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15
16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
17 **COUNTY OF LOS ANGELES, CENTRAL DISTRICT**

18 **ADEOYE FADIYA**, on behalf of himself and
others similarly situated,

19 Plaintiffs,

20 vs.

21 **COURIERRX, LLC; ANCILLARY**
22 **PROVIDER SERVICES, INC.; and DOES**
1-50,

23 Defendants.

Case No. 20STCV07220

[Assigned to Hon. Elihu M. Berle for all
purposes, Dept. 6]

**STIPULATION OF SETTLEMENT AND
RELEASE**

Action Filed: February 25, 2020
Trial Date: None

1 his PAGA claim on March 18, 2020 (the "PAGA Notice").

2 Dear was prepared to file his PAGA action in Los Angeles Superior Court after the notice
3 period under PAGA expired. However, before filing, the Parties entered into a tolling agreement
4 pending efforts at early mediation, through which the Parties agreed that the statute of limitations
5 for filing litigation concerning the PAGA claims shall be tolled for a period beginning on April 1,
6 2020, ending fourteen (14) calendar days after written notification from any Party. The tolling
7 agreement has not been terminated.

8 As part of this Settlement, the Parties agreed that Fadiya would seek leave to file a Second
9 Amended Complaint ("SAC" or "Operative Complaint") to add Plaintiffs Dear as a named class
10 representative and add a tenth cause of action for penalties under the PAGA.

11 Defendants deny all of Plaintiffs' claims and allegations in this Lawsuit. Defendants
12 expressly deny any and all charges of wrongdoing or liability arising out of the acts, omissions,
13 facts, matters, transactions, or occurrences alleged, or that could have been alleged, in the Lawsuit.
14 Defendants contend that they have complied with applicable state and federal laws, including but
15 not limited to classifying their couriers correctly as independent contractors, providing adequate
16 meal breaks and making rest periods available, paying all wages owed, issuing accurate, itemized
17 wage statements, and timely paying its all wages owed upon termination. Defendant SNP
18 additionally denies any contractual relationship with the couriers. Defendants also deny that they
19 owe Plaintiffs and/or the Settlement Class any additional wages, damages, penalties or any other
20 remedies. Defendants further deny that the asserted claims are appropriate for class action treatment
21 under California Code of Civil Procedure § 382 except pursuant to a settlement.

22 **Section 1.2 Parties' Statements and Recognition of the Benefits of the Settlement**

23 Class Counsel has investigated the facts of the Lawsuit and Plaintiffs' and Settlement Class
24 Members' claims, through formal discovery, informal disclosures between the Parties, and other
25 investigations undertaken by Plaintiffs' Counsel. Furthermore, the Parties engaged in extensive
26 arms-length negotiations and exchanges of data, documents and information in mediation with
27 mediator Hon. Jeffrey Winikow (ret.), on September 9, 2020. As a result, Class Counsel concluded
28 that the Settlement Agreement is fair, reasonable and adequate and is in the best interest of the

1 Settlement Class in light of all known facts and circumstances, including the likely damages, risk of
2 significant delay, risk that the Lawsuit would not proceed on a class action basis, defenses asserted
3 by Defendants, and numerous potential appellate issues.

4 Defendants deny each and all of the claims in this Lawsuit. Nevertheless, Defendants have
5 concluded that further conduct of the Lawsuit would be protracted and expensive. Defendants,
6 therefore, have determined that it is desirable and beneficial that the Lawsuit be settled in a manner
7 and upon the terms and conditions set forth in the Settlement Agreement. Neither this Settlement
8 Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out
9 this Settlement Agreement is, may be construed as, or may be used as, an admission, concession, or
10 indication by or against Defendants of any fault, wrongdoing or liability whatsoever.

11 **II. TERMS OF THE SETTLEMENT AGREEMENT**

12 IT IS HEREBY STIPULATED AND AGREED by and among Plaintiffs (for themselves
13 and the Settlement Class) and Defendants, by and through their respective undersigned attorneys,
14 that: subject to final approval by the Court, the Lawsuit will be finally and fully compromised,
15 released, resolved, discharged, and settled, and will be dismissed in its entirety with prejudice,
16 subject to the terms and conditions of this Settlement Agreement, as follows:

17 **Section 2.1 Definitions**

18 As used in this Settlement Agreement, the following terms have the meanings specified
19 below:

20 “Administrative Costs” means the estimated reasonable cost by the Settlement
21 Administrator for carrying out all obligations as detailed in this stipulation and ordered by the court,
22 including but not limited to providing Notice, various efforts to locate class members, calculating
23 payroll taxes owed by Defendants, administering and ensuring proper tax treatment of all
24 distributions of the Gross Settlement Fund (including but not limited to payment of all payroll taxes),
25 establishing and maintaining escrow accounts for all funding obligations provided for herein
26 (including but not limited to any and all fees associated with the accounts and transfers to and from
27 the accounts), administering payments to Plaintiffs, Verified Settlement Class Members (defined
28 below), to the Labor and Workforce Development Agency, and to Class Counsel.

1 “Attorneys’ Fees and Costs” refers to the fees and costs to be paid to Class Counsel
2 under Section 2.4(b) of this Settlement Agreement.

3 “Class Counsel” means the attorneys representing Plaintiffs in this Lawsuit: Jeremy
4 Bollinger, Esq., Ari E. Moss, Esq., and Dennis F. Moss, Esq., of Moss Bollinger, LLP, 15300
5 Ventura Boulevard, Suite 207, Sherman Oaks, California 91403.

6 “Class Period” shall mean the period from February 25, 2016 through the earlier of
7 (a) preliminary approval or (b) 90 days from September 14, 2020, the date the parties accepted the
8 mediator's proposal.

9 “CourierRx Released Parties” shall mean CourierRx, LLC, Circle45 Logistics, LLC,
10 and Conrad Doss and each of their respective agents, attorneys, insurers, past, present and future
11 divisions, affiliates, predecessors, successors, owners, shareholders, officers, directors, members,
12 clients, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees,
13 executors, partners, subsidiaries, parents, ,vendors, couriers, delivery or courier services, and/or
14 privies.

15 “Court” shall mean the California Superior Court for the County of Los Angeles,
16 where the Action is pending, and any Court-appointed referee or agent of the Court or other judicial
17 entity with jurisdiction over this matter.

18 “Defendants” means CourierRx, LLC and SNP Pharmacy, LLC.

19 “Effective Settlement Date” shall occur upon one day after the Judgment is Final, as
20 defined below. The occurrence of the Effective Settlement Date is a prerequisite to any distributions
21 from the Settlement Fund.

22 “Employee Payroll Taxes” means the employee portion of all applicable tax
23 withholdings including, but not limited to, FICA, FUTA, and other employment related taxes and
24 withholding of federal, state, and local income taxes.

