to and from Eligible Settlement Class Members as such communications are subject to the attorney-client privilege. The Settlement Administrator will periodically update Plaintiffs’ Counsel and Defendant’s Counsel regarding returned mailings for which it is unable to obtain corrected addresses.

2.12 In the event that the Court fails to approve this Agreement, the Parties (a) must attempt to renegotiate the Settlement for the purpose of obtaining Court approval of a renegotiated settlement and agreement (b) and/or any or all Parties may seek reconsideration or appellate review of the decision denying approval of the Agreement. In the event reconsideration and/or appellate review is denied, or a mutually agreed-upon settlement modification is not approved, and the Parties decide to forego further negotiation of a settlement, the Litigation will proceed as if no settlement had been attempted. In that event, nothing in the Settlement or Agreement may be used by or against any Party under Rule 408 of the Federal Rules of Evidence.

3. SETTLEMENT TERMS

3.1 Settlement Payments.

- i. Defendant agrees to pay Two Million Nine Hundred Thousand Dollars (\$2,900,000.00), which shall fully resolve and satisfy any and all amounts to be paid to Participating Settlement Class Members, any Court-approved Service Awards as more fully set forth herein, the Settlement Administrator's fees and costs, any claim for Plaintiffs' Counsel's fees and costs, and Employer Payroll Taxes for each Participating Settlement Class Member. Defendant will not be required to pay more than this amount under the terms of this Agreement.
- ii. Within one (1) day of the Effective Date, Defendant shall deposit the Gross Settlement Amount into the QSF.
- iii. Within ten (10) days of the Effective Date, the Settlement Administrator will partially distribute the money in the QSF by making the following payments:
 - (a) Paying Plaintiffs' Counsel's Court-approved attorneys' fees and costs as described in Section 3.2.
 - (b) Paying the Court-approved Service Awards as described in Section 3.3.
 - (c) Paying the costs of the Settlement Administrator as described in Section 3.1.
- iv. The Settlement Administrator will issue checks to Participating Settlement Class Members for their Settlement Amounts, as described in Section 3.4, within twenty-one (21) days after the Claim Period.
- v. Each Eligible Settlement Class Member's Settlement Amount will be printed on his or her Settlement Notice. Any amount of the Net Settlement Fund not claimed by Eligible Settlement Class Members will not be paid. Any and all amounts attributable to Eligible Settlement Class Members who do not opt in shall revert to Defendant.

3.2 Settlement Amounts Payable as Attorneys' Fees and Costs.

- i. In their Approval Motion, Plaintiffs' Counsel shall ask the Court to approve payment of one-third of the Gross Settlement Amount as an award of attorneys' fees. In addition, Plaintiffs' Counsel shall seek reimbursement of actual case-related costs and expenses from the Gross Settlement Amount. These amounts shall constitute full satisfaction of any claim for attorneys' fees or costs, and Plaintiffs agree that they shall not seek, nor be entitled to, any additional attorneys' fees or costs under

any theory or from any source, incurred in relation to this case other than for any fees and costs incurred related to any efforts to enforce the terms of this Agreement.

- ii. The substance of Plaintiffs' Counsel's application for attorneys' fees and costs is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement and this Agreement. The outcome of any proceeding related to Plaintiffs' Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise affect the Court's ruling on the Approval Motion. In the event that the Court (or any appellate court) awards less than the requested amounts, only the awarded amounts shall be paid and shall constitute full satisfaction of the obligations of this Section and full payment hereunder. Any money requested for attorneys' fees or costs that are not approved by the Court shall become part of the Net Settlement Fund.