25 “Final” means the later of: (i) the date of final affirmance (including expiration of
26 time for any request or petition for any further review) of the Judgment on any appeal; or (ii) the
27 date of final dismissal of any appellate proceeding regarding the Judgment; or (iii) if no appeal is
28 filed, the expiration of the time for the filing or noticing of any appeal from the Court’s judgment

1 approving this Settlement; i.e., sixty (60) days after the entry of the Judgment.

2 “Final Fairness Hearing” means the hearing to be conducted by the Court, or any
3 other court taking jurisdiction of this matter, to determine whether to finally approve the settlement
4 of the Action.

5 “Gross Settlement Amount” or “GSA” refers to Three Hundred Thirty-Five
6 Thousand Dollars (\$335,000.00) which is non-revisionary. In no event shall Defendants be required
7 to pay more than the Gross Settlement Amount with the sole exception that Defendant CourierRx
8 shall remit its share of the employer’s payroll taxes, as provided herein, in addition to the Gross
9 Settlement Amount. The GSA will be distributed in accordance with Section 2.4 of this Agreement.

10 “Gross Settlement Fund” means CourierRx's total funding obligation of Three
11 Hundred Thirty-Five Thousand Dollars (\$335,000.00) under this Settlement, exclusive of
12 CourierRx's obligation to separately pay the employer-side payroll taxes (including but not limited
13 to FICA, FUTA, and SDI contributions) into the Qualified Settlement Fund (“QSF”), for court-
14 approved payments of the sum of the Individual Settlement Awards, the Plaintiffs' Service Awards,
15 the Attorneys’ Fees and Costs, PAGA Payment, the Settlement Administration Costs, any
16 employee-side payroll taxes and other required withholdings due on Individual Settlement Awards,
17 plus Defendants’ employer-side payroll taxes. SNP shall guarantee up to One Hundred Thousand
18 Dollars (\$100,000) of CourierRx's funding obligations subject to the terms expressly stated in this
19 Stipulation. Defendants shall have no further monetary obligation related to the Settlement other
20 than what is expressly set forth in this Stipulation and shall not be required to make any other
21 payment.

22 “Individual Settlement Payment(s)” means the amounts to be paid to Verified
23 Settlement Class Members (defined below) pursuant to the terms and conditions of this Settlement
24 Agreement (defined below).

25 “Lawsuit” or “Action” means *Adeoye Fadiya et al. v. CourierRx, LLC et al.*, Case
26 No. 20STCV07220, pending in the California Superior Court for the County of Los Angeles.

27 “Motion for Preliminary Approval” refers to the motion for preliminary approval of
28 the settlement described herein, including any and all supporting papers, which shall be filed by

1 Plaintiffs.

2 “Net Settlement Amount” shall be the Gross Settlement Amount after the following
3 deductions are made: (a) all costs of settlement administration performed by a settlement
4 administrator to be agreed upon by the Parties; (b) Service Awards (defined below) to Plaintiffs; (c)
5 payment to the Labor and Workforce Development Agency (“LWDA”); and (d) Attorney’s Fees
6 and Costs for Plaintiffs’ Counsel. The Net Settlement Amount shall be available for Settlement
7 Class members, as defined below, who do not opt out of the Settlement Class.

8 “Notice of Settlement” refers to the official notice of settlement of class action,
9 materially in the form attached hereto as **Exhibit A**.

10 “Notice Period” refers to the time period of forty-five (45) days from the first mailing
11 date postmarked on the first Notice of Settlement mailed by the Settlement Administrator.

12 “Opt-Out Date” refers to the expiration of the Notice Period, by which time
13 Settlement Class Members who do not wish to be part of the settlement and who are permitted to
14 opt out of this Settlement must have timely and properly opted-out of the Settlement Class as
15 described herein.

16 “Order Granting Preliminary Approval” refers to the Court order or statement of
17 decision granting preliminary approval to this Settlement Agreement.

18 “Order of Final Approval” and “Final Approval” mean an order that finally and
19 unconditionally grants certification of the Settlement Class for settlement purposes only, authorizes
20 payments to the Settlement Administrator, Verified Settlement Class Members, Plaintiffs, the
21 LWDA, and Class Counsel as provided in this Agreement, and fully and finally extinguishes the
22 Released Claims of the Verified Settlement Class as set forth herein, which the Parties shall submit
23 in a mutually agreed upon form.

24 “PAGA Payment” means the Three Thousand Two Hundred Dollars (\$3,200.00)
25 allocated for the settlement and full release of any and all claims for civil penalties that could have
26 been made in this Action by Plaintiffs and/or any of the Settlement Class Members under the
27 California Private Attorney General Act (“PAGA”), Cal. Labor Code § 2698, *et seq.*, 75% of which
28 (\$2,400.00) will be distributed to the LWDA and 25% (\$800.00) will be distributed to Verified

1 Settlement Class Members.

2 “Plaintiffs” means Plaintiffs Adeoye Fadiya and Steven Dear.

3 “Qualified Contractor Workweeks” means the number of workweeks when Class
4 Members were classified as independent contractors by CourierRx during the Class Period
5 calculated pursuant to the formula described below in 2.4(f)(3) between February 25, 2016 through
6 and including January 1, 2020.

7 “Qualified Employee Workweeks” means the number of workweeks when Class
8 Members were employed by CourierRx in California during the Class Period calculated pursuant to
9 the formula described below in 2.4(f)(3) after January 1, 2020 through the end of the Class Period.

10 “Qualified Workweeks” means the aggregate number of Qualified Employee
11 Workweeks and Qualified Contractor Workweeks.

12 “Released Claims” means the claims released pursuant to Section 2.6 of this
13 Settlement Agreement.

14 “Released Parties” collectively means the CourierRx Released Parties and the SNP
15 Released Parties.

16 “Service Award” means a Court-approved sum to be paid to each Plaintiff in
17 accordance with Section 2.4(c).

18 “Settlement” means the disposition of the Action pursuant to this Agreement.

19 “Settlement Administrator” means the class action administration firm that will be
20 selected by Defendants and Plaintiffs to provide notice of this proposed class action settlement to
21 the Settlement Class and to perform other related functions to administer the settlement
22 contemplated by this Settlement Agreement as described herein. The Parties have solicited a bid
23 from Simpluris, Inc. for administration of the Settlement and have agreed that Simpluris, Inc. will
24 be the Settlement Administrator.

25 “Settlement Agreement” refers to this Joint Stipulation of Settlement and Release.

26 “Settlement Class” means all natural persons who either were contracted directly as
27 a courier for CourierRx in an independent contractor relationship or worked as a courier for
28 CourierRx in an employment relationship during the Class Period.

1 “Settlement Class Member (s)” means the individuals in the Settlement Class.

2 “SNP Released Parties” shall mean SNP Pharmacy, LLC and its respective agents,
3 attorneys, insurers, past, present and future divisions, affiliates, predecessors, successors, owners,
4 shareholders, officers, directors, members, clients, employees, trustees, representatives,
5 administrators, fiduciaries, assigns, subrogees, executors, partners, subsidiaries, parents, vendors,
6 couriers, delivery or courier services, and/or privies with the exception of CourierRx, LLC.

7 “Verified Settlement Class” means Plaintiffs and all Settlement Class Members who
8 do not timely opt-out/request for exclusion from the Settlement pursuant to Section 2.7 of this
9 Settlement Agreement.

10 “Verified Settlement Class Member(s) means the individual in the Verified
11 Settlement Class.

12 **Section 2.2 Settlement of the Lawsuit**

13 It is agreed by and among the Plaintiffs, the Verified Settlement Class Members and
14 Defendants that the Lawsuit, including any and all allegations in the Operative Complaint and any
15 and all claims, allegations, causes of action, requests for damages, or remedies sought in the
16 Operative Complaint, or that could have been alleged based on the facts plead in the Operative
17 Complaint or PAGA Notice, shall be settled, compromised and released as between the Plaintiffs,
18 the Verified Settlement Class Members and Defendants, subject to the terms and conditions set forth
19 in this Settlement Agreement and the approval of the Court, including through any Court-appointed
20 referee or agent of the Court or other judicial entity with jurisdiction over this matter. Plaintiffs will
21 provide Defendants with drafts of the motion for preliminary approval and supporting papers, and
22 the stipulation before filing mutually-agreeable documents with the Court.

23 **Section 2.3 Conditional Certification of the Settlement Class for Settlement Purposes Only**

24 (a) For settlement purposes only, the Parties stipulate to conditional certification of the
25 Settlement Class, contingent on final approval of the Settlement.

26 (b) The Parties stipulate that Adeoye Fadiya and Steven Dear shall be appointed as Class
27 Representatives.

28 (c) The Parties stipulate that Moss Bollinger, LLP (attorneys Jeremy Bollinger, Ari

1 Moss, and Dennis Moss) shall be appointed as Class Counsel.

2 (d) The conditional certification of the Settlement Class and appointment of Class
3 Counsel and Class Representatives by the Court shall be binding only with respect to the Settlement
4 of this Action. In the event that this Settlement Agreement is terminated pursuant to its terms or the
5 Settlement is not approved by the Court for any reason, the certification of the Settlement Class
6 shall be vacated, the Action shall proceed as though the Settlement Class had never been certified,
7 and this Settlement Agreement shall be of no force or effect with the exception of sections 2.20 and
8 2.21 and any payments to the Settlement Administrator as set forth in section 2.16.

9 (e) The Parties agree that, for any claim that is not alleged in Plaintiffs' Operative
10 Complaint (including any and all amendments), the statute of limitations has and will continue to
11 run on those claims and no such claims will relate back to the filing of any of the pleadings in this
12 Lawsuit.

13 **Section 2.4 Gross Settlement Amount Distribution**

14 (a) Gross Settlement Amount.

15 In consideration for settlement of the Action and the release of all Released Claims of the
16 Verified Settlement Class Members, Defendant agrees to pay the sum of Three Hundred Thirty Five
17 Thousand Dollars (\$335,000.00) ("Gross Settlement Amount") for Administrative Costs, Service
18 Award, Settlement Payments, Attorneys' Fees and Costs, Employee Payroll Taxes, and the PAGA
19 Payment in connection with the Settlement Class Members' claims under PAGA. The Gross
20 Settlement Amount is to be allocated to the Settlement Administrator, Class Counsel, Plaintiffs,
21 Verified Settlement Class Members, and the LWDA as described herein. The Gross Settlement
22 Amount is the maximum total amount Defendants are required to pay for any and all purposes under
23 this Settlement Agreement, and in connection with the termination of this Lawsuit, except that
24 Defendants' share of payroll taxes and other required withholdings from individual settlement
25 payments, including but not limited to FICA and FUTA contributions, shall be paid separately by
26 CourierRx and not from the Gross Settlement Amount.

27 (b) Attorneys' Fees and Costs.

28 (1) Class Counsel will apply for an award of attorneys' fees in an amount up to,

1 but not to exceed 33.34% of the Gross Settlement Amount, not to exceed One Hundred Eleven
2 Thousand Six Hundred Eighty Nine Dollars (\$111,689.00), plus reasonable actual litigation costs
3 not to exceed Fifteen Thousand Dollars (\$15,000.00) subject to approval by the Court, and will
4 compensate Class Counsel for the work already performed in the Action and the work remaining to
5 be performed in documenting the Settlement, securing Court approval of the Settlement, working
6 with the Settlement Administrator to administer the Settlement, obtaining dismissal of the Action
7 with prejudice, and defending against any appeals, as well as all associated expenses.

8 (2) Class Counsel, Plaintiffs, and Verified Settlement Class Members, will not
9 apply to the Court for any payment of Attorneys' Fees and Costs that are in addition to or in excess
10 of the foregoing. The Parties agree that, over and above the Court-approved Attorneys' Fees and
11 Costs awarded in this Lawsuit under this Settlement Agreement, each of the Parties, including all
12 Verified Settlement Class Members, shall bear their own fees and costs, including, but not limited
13 to, those related to the investigation, filing, prosecution, or settlement of the Lawsuit; the
14 negotiation, execution, or implementation of this Settlement Agreement; and/or the process of
15 obtaining, administering, or challenging a Certification Order and/or Final Approval.

16 (3) In the event the Court denies, modifies, or reduces Class Counsel's request
17 for Attorneys' Fees and Costs, then Plaintiffs, Class Counsel, and the Verified Settlement Class
18 Members may not seek modification or cancellation of this Agreement and will not seek, request,
19 or demand an increase in the Gross Settlement Amount.

20 (4) If Class Counsel appeals the Court's ruling on their application for Attorneys'
21 Fees and Costs, the ruling of the appellate court (regardless of its substance) shall not constitute a
22 material alteration of a term of this Settlement Agreement.

23 (5) All claims for Attorneys' Fees, Costs or expenses that Class Counsel,
24 Plaintiffs, and the Settlement Class Members may possess against Defendants have been
25 compromised, released and resolved in this Settlement Agreement and shall not be affected by any
26 appeal that Class Counsel may file. Defendants shall not be required to pay any additional amount
27 in Settlement regardless of costs and fees incurred by Class Counsel in such an appeal.

28 (6) The Administrator, within either fifteen (15) calendar days of the date that

1 Defendants have completed funding obligations under this Settlement and CourierRx, LLC's share
2 of the payroll taxes owed pursuant to the schedule in Section 2.11 or fifteen (15) days of the
3 Effective Settlement Date of this agreement, whichever is later, shall deliver any awards of
4 Attorneys' Fees and Costs to Class Counsel.

5 (c) Plaintiffs' Service Awards.