3.3 Service Awards to Named Plaintiffs.

- i. In their Approval Motion, Named Plaintiffs will apply to the Court to receive \$15,000 each from the Gross Settlement Amount for the services they rendered to the Settlement Class.
- ii. These Service Awards and any requirements for obtaining any such payment are separate and apart from, and in addition to, Named Plaintiffs' recovery from the Net Settlement Fund as an Eligible Settlement Class Member. The substance of the Named Plaintiffs' application for a Service Award is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy and good faith of the Settlement and this Agreement. The outcome of the Court's ruling on the application for a Service Award shall not terminate this Agreement or otherwise affect the Court's ruling on the Approval Motion. Any Service Award money not approved by the Court shall become part of the Net Settlement Fund.

3.4 Distribution of Payments to Participating Settlement Class Members.

- i. Payments to Participating Settlement Class Members will be made from the Net Settlement Fund. To be a Participating Settlement Class Member and receive a Settlement Check, each Eligible Settlement Class Member must fill out and timely submit a Claim Form, as outlined in Section 2.10. The estimated Settlement Amount for each Eligible Settlement Class Member will be determined by the Settlement Administrator pursuant to the following formula:
 - (a) Each Eligible Settlement Class Member, including the Named Plaintiffs, shall be assigned one point for each full week in which

the individual was employed as an AGM during the Relevant Period.

- (b) To calculate each Eligible Settlement Class Member's proportionate Settlement Amount:
1. Add all points for all Eligible Settlement Class Members together to obtain the "Denominator";
 2. Divide the number of points for each Eligible Settlement Class Member by the Denominator to obtain each Eligible Settlement Class Members' "Portion of the Net Settlement Fund";
 3. Multiply each Eligible Settlement Class Member's Portion of the Net Settlement Fund by the Net Settlement Fund to determine each Eligible Settlement Class Member's Settlement Amount.
- ii. The Settlement Administrator's calculations regarding Eligible Settlement Class Members' Settlement Amounts from the Net Settlement Fund will be final and binding.
- iii. The Settlement Administrator shall use reasonable efforts to make an additional mailing to Participating Settlement Class Members whose checks are returned because of incorrect addresses. Such efforts shall include: (a) obtaining correct addresses as described in Section 2.8; (b) using social security numbers to obtain better address information; and/or (c) attempting to reach Participating Settlement Class Members by phone and/or e-mail.
- iv. Participating Settlement Class Members shall have one hundred twenty (120) days following the issuance of Settlement Checks to negotiate their Settlement Checks. Any Settlement Checks not cashed within that period shall become void and the Settlement Administrator shall issue a "stop payment" thereon. Any such voided checks shall become a part of the reversion to Defendant. The Settlement Administrator shall issue a reminder postcard via e-mail and First Class United States Mail sixty (60) days after issuance of Settlement Checks to those Participating Settlement Class Members who, at the time of mailing the reminder postcard, have yet to negotiate their Settlement Checks, reminding them of the deadline to negotiate their Settlement Checks.
- v. Defendant's Payroll Tax Responsibility and Tax Characterization of Payments.
- (a) For tax purposes, 50% of the payment to a Participating Settlement Class Member pursuant to this Agreement shall be treated as back

wages and 50% of such payment shall be treated as interest, any applicable penalties, liquidated damages and other non-wage relief.