6 (1) In addition to the Settlement Payment determined to be due to the Plaintiffs
7 as a Verified Settlement Class Member under this Settlement Agreement, Class Counsel and
8 Plaintiffs may petition the Court for Service Awards for Plaintiffs, in the total amount of no more
9 than Eight Thousand Dollars (\$8,000.00) per Plaintiff. Any such petition shall be filed concurrently
10 with Class Counsel's application for Attorneys' Fees and Costs. Any Service Award approved by
11 the Court in conjunction with the Settlement shall be paid solely from the Gross Settlement Amount
12 and shall not reduce the Net Settlement Amount payable to the Verified Settlement Class Members.

13 (2) The Service Awards shall be distributed by the Settlement Administrator in
14 accordance with Section 2.11 of this Settlement Agreement and shall be reported by the Settlement
15 Administrator to state and federal taxing authorities as non-wage income on IRS Form 1099.
16 Plaintiffs will be solely responsible for correctly characterizing his Service Award for tax purposes
17 and is solely responsible for paying any taxes owing on the Service Award. Plaintiffs agrees to
18 assume responsibility of remitting to the Internal Revenue Service and any other relevant taxing
19 authority the amounts required by law, if any, to be withheld by Defendants or the Settlement
20 Administrator from his Service Award. In addition, Plaintiffs shall hold Defendants harmless and
21 indemnify and defend Defendants and Released Parties for all taxes, interest, penalties, and costs
22 incurred by Defendants or the Released Parties by any reason of any claims relating to the non-
23 withholding of taxes from the Service Award.

24 (3) In the event that the Court denies, modifies, or reduces Plaintiffs' request for
25 a Service Award, Plaintiffs may not seek modification or cancellation of this Settlement Agreement
26 and will not seek, request, or demand an increase in the Settlement Amount.

27 (4) Plaintiffs shall receive the Service Award payment and any other payments
28 under this Settlement Agreement within fifteen (15) calendar days of the Effective Settlement Date.

Such Service Award is also contingent upon Plaintiffs agreeing to the terms herein.

(d) Settlement Administration Expenses.

(1) The Settlement Administrator shall be paid, for the costs of administration of the Settlement, an estimated fee of twelve thousand dollars (\$12,000.00) based on estimated 315 class members. These costs include without limitation the mailing of notice, establishing a toll-free telephone number, tracking requests for exclusion, disbursement of the Gross Settlement Amount, and other duties set forth below in Section 2.5. No fewer than twenty (20) court days prior to the Final Approval Hearing, the Settlement Administrator shall provide the Court and all counsel for the Parties with a statement detailing these Administrative Costs. The Parties agree to cooperate in the settlement administration process and to make all efforts to control and to minimize the costs and expenses incurred in the administration of this Settlement.

(e) PAGA Payment.

(1) Three Thousand Two Hundred Dollars (\$3,200.00) of the Gross Settlement Amount shall be allocated for the settlement and full release of any and all claims for civil penalties that could have been made in this Action by the Verified Settlement Class Members under PAGA, Cal. Labor Code § 2698, *et seq.* (“PAGA Payment”). Pursuant to California Labor Code § 2699(i), 75% of the PAGA Payment, Two Thousand Four Hundred Dollars (\$2,400.00), shall be paid to the LWDA, and 25% of the PAGA Payment, Eight Hundred Dollars (\$800.00), shall be distributed to Verified Settlement Class Members as part of the Net Settlement Amount as set forth in Section 2.4.(f) below. The Administrator shall deliver payment to the LWDA within fifteen (15) calendar days after the Effective Settlement Date. Plaintiffs will provide notice to the LWDA of this settlement at the time Plaintiffs files his motion for Preliminary Approval.

(f) Distributions to Verified Settlement Class Members.

(1) Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual Settlement Payments shall be mailed by regular First Class U.S. Mail to Verified Settlement Class Members’ last known mailing address within fifteen (15) calendar days after the Effective Settlement Date. Any checks issued to Verified Settlement Class Members shall remain valid and negotiable for one

1 hundred eighty (180) calendar days from the date of their issuance (“180-Day Period”). After one-
2 hundred eighty (180) calendar days from the date of mailing, the checks shall become null and void,
3 and any monies remaining in the distribution account shall be distributed to the Controller of the
4 State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500
5 et seq., for the benefit of those Settlement Class Members who did not cash their checks until such
6 time that they claim their property. The Parties agree that this disposition results in no “unpaid
7 residue” under California Civil Procedure Code § 384, as the entire Settlement Payment will be paid
8 out to Settlement Class members, whether or not they all cash their Settlement Checks. Therefore,
9 Defendants will not be required to pay any interest on said amount.

10 (2) Individuals will be entitled to payment from the Net Settlement Amount, as
11 follows: In order to determine the Individual Settlement Payment for each Verified Settlement Class
12 Members, the Settlement Administrator shall use the information provided by Defendants about
13 each Class Member’s Qualified Contractor Workweeks and Qualified Employee Workweeks. The
14 Settlement Administrator will determine the amount of the Individual Settlement Payment that each
15 Verified Settlement Class Member is entitled to receive pursuant to the methodology set for the
16 below:

- 17 (i) The Settlement Administrator shall add together all Qualified Workweeks of
18 the Verified Settlement Class Members;
- 19 (ii) For every Qualified Employee Workweek worked by a Class Member, the
20 Class Member will receive one (1) Net Settlement Share;
- 21 (iii) For every Qualified Contractor Workweek worked by a Class Member, the
22 Class Member will receive three (3) Net Settlement Shares;
- 23 (iv) The Settlement Administrator shall then divide each Verified Settlement
24 Class Member’s total Net Settlement Shares by the total Qualified
25 Workweeks in order to determine the “Percentage Share” of each Verified
26 Settlement Class Member.
- 27 (v) All Class Members who worked at least one Qualified Contractor Workweek
28 and whose last day of work occurred during the Class Period (“Terminated

Class Members”) will receive an additional \$100 lump sum payment in recognition for their claims under Labor Code sections 201, 202 and/or 203.

(vi) Pursuant to this formula, after deducting the total number of \$100 premium payments per Terminated Class Member, the Settlement Administrator will distribute the remaining Net Settlement Amount on a pro rata basis among the Verified Settlement Class Members based on the number of Net Settlement Shares each of them have been allocated.

(3) The workweeks will be calculated by the Settlement Administrator for each Settlement Class Member by using the difference between the first and last dates each Settlement Class Member worked during the Class Period (and in each relevant period of Qualified Workweeks) divided by seven; partial workweeks will be rounded up. Defendants will provide the first and last date worked by each Settlement Class Member and such data will be presumed to be correct, unless the Settlement Class Member proves otherwise to the Settlement Administrator by credible written evidence. All workweek disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator’s decision on all workweek disputes will be final and non-appealable.

(4) The Settlement Administrator will calculate the estimated Individual Settlement Payments prior to mailing the Notice of Settlement. The estimated Individual Settlement Payment will be displayed in the Settlement Class Member’s Notice of Settlement.

(5) Within thirty (30) calendar days of the close of the Notice Period, the Settlement Administrator will provide a copy of its calculations, without any name identifying data, for Defendants’ counsel and Class Counsel to review before Individual Settlement Payments are made to Verified Settlement Class Members. The Parties may dispute the calculations only with respect to mathematical errors or an incorrect application of the above method of allocation. Such a dispute must be raised in writing within seven (7) calendar days after the Settlement Administrator provides the calculations in writing to Defendants and Class Counsel.

(g) Allocation and Taxability of Settlement Distributions.

(1) For tax purposes, Individual Settlement Payments will be allocated as twenty-

1 five percent (25%) to wages for which IRS Forms W-2 will be issued by the Settlement
2 Administrator, and seventy-five percent (75%) to interest and penalties for which IRS Forms 1099-
3 MISC will be issued by the Settlement Administrator. Defendants' share of payroll taxes and other
4 required withholdings from the individual settlement payments, including but not limited to FICA
5 and FUTA contributions, shall be paid separately by Defendant CourierRx, and not out of the Gross
6 Settlement Amount. SNP shall have no obligation for payroll taxes as described below in section
7 2.5(e).

8 (2) Neither the terms of this Settlement Agreement nor any Individual Settlement
9 Payments paid to any Verified Settlement Class Members shall have any effect on the eligibility or
10 calculation of employee benefits for any Verified Settlement Class Members. Neither this
11 Settlement Agreement, nor any of its attachments, should be interpreted to contain or constitute
12 representations or advice regarding any U.S. federal or state tax issue. Settlement Class Members
13 will be specifically informed that neither Defendants nor Class Counsel make any representations
14 regarding the tax implications of any amounts paid under this Settlement Agreement and that if any
15 Settlement Class Member has any questions regarding those implications, they can and should
16 consult a tax expert.

17 (3) The Settlement Administrator shall provide each Verified Settlement Class
18 Member who is entitled to an Individual Settlement Payment with a W-2 form reflecting the wages
19 and the taxes withheld from those wages and with a Form 1099 reflecting the non-wage damages
20 and interest paid. The Settlement Administrator shall also provide each Verified Settlement Class
21 Member who is entitled to an Individual Settlement Payment with appropriate documentation setting
22 forth the amount of any tax or other payment withheld and employer contribution made, in
23 accordance with state and federal tax requirements.

24 (4) Verified Settlement Class Members shall be solely and exclusively
25 responsible for remitting to state and/or federal taxing authorities any other applicable taxes due and
26 shall hold Defendants and the Released Parties harmless for any taxes, penalties, interest, liabilities,
27 costs and expenses caused by any such taxing authority relating in any way to the Verified
28 Settlement Class Members' tax treatment of payments made to them pursuant to this Settlement

1 Agreement or failure to timely or properly pay any taxes owed on their respective Settlement
2 Payments.

3 **Section 2.5 Appointment and Duties of Settlement Administrator**

4 (a) Appointment of the Settlement Administrator.

5 (1) Subject to the approval of the Court, the Parties will agree to the appointment
6 of a professional class action claims administration firm. Plaintiffs shall elicit a bid from Simpluris,
7 Inc. The Parties anticipate that the Administrator fees will not exceed Twelve Thousand Dollars
8 (\$12,000.00). The Administrator's fees shall be paid out of the Gross Settlement Amount. Any
9 savings shall be distributed to the Verified Settlement Class Members from the Net Settlement Fund.

10 (b) Duties of the Settlement Administrator. The Settlement Administrator shall be
11 responsible for administering the settlement process, including:

12 (1) Finalizing and printing the Notice of Settlement attached to this Settlement
13 Agreement as an Exhibit, as modified by the Court and/or by mutual agreement of the Parties.

14 (2) Mailing the Notice of Settlement in English, and handling all mailings to
15 Settlement Class Members pursuant to Section 2.9;

16 (3) Performing an address search and/or trace for returned or undeliverable
17 mailings as set forth in Section 2.9(c);

18 (4) Recording and tracking responses to the Notice mailing by Settlement Class
19 Members and the dates thereof (including recording the postmark date and identity of any Settlement
20 Class Members who request exclusion or object and promptly forwarding such information to
21 Defendants' counsel and Class Counsel using numbers instead of providing identifying
22 information);

23 (5) Establishing a toll-free telephone number for Settlement Class Members to
24 call during business hours to ask questions regarding the Settlement;

25 (6) Responding to inquiries made by the Settlement Class Members;

26 (7) Calculating and mailing Individual Settlement Payments;

27 (8) Settling disputes from Settlement Class Members regarding amounts or
28 Qualified Workweeks, with the assistance of Defendants' counsel and Class Counsel;

1 (9) Posting any final judgment in the Action on any website associated with this
2 Settlement;

3 (10) Tax treatment of all distributions of the Gross Settlement, including but not
4 limited to preparing and filing any required tax forms associated with the Claims Administrator's
5 duties hereunder including payroll taxes;

6 (11) Notifying the Parties and their counsel of the identity of Class Members that
7 Opt-Out or Settlement Class members who file objections in a timely fashion;

8 (12) Distributing all other payments approved under the Court's final approval
9 orders;

10 (13) Filing any required reports with the Court;

11 (14) Establishing the QSF;

12 (15) Calculating applicable payroll taxes and withholdings and the employer's
13 payroll taxes, and communicating to Defendants the amount of employer-side payroll CourierRx
14 must deposit into the QSF;

15 (16) Establishing and maintaining two escrow accounts for all payments made by
16 either Defendant prior to the Effective Settlement Date of the Settlement;

17 (17) Ensuring transfer of funds deposited in the escrow accounts into the QSF
18 according to the terms of this Settlement and Court Order; and

19 (18) Other related tasks as mutually agreed to by the Parties and required by
20 statute.

21 (c) The Settlement Administrator shall keep Defendants' counsel and Class Counsel
22 timely apprised of the performance of all Settlement Administrator responsibilities by weekly
23 emails. All disputes relating to the Settlement Administrator's performance of its duties will be
24 referred to the Court, if necessary, which will have continuing jurisdiction over this Settlement until
25 all payments and obligations contemplated by this Settlement Agreement have been fully carried
26 out.

27 (d) At least twenty-one (21) days before the Final Fairness Hearing, the Settlement
28 Administrator shall prepare a declaration of compliance and due diligence and proof of mailing with

1 regard to the mailing and emailing of the Notice of Settlement, and any attempts by the Settlement
2 Administrator to locate Settlement Class Members, its receipt of timely and valid requests for
3 exclusion, and its inability to deliver the Notice of Settlement to Settlement Class Members due to
4 invalid addresses (“Due Diligence Declaration”), to Class Counsel and Defendant’s counsel for
5 presentation to the Court. Class Counsel shall be responsible for filing the Due Diligence
6 Declaration with the Court.