- (b) Defendant's share of payroll taxes shall come out of the Gross Settlement Amount.
- (c) Payments treated as back wages shall be made net of all applicable employment taxes, including, without limitation, federal, state and local income tax withholding and the employee share of the FICA tax, and shall be reported to the Internal Revenue Service ("IRS") and the payee under the payee's name and Social Security number on an IRS Form W-2. Payments treated as Service Awards, interest and/or liquidated damages shall be made without withholding and shall be reported to the IRS and the payee, to the extent required by law, under the payee's name and Social Security number on an IRS Form 1099. The Settlement Administrator shall be responsible for determining the appropriate number of exemptions to be used in calculating payroll tax and withholding, deciding the appropriate tax rate, issuing the Settlement Checks and Service Awards and issuing IRS Forms W-2 and Forms 1099. Payments of attorneys' fees and costs pursuant to Section 3.2 shall be made without withholding, and be reported to the IRS and to each of Plaintiffs' Counsel payees under the payee's name and taxpayer identification number, which each such payee shall provide for this purpose, on an IRS Form 1099.
- (d) The employee portion of all applicable income and payroll taxes will be the sole responsibility of the individual Participating Settlement Class Member receiving a Settlement Check or Service Award. The Parties make no representations, and it is understood and agreed that the Parties have made no representations, as to the taxability of any portions of the settlement payments to any Participating Settlement Class Members, the payment of any costs or award of attorneys' fees, or any payments to the Named Plaintiffs. The Settlement Notice will advise Eligible Settlement Class Members to seek their own tax advice prior to acting in response to that Settlement Notice. Neither Plaintiffs' Counsel nor Defendant's Counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor will it be relied upon as such.
- (e) None of the amounts paid to the Named Plaintiffs or Participating Settlement Class Members shall create any credit for, be included in, or otherwise affect the calculation or the accrual of any employee benefits in any plans, programs, agreements or policies sponsored, maintained or contributed to by Defendant, including for purposes of any bonus of any kind.

4. RELEASE OF CLAIMS

- 4.1** All Settlement Checks shall contain, on the back of the check, the following limited endorsement:

By accepting this payment, I waive any right to bring suit for back wages under the Fair Labor Standards Act and all other applicable state and local laws for overtime wages claims through November 27, 2016. I agree that by accepting this payment, I have settled my claims for any unpaid wages, liquidated damages, interest, and associated fees and penalties through the date of my signature to endorse this check.

- 4.2** Release by Participating Settlement Class Members: Conditioned upon the Court's entry of an Approval Order, and in exchange for the monetary consideration recited in this Agreement, all Participating Settlement Class Members shall release Releasees from: (i) all wage and hour claims from February 8, 2011 through November 27, 2016 in Maine and New York and from February 8, 2014 through November 27, 2016 in all other states under the FLSA or any state Wage and Hour law, whether known or unknown, that were or could have been asserted in the Litigation and/or this matter, arising from that Participating Settlement Class Member's employment as an AGM during that period of time; and (ii) all claims for wages, penalties, liquidated damages, interest, attorneys' fees, costs or litigation expenses based on the claims listed in (i) above. The claims being released are referred to in this Agreement as "Released Claims".
- 4.3** Any Eligible Settlement Class Member who does not timely execute and return a Claim Form will not be bound by any release of claims.
- 4.4** Release by Named Plaintiffs: All Named Plaintiffs who receive and accept a Service Award will additionally waive, release and discharge Releasees from all demands, claims and actions, whether known or unknown, relating to their employment or termination of employment with Defendant, including but not limited to claims under the Americans With Disabilities Act, National Labor Relations Act, Fair Labor Standards Act (including but not limited to claims for overtime compensation), Equal Pay Act, Employee Retirement Income Security Act of 1974, Worker Adjustment and Retraining Notification Act, Title VII of the Civil Rights Act of 1964, Civil Rights Acts of 1866, 1871 and 1991, Family and Medical Leave Act, and any other federal, state or local statute, regulation, and order, and in common law, through the date the respective Named Plaintiff signs this Agreement; provided, however, that Named Plaintiffs do not waive the right to file a charge or complaint with any administrative agency but they do waive any right to recover any damages or other personal relief based on any demand, claim or action waived in this Paragraph brought on their own behalf or by any third party, including as a member of any collective or class action. Named Plaintiffs do not release any claim that cannot be released as a matter of law or rights under this Agreement.
- 4.5** By signing the Agreement, Named Plaintiffs become parties to the Agreement.

5. TOLLING AGREEMENT

- 5.1** The Parties tolled the statutes of limitations for AGMs with respect to FLSA claims and state law wage and hour claims by agreement dated February 22, 2016 (“Tolling Agreement”). The Tolling Agreement shall remain in effect until the Effective Date. Upon the Effective Date, the Tolling Agreement shall be cancelled *nunc pro tunc* without any further force or effect as though the Parties never entered into it. However, nothing in this Section shall be construed to limit the definition of “Eligible Settlement Class Members” herein or to reduce Eligible Settlement Class Members Settlement Amounts as defined herein.