7 (e) Settlement Administrator shall calculate applicable payroll taxes and withholdings
8 and the employer’s payroll taxes, upon entry of the Final Approval Order and Judgment and
9 communicate the amount of employer-side payroll tax CourierRx must deposit into the QSF to
10 Defendant by January 7, 2022 or within ten (10) business days of the Final Approval Order,
11 whichever occurs first. Employee-side payroll taxes shall be paid from the GSF, and employer-side
12 payroll taxes shall be paid from the additional amount deposited by Defendants into the QSF for
13 employer-side payroll taxes. However, in the event of uncured default or bankruptcy by CourierRx
14 and after SNP has satisfied its \$100,000 funding guarantee, if the GSF is still not fully funded
15 including employer payroll tax obligations, the employer side payroll taxes shall also be taken from
16 the GSF. The settlement Administrator will be responsible for recalculating employer payroll taxes
17 following any Amended Final Judgment.

18 (f) The Parties understand and agree that: (1) the Settlement Funds will qualify and be
19 characterized as a QSF under the provisions of Treasury Regulation Sections 1.468B-1 and 1.468B-
20 5 with the purpose of resolving and/or satisfying the claims raised in this Agreement, (2) the QSF
21 will be taxed as a separate entity for purposes of all federal, state, and local taxes, (3) the Parties
22 shall treat the QSF on a basis consistent therewith for all tax purposes (and, for the avoidance of
23 doubt, this Agreement shall be interpreted consistently therewith), (4) the QSF will be characterized
24 as the employer of all Verified Class Members for purposes of determining all tax obligations
25 (including withholding obligations) associated with any and all payments under this Settlement, and
26 (5) the QSF will bear full and sole responsibility (including the preparation and submission of
27 necessary tax forms) for all withholding taxes and benefits (if any) associated with the QSF and
28 Settlement Funds under this Agreement, in addition to any income taxes with respect to the earnings

1 within the QSF and tax requirements relating to payments from the QSF. All taxes and benefits (if
2 any) (including any interest and penalties) arising with respect to income earned by the QSF shall
3 be paid from the QSF. All expenses and costs incurred in connection with the operation and
4 implementation of this section (including without limitation, expenses of attorneys and/or
5 accountants and mailing and distribution of expenses related to filing (or failing to file) any
6 necessary tax returns or making (or failing to make) any necessary benefits payments) shall be paid
7 from the Qualified Settlement Fund. For the avoidance of doubt, Defendants shall have no
8 obligations with respect to the administration of the QSF, except as to funding expressly described
9 in the Settlement and ordered by the Court.

10 **Section 2.6 Release of Claims**

11 (a) Release of Claims by Verified Settlement Class Members. Upon the Effective Date,
12 all Verified Settlement Class Members, including their heirs, assigns, estates and representatives,
13 shall be deemed to fully forever, irrevocably and unconditionally release, and discharge Defendants
14 and the CourierRx Released Parties and SNP Released Parties from any and all claims, debts,
15 liabilities, demands, obligations, guarantees, liens, promises, penalties, costs, expenses, interest,
16 restitution, Attorneys' Fees and Costs, losses, damages, liquidated damages, punitive damages,
17 equitable relief, complaints, actions or causes of action of whatever kind or nature, whether known
18 or unknown, contingent or accrued, against Defendants or the CourierRx Released Parties and SNP
19 Released Parties or any of them, under any state, municipal or federal law, statute, ordinance,
20 regulation, order or common law principle or theory, arising out of or related to the facts plead in
21 the Operative Complaint or the PAGA Notice, including claims for or related to: failure to provide
22 meal periods; failure to make available rest periods; failure to pay meal and rest period premium
23 payments; failure to pay minimum wages; failure to pay overtime wages; failure to reimburse
24 business expenses; failure to timely pay wages at cessation of employment; failure to provide
25 accurate and itemized wage statements; unfair competition, unfair business practices, unlawful
26 business practices, and fraudulent business practices; injunctive relief, declaratory relief; interests,
27 fees, and costs; PAGA claims for civil penalties due to any Labor Code violations by Defendants
28 alleged by Plaintiffs during the Class Period; and all causes of action alleged in the Action during

1 the Class Period (collectively “Released Claims”). The release includes a waiver of California Civil
2 Code section 1542 *as to the Released Claims only*. Accordingly, Released Claims include any
3 unknown claims that the Verified Settlement Class Members do not know or suspect to exist in his
4 or her favor, which if known by him or her, might have affected this Settlement Agreement with
5 Defendants and the release of the Released Parties. However, Released Claims do not include
6 claims and damages that were not alleged in the Action and could not have been alleged in the
7 Action. The Court’s striking the waiver of California Civil Code section 1542 as provided in this
8 paragraph shall not affect the validity of the settlement.

9 (b) The Parties intend and agree that this Settlement Agreement shall be binding on all
10 Verified Settlement Class Members, whether or not they actually receive a payment pursuant to this
11 Settlement Agreement. This Settlement Agreement shall constitute, and may be pleaded as, a
12 complete and total defense to any Released Claims raised in the future.

13 (c) Plaintiffs and Verified Settlement Class Members promise not to file a lawsuit in any
14 court alleging any Released Claims, or to participate as a party or a class member in any
15 administrative or other legal proceedings, in any forum, against Defendants or the Released Parties,
16 for any claims released under this Settlement Agreement. In consideration for the promises made
17 by Defendants in this Settlement Agreement, Plaintiffs and each Verified Settlement Class Member
18 agrees never to institute any suit, complaint, proceeding, grievance, or action of any kind at law, in
19 equity, or otherwise in any court of the United States, or of any state or municipality, or with any
20 administrative agency, arbitration or other legal forum, against Defendants or the Released Parties
21 for any claim included in the Released Claims. Plaintiffs also agrees that they will not join,
22 participate in, or consent to opt-in to any actions alleging that he or she is similarly situated to any
23 other employee with respect to any such Released Claims, and that each will elect to opt-out of any
24 such actions against Defendants or the Released Parties of which he is made a member or party. If
25 Plaintiffs or any Verified Settlement Class Member is joined in any class or collective lawsuits for
26 any Released Claims, he or she will receive no further compensation of any kind for such released
27 claim or claims.

28 (d) Verified Settlement Class Members and Class Counsel shall, and hereby do, fully

1 and finally release and forever discharge Defendants and CourierRx Released Parties and SNP
2 Released Parties of and from any and all claims, demands, damages, actions and/or causes of action
3 of whatever kind or nature, including claims for Attorneys' Fees or Costs, whether known or
4 unknown, existing or claimed to exist, in any way set forth in or arising out of any: (i) dispute or
5 claim between or among any Verified Settlement Class Members, and/or Class Counsel, including
6 over any claim to any monetary part of the Settlement and/or to Class Counsel's fees, costs or
7 expenses; and/or (ii) any dispute between the Verified Settlement Class Members, Class Counsel
8 and/or any governmental authority with respect to this Settlement Agreement or any payments made
9 hereunder. This Settlement Agreement shall constitute, and may be pleaded by Defendants and the
10 Released Parties as, a complete and total defense to any such dispute or claim.