6. PARTIES’ AUTHORITY

- 6.1** The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions hereof.

7. MUTUAL COOPERATION

- 7.1** The Parties agree to reasonably cooperate with each other and to take all steps necessary and appropriate to obtain the Court’s approval of this Agreement and all of its terms and to effectuate the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their commercially reasonable efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, and in accordance with its terms, Plaintiffs’ Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court’s approval of this Agreement.

8. NOTICES

- 8.1** Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiffs and/or Settlement Class:

Justin M. Swartz
Outten & Golden LLP
685 Third Avenue, 25th Floor
New York, NY 10017
(212) 245-1000
(646) 509-2057 (facsimile)
jms@outtengolden.com

Gregg I. Shavitz

Shavitz Law Group, P.A.
1515 South Federal Hwy.
Suite 404
Boca Raton, FL 33432
(561) 447-8888
(561) 447-8831 (facsimile)
gshavitz@shavitzlaw.com

Hillary Schwab
Fair Work, P.C.
192 South Street
Suite 450
Boston MA 02111
hillary@fairwork.com

To Defendant:

Christine O’Hearn
Brown & Connery
360 N Haddon Ave.
Westmont, NJ 08108
cohearn@brownconnery.com

Elizabeth Houlding
Peabody & Arnold LLP
Federal Reserve Plaza
600 Atlantic Avenue
Boston, MA 02210

9. NO ADMISSION OF LIABILITY

9.1 Defendant denies all of the allegations made by Named Plaintiffs in the Litigation and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nothing herein will be deemed or used as an admission that a class should be certified for any purposes other than for settlement. Nonetheless, without admitting or conceding any liability or damages whatsoever, Defendant has agreed to settle the Litigation on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation.

10. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS

10.1 Further Acts. Each party, upon the request of any other party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

- 10.2** No Assignment. Named Plaintiffs represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein, including, but not limited to, any interest in the Litigation, or any related action, and any attempt to do so shall be of no force or effect.
- 10.3** Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement.
- 10.4** Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Defendant, their affiliates, parents, subsidiaries, predecessors, successors, employees and agents; and, with respect to Plaintiffs, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys and assigns.
- 10.5** Arms' Length Transaction; Materiality of Terms. The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.
- 10.6** Captions. The captions or headings of the Sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.
- 10.7** Construction. The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each party participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any party by virtue of draftsmanship.
- 10.8** Governing Law. This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of Massachusetts, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.
- 10.9** Continuing Jurisdiction. The Court shall retain jurisdiction over the interpretation and implementation of this Agreement as well as any and all matters arising out of, or related to, the interpretation or implementation of this Agreement and of the Settlement contemplated thereby.
- 10.10** Waivers, etc. to Be in Writing. No waiver, modification or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification or amendment, with any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall

have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement

10.11 Counterparts. The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.

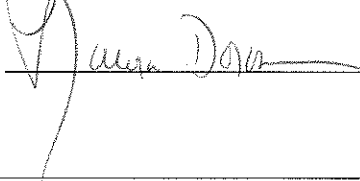
10.12 Facsimile and E-mail Signatures. Any party may execute this Agreement by signing, including by electronic means, or by causing its counsel to sign on the designated signature block below and transmitting that signature page via facsimile or e-mail to counsel for the other party. Any signature made and transmitted by facsimile or e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party whose counsel transmits the signature page by facsimile or e-mail.

10.13 Signatories. This Agreement is valid and binding if signed by Defendant's authorized representative and any one of the Named Plaintiffs.

WE AGREE TO THESE TERMS.

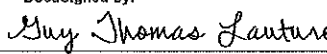
DATED: 2/22/2017

A.C. MOORE ARTS & CRAFTS, INC.