11 (e) General Release by Plaintiffs. In consideration for, inter alia, Defendants' agreement
12 to pay the Service Awards, Plaintiffs, by signing this Settlement Agreement, hereby release and
13 discharge the Released Parties for any and all injuries, demands, losses, damages, costs, loss of
14 service, expenses, compensation, claims, suits, causes of action, attorneys' fees, obligations or
15 liabilities of any nature, type or description, whether known or unknown, suspected or unsuspected,
16 whether administrative, civil or criminal, whether arising from statute, common law, regulation or
17 other legal source, that relate to, are connected to, or arise out of any and all of the following: (1)
18 his alleged employment, (2) his dealings or interactions with the Released Parties, (3) the claims
19 asserted in the Lawsuit, (4) any claim that could have been asserted in the Lawsuit. In this regard,
20 Plaintiffs expressly waive and relinquish to the fullest extent possible the provisions, rights and
21 benefits of California Civil Code section 1542. Section 1542 provides:

22 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR
23 OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR
24 HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF
KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR
HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

25 Plaintiffs further covenant not to initiate any court proceeding or administrative action, or to
26 make any claim whatsoever, against the Released Parties relating in any manner to any claims he
27 releases herein, to the full extent such a covenant is enforceable at law. This covenant shall not be
28 deemed to apply or be construed to apply to any administrative proceeding or government

1 enforcement action the future participation in which is not waivable by an individual as a matter of
2 governing law

3 **Section 2.7 Opt-Out/Request for Exclusion Procedure**

4 (a) Settlement Class Members, except Plaintiffs who shall not be permitted to opt-out,
5 shall be entitled to “opt out” of this Settlement Agreement. The Notice of Settlement shall provide
6 instructions to Settlement Class Members who wish to “opt out.” To be valid, an individual
7 requesting exclusion must timely submit a signed written request for exclusion containing all of the
8 information required in the Class Notice for excluding oneself from the settlement. Any such
9 request must be returned by U.S. Mail to the Settlement Administrator at the specified address and
10 must be postmarked no later than the last day of the Notice Period. If the Settlement Class Member
11 submits a request for exclusion that is not timely and/or valid then the Settlement Administrator will
12 notify such Settlement Class Member that the request is untimely or invalid. Any disputes regarding
13 the timeliness, validity or effectiveness of a request for exclusion shall be decided by the
14 Administrator consistent with the terms of this Settlement Agreement, with the Parties’ input, if
15 appropriate. The date of the postmark on the mailing envelope for any request for exclusion shall
16 be the exclusive means used to determine whether the request for exclusion has been timely
17 submitted.

18 (b) Any Settlement Class Member who does not properly and timely submit a request
19 for exclusion in the manner and by the deadline specified above in Section 2.7 will be a Verified
20 Settlement Class Member who is barred from opting out of the Settlement and is bound by all terms
21 and conditions of the Settlement and this Settlement Agreement, including the releases of claims
22 pursuant to Section 2.6 of this Settlement Agreement, if the Settlement is approved by the Court,
23 and will be bound by any Final Approval Order, regardless of whether he or she has objected to the
24 Settlement.

25 (c) A Settlement Class Member who properly and timely submits a request for exclusion
26 in the manner and by the deadline specified in this Section will not be bound by the Settlement
27 Agreement; will be barred from participating in or objecting to the Settlement; will not receive any
28 benefit from the Settlement; will remain free to contest any claim as to that individual that would

1 have been barred by this Settlement Agreement; and nothing in this Settlement or Settlement
2 Agreement will constitute or be construed as a waiver of any defense Defendant or the Released
3 Parties have or could have asserted against such a claim.

4 **Section 2.8 Procedures for Objecting to the Settlement**

5 (a) The Class Notice shall provide that Verified Settlement Class Members and persons
6 purporting to act on behalf of Verified Settlement Class Members who wish to object to the
7 Settlement Agreement must file with the Settlement Administrator a written statement objecting to
8 the Settlement Agreement. Such objection and any supporting briefs or other materials must be
9 filed with the Court and mailed, via First Class U.S. Mail, to counsel for the Parties and postmarked
10 no later than the last day of the Notice Period. Settlement Class Members who opt-out may not file
11 and serve an objection or otherwise object to this Settlement Agreement. The postmark date of the
12 filing and service of an objection shall be deemed the exclusive means for determining that the
13 objection is timely. An objection must be signed and state the Verified Settlement Class Member's
14 name, current address and telephone number, and the basis for the objection. The notice of objection
15 must be signed by the Verified Settlement Class Member.

16 (b) No Verified Settlement Class Member or person purporting to act on behalf of the
17 Verified Settlement Class Members shall be entitled to be heard at the Final Approval Hearing
18 (whether individually or through counsel) or to object to the Settlement, and no written objections
19 or briefs submitted by any such individuals or persons purporting to act on behalf of them shall be
20 received or considered by the Court at the Final Approval Hearing, unless the individual's objection
21 and supporting materials have been timely filed and served as set forth above in Section 2.8.(a)
22 within the Notice Period. Any Verified Settlement Class Member who fails to file and serve a timely
23 and complete objection in the manner specified above in Section 2.8.(a) shall be deemed to have
24 waived any objections and shall be foreclosed from making any objection (whether by appeal or
25 otherwise) to the Settlement.

26 (c) If a Settlement Class Member timely submits both an objection and a request for
27 exclusion ("opt out" under Section 2.7), the request for exclusion shall supersede the objection
28 regardless of timing, and the objection shall therefore be waived.

1 (d) Counsel for the Parties shall file any responses to any objections at least seven (7)
2 calendar days before the Final Approval Hearing.

3 (e) Defendants shall not be responsible for the fees, costs, or expenses incurred by
4 Plaintiffs, Class Counsel, or the Verified Settlement Class Members arising from or related to
5 Verified Settlement Class Members who submit objections or otherwise purport to object to the
6 Settlement Agreement or related to any appeals thereof.

7 **Section 2.9 Preparation and Mailing of Notice to the Class**

8 (a) Within five (5) calendar days of entry of the Order Granting Preliminary Approval
9 of Settlement, but subject to the Settlement Administrator providing adequate and contractual
10 assurances with respect to confidentiality and data security, CourierRx shall provide the Settlement
11 Administrator with the following information for the Settlement Class Members in the form of an
12 Excel spreadsheet or similar sortable electronic format: names, address, telephone number, social
13 security number, and the first and last date that each Settlement Class Member worked for
14 CourierRx during the Class Period. Class Counsel and Plaintiffs will not be provided identifying or
15 contact information or social security numbers for any Settlement Class Members in connection
16 with this Settlement or Settlement Agreement. The data provided to the Settlement Administrator
17 will remain confidential and will not be disclosed to anyone, except as required to applicable tax
18 authorities, pursuant to the express written consent of Defendants, or by order of the Court. The
19 data provided under this Section 2.9(a) shall be used only for the purpose of administering this
20 Settlement.

21 (b) The Notice of Class Action Settlement and Hearing Date for Court Approval
22 (“Notice of Settlement”), materially in the form attached hereto as **Exhibit A** and as approved by
23 the Court, shall be sent by the Settlement Administrator to the Settlement Class Members, by First
24 Class Mail (in English) to those addresses provided as soon as practicable but in any event within
25 fourteen (14) calendar days after receipt of their contact information from Defendants. The Notice
26 of Settlement shall set forth a brief description of the Action, provide the definition of the Settlement
27 Class, inform Settlement Class Members of the nature and scope of the settlement and release of
28 claims, set forth the requested Attorneys’ Fees and Costs, disclose the Service Award to Plaintiffs,

1 inform Settlement Class Members of their opportunity to be heard at the Final Fairness Hearing,
2 inform Settlement Class Members of their right to submit an objection to any term of the settlement,
3 to submit a claim, and/or to request exclusion from or to opt-out of the settlement and the procedures
4 for doing so, and explain the res judicata effects of not doing so. The Notice of Settlement will also
5 include or attach the respective Settlement Class Member's Qualified Workweeks during the Class
6 Period based on the data and information provided by Defendants, the estimated Individual
7 Settlement Payment, and instruct the Settlement Class Member to submit any disputes to the
8 Settlement Administrator within forty-five (45) calendar days from the date the Notice of Settlement
9 was mailed to Settlement Class Members. The Settlement Administrator will consult Counsel for
10 Defendants regarding any such dispute(s) but will remain the ultimate arbiter and make the final
11 decision regarding any such dispute(s). Also, the Notice of Settlement will set forth contact numbers
12 for Class Counsel and counsel for Defendants but will direct Settlement Class Members to call the
13 toll-free number established by the Settlement Administrator to answer any questions that
14 Settlement Class Members may have.

15 (c) The Settlement Administrator will attempt to locate any Settlement Class Member
16 whose Notice of Settlement is returned by the Post Office by performing a National Change of
17 Address (NCOA) search, and if needed, by conducting one skip trace search regarding any returned
18 Notice of Settlement.

19 (d) If an envelope or email has not been returned within twenty-one (21) days of the
20 mailing, it shall be conclusively presumed that the Settlement Class Member received the Notice of
21 Settlement.

22 **Section 2.10 Final Fairness Hearing**

23 (a) The Parties will request the Court to conduct a Fairness Hearing on or about the date
24 set forth in the Order of Preliminary Approval to determine if the Settlement is fair, reasonable, and
25 adequate, and if so, to enter a final order and judgment granting Final Approval of Settlement, which
26 will (1) approve the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and
27 directing consummation of its terms and provisions; (2) approve in whole or in part Class Counsel's
28 application for an award of Attorneys' Fees and Costs; (3) approve in whole or in part the Plaintiffs'

1 Service Award; (4) permanently bar and enjoin all Verified Settlement Class Members from
2 prosecuting any Released Claims against Defendants and/or any Released Parties.

3 **Section 2.11 Funding the Gross Settlement Amount and Distribution of Payments**

4 (a) Defendant CourierRx, LLC is solely responsible for paying the Gross Settlement
5 Amount; however, Defendant SNP Pharmacy, LLC guarantees \$100,000 of the Gross Settlement
6 Amount in the event that CourierRx, LLC defaults on any of its payments or files for bankruptcy,
7 and SNP Released Parties will receive a Release in exchange for any payment it guarantees
8 regardless of whether the settlement is finalized as to CourierRx so long as the payment by SNP is
9 actually made. Written notice of default shall be provided by Class Counsel to counsel for
10 Defendants by email and certified mail. Written notice of failure to cure default shall be provided
11 by Class Counsel to counsel for Defendants by email and certified mail. SNP Pharmacy, LLC shall
12 make settlement installments in CourierRx's place in the event of CourierRx's uncured default
13 within 5 business days of Defendants' counsel's receipt of notice from Class Counsel of CourierRx's
14 failure to cure the default up to \$100,000. SNP Pharmacy, LLC shall not be liable for any amount
15 in excess of \$100,000. SNP Pharmacy, LLC shall not be responsible for any payroll taxes and in
16 the event of CourierRx's default or bankruptcy, payroll taxes shall be paid from the Gross Settlement
17 Fund. Any payment by SNP Pharmacy, LLC will result in the Release of SNP Released Parties so
18 long as either the entire settlement is funded or SNP funds at least \$100,000. The Release of SNP
19 Released Parties will be effective as of the date SNP Pharmacy, LLC has met its funding obligations.
20 All funds deposited by Defendants prior to the Effective Settlement Date shall be kept in two
21 separate escrow accounts so that funds deposited by CourierRx shall be kept in a separate escrow
22 account from funds deposited by SNP and the separate funds shall not be comingled. Any statement
23 within this Settlement that requires funds to be deposited by any Defendant in the QSF prior to the
24 Effective Settlement Date shall be interpreted to only require the funds to be deposited in the
25 appropriate escrow account. Funds in the escrow account shall be transferred to the QSF within 5
26 days of the Effective Settlement Date pursuant to Court Order. Only one QSF shall be established
27 unless the Court orders otherwise. Defendants shall pay the Gross Settlement Amount to the
28 Settlement Administrator (including any awards of attorneys' fees, costs and enhancement payments

1 to Plaintiffs and Plaintiffs' Counsel; the PAGA penalty payment to the LWDA; the Settlement
2 Administration Costs; and the Individual Settlement Payments to Verified Settlement Class
3 Members), and Defendants' share of the payroll taxes to be paid by CourierRx, to two escrow
4 accounts held by the Settlement Administrator according to the following payment schedule:

5 (b) Payment 1: \$25,000.00, to be paid within five (5) business days of January 1, 2021;
6 Payments 2-13: \$25,000.00 to be paid monthly, commencing on February 1, 2021 through January
7 1, 2022, to be paid on the first date of each month. Payment 14: \$10,000.00 plus the amount of the
8 employer's share of payroll taxes to be paid on or before February 1, 2022, provided the Settlement
9 Administrator notifies CourierRx of the amount of the employer's share of payroll taxes at least two
10 weeks before the February 1, 2022 payment is due. Should the 1st of the month fall on the weekend
11 or bank holiday, payment shall be due on the first non-holiday weekday thereafter