By: 

DATED: 2/8/2017

GUY LAUTURE

DocuSigned by:

95FC90109663458...

DATED: _____

JEREMY ROSSMEISL

have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement

10.11 Counterparts. The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.

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WE AGREE TO THESE TERMS.

DATED: _____

A.C. MOORE ARTS & CRAFTS, INC.

By: _____

DATED: _____

GUY LAUTURE

DATED: 2/7/2017

JEREMY ROSSMEISL

DocuSigned by:
Jeremy Rossmeisl
CA44DE35BF264A9...

Exhibit A

EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS
Rossmeisl v. A.C. Moore Arts & Crafts, Inc., No. 17 Civ. 10219 (D. Mass.)

**OFFICIAL COURT NOTICE OF SETTLEMENT AND OPPORTUNITY
TO JOIN COLLECTIVE ACTION**

[NAME]
[ADDRESS]
[CITY, STATE ZIP]

If you were an Assistant General Manager employed by A.C. Moore Arts & Crafts, Inc. you may be entitled to a payment from a collective action settlement.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- This notice pertains to any individual employed by A.C. Moore Arts & Crafts, Inc. (“A.C. Moore”), as an Assistant General Manager (“AGM”), between February 8, 2011 and November 27, 2016 in Maine and New York and between February 8, 2014 and November 27, 2016 in all other states.
- Two former AGMs have sued A.C. Moore, alleging that A.C. Moore misclassified AGMs as exempt from overtime under federal and state laws and failed to pay them overtime compensation for all hours worked in excess of 40 per workweek. A.C. Moore denies these allegations and the Court has not made any ruling on the merits of Plaintiffs’ claims. The parties have entered into a settlement with the intention to avoid further disputes and litigation with their attendant inconvenience and expense.
- You are receiving this Notice because A.C. Moore’s records indicate you were employed as an AGM during the period covered by the lawsuit, and therefore you are eligible to participate in the settlement.
- Based on the formula discussed below, the total individual settlement amount you may be entitled to receive is estimated to be approximately \$[AMOUNT], subject to deductions for applicable taxes.
- As described more fully below, to participate in the settlement, you must submit a properly completed Consent to Join Settlement, Release, and Claim Form (“Claim Form”) to the Settlement Administrator so that it is post-marked or received by fax, email, or online submission by [45 DAYS FROM DATE OF MAILING]. If you fail to timely return a Claim Form post-marked or otherwise received by [45 DAYS FROM DATE OF MAILING], you will not receive any money from the settlement.

Your legal rights may be affected, and you have a choice to make:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
RETURN THE CLAIM FORM	By returning a properly completed Claim Form postmarked or otherwise received by [45 days from the mailing of Notice] , you agree to participate in the settlement, receive a monetary settlement payment, and release your state and federal wage and hour claims.
DO NOT RETURN THE CLAIM FORM	If you do not wish to participate in or be bound by the settlement, you should not return the Claim Form. If you do not timely return a properly completed Claim Form, you will not receive a monetary settlement payment and will not release your claims.

These rights and options – **and the deadlines to exercise them** – are explained in this Notice.

BASIC INFORMATION**1. WHY DID I GET THIS NOTICE?**

- A.C. Moore’s records state that you worked as an AGM during the period covered by the lawsuit: between February 8, 2011 and November 27, 2016 in Maine and New York and between February 8, 2014 and November 27, 2016 in all other states.

The Court ordered that you be sent this notice because you have a right to know about the settlement of a collective action lawsuit in which you are eligible to participate. This notice explains the lawsuit, the settlement, your legal rights, and what benefits are available.

The Court overseeing this case is the United States District Court for the District of Massachusetts. This lawsuit is known as *Rossmesl, et al. v. A.C. Moore Arts & Crafts, Inc.*, No. 17 Civ. 10219. The people who filed the lawsuit are called the “Plaintiffs.” A.C. Moore is called the “Defendant.”

2. WHAT IS THIS LAWSUIT ABOUT AND WHY IS THERE A SETTLEMENT?

The lawsuit is about whether, during the period covered by the lawsuit, A.C. Moore improperly classified AGMs as exempt employees who are not entitled to receive overtime under federal and state wage and hour laws and failed to pay them overtime premium pay for the time they worked in excess of 40 hours a week.

Defendant denies that it did anything wrong and believes that, during the period covered by the lawsuit, AGMs have been properly compensated as employees who are exempt from overtime. However, to avoid the burden, expense, and uncertainty of continuing litigation, the parties have agreed to this settlement. The Court has not made any ruling on the merits of the Plaintiffs’ claims, and no party has prevailed in this action.

3. WHAT IS A COLLECTIVE ACTION?

In a “collective action,” one or more people called “Named Plaintiffs” sue on behalf of people who have similar claims. However, the other employees who have similar claims do not become part of the collective action until they “opt in” to the lawsuit. You may “opt in” to the lawsuit and participate in the settlement by returning the enclosed Claim Form. If you timely return the enclosed Claim Form, you will receive a settlement check.

4. WHAT ARE THE TERMS OF THE SETTLEMENT AGREEMENT?

A.C. Moore has agreed to pay \$2,900,000.00 into a fund to settle the lawsuit and compensate AGMs who are covered by the settlement. The Court has also approved the following payments from the fund: (i) attorneys’ fees and costs, in the amount of one-third of the settlement fund, plus reasonable out-of-pocket costs; (ii) service awards to the Named Plaintiffs, in the aggregate amount of \$30,000, in recognition of the risks they took and their service to the collective; and (iii) Settlement Administrator’s fees and costs, not to exceed \$ 29,000.

5. HOW MUCH WILL MY PAYMENT BE AND HOW WAS IT CALCULATED?

Based on the formula that has been approved by the Court, you will receive approximately \$**[AMOUNT]**.

Half of this payment is subject to deductions for applicable taxes and withholdings like any other paycheck, for which you will receive a W-2, and half of the payment will be reported on a 1099.

The allocation formula takes into account the number of weeks you worked as an AGM during the period covered by the settlement. The Settlement Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by contacting the Settlement Administrator at the address listed below.

Plaintiffs’ Counsel and Defendant’s Counsel do not make any representations concerning the tax consequences of this settlement or participation in it, and you are advised to seek your own personal tax advice prior to acting in response to this notice.

6. HOW DO I MAKE A CLAIM?

In order to join in the lawsuit and receive a payment under the settlement, you must complete, sign and mail, fax, or e-mail the enclosed Claim Form to the Settlement Administrator at the address listed below. You may return your Claim Form using the enclosed postage-paid envelope addressed to the Settlement Administrator. You also may join this lawsuit by signing an electronic Claim Form at **[WEBSITE]**, a site hosted by **[SETTLEMENT ADMINISTRATOR]**. If you sign electronically, your Claim Form automatically will be delivered via email to the law firms representing the Plaintiffs. **Your Claim Form must be postmarked by or received through the website, by facsimile, or email no later than [45 DAYS AFTER THE DATE NOTICE WAS SENT].**

The **Settlement Administrator** – to whom all Claim Forms and questions should be directed – is:

A.C. Moore Arts & Crafts, Inc. Settlement

<ADDRESS>

<PHONE>

<FAX>

<WEBSITE>

<E-MAIL>

The Settlement Administrator will issue settlement checks to all AGMs who return timely Claim Forms approximately 21 days after the claim period ends. You will have 120 calendar days after the date your settlement check is issued to negotiate and cash your settlement check.

7. WHAT IS THE LEGAL EFFECT OF THE SETTLEMENT?

If you return a properly completed Claim Form, you will become part of the collective action settlement. Once you become part of the settlement, you cannot sue, continue to sue, or be a party in any other lawsuit against A.C. Moore and other Releasees about any Released claims, as explained below. It also means that all of the Court's orders in this case will apply to you and legally bind you.

The "Releasees" are A.C. Moore and its officers, directors, employees, agents, insurers, successors, predecessors, affiliates, parents, subsidiaries, attorneys, and other related entities.

- The "Released claims" are (i) all wage and hour claims from February 8, 2011 through November 27, 2016 in Maine and New York and from February 8, 2014 through November 27, 2016 in all other states under federal and any state's wage and hour laws, that were or could have been asserted in the Litigation and/or this matter, arising from your employment as an AGM during that period of time; and (ii) all claims for wages, penalties, liquidated damages, interest, attorneys' fees, costs or litigation expenses based on the claims listed in (i) above.

8. DO I HAVE A LAWYER IN THIS CASE?

The law firms of Outten & Golden LLP, Shavitz Law Group, P.A., and Fair Work, P.C. have been designated as legal counsel to represent you and other AGMs who participate in the settlement. You will not be charged separately for these lawyers. Their fees will be paid from the total settlement fund (as explained in Section 4 above).

9. HOW CAN I GET MORE INFORMATION?

If you have additional questions about this Notice or want more information, you can contact the Settlement Administrator, or Plaintiffs' Counsel at the addresses and/or telephone numbers below.

Justin M. Swartz
Outten & Golden LLP
685 Third Avenue, 25th Floor
New York, NY 10017
(212) 245-1000
(646) 509-2057 (facsimile)
jms@outtengolden.com

Gregg I. Shavitz
Shavitz Law Group, P.A.
1515 South Federal Hwy.
Suite 404
Boca Raton, FL 33432
(561) 447-8888
(561) 447-8831 (facsimile)
gshavitz@shavitzlaw.com

Dated: [INSERT DATE]

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

-----:

JEREMY ROSSMEISL AND GUY LAUTURE, on behalf of :

themselves and all others similarly situated, : No. 17 Civ. 10219

:

Plaintiffs, :

:

- against - :

:

A.C. MOORE ARTS & CRAFTS, INC., :

:

Defendant. :

-----:

CONSENT TO JOIN SETTLEMENT, RELEASE, AND CLAIM FORM

The form must be returned to the Settlement Administrator so that it is postmarked or received by facsimile, email, or online submission by [45 DAYS FROM DATE OF MAILING].

I hereby consent and opt-in to become a plaintiff for settlement purposes in a lawsuit brought under the Fair Labor Standards Act (“FLSA”), *Rossmisl, et al. v. A.C. Moore Arts & Crafts, Inc.*, No. 17 Civ. 10219. I consent and agree to be bound by any adjudication of this action by the Court. I further agree to be bound by the collective action settlement approved by the Court. I hereby designate the law firms of Outten & Golden LLP, Shavitz Law Group, P.A., and Fair Work, P.C. to represent me in this action. I understand that if I return this Claim Form, I will fully release A.C. Moore and its officers, directors, employees, agents, insurers, successors, predecessors, affiliates, parents, subsidiaries, attorneys, and other related entities (the “Releasees”) from all claims, through November 27, 2016, related to overtime or overtime pay under the FLSA or any state wage and hour law, that were or could have been asserted in this lawsuit, arising from my employment as an Assistant General Manager through November 27, 2016, and all claims for wages, penalties, liquidated damages, interest, attorneys’ fees, costs or litigation expenses, related to such claims. I understand that I am solely responsible for any and all state and/or federal taxes which arise as a result of the payment of settlement proceeds to me, and that that neither Plaintiffs’ Counsel, Defendants’ Counsel, or A.C. Moore Arts & Crafts, Inc. have made any representations as to the taxability of any portions of the payment of settlement proceeds to me.

_____	_____	_____
Name	Signature	Date

*Street Address

*City, State and Zip Code

*Telephone Number

*Email Address

*This information will be redacted and will not be filed with the Court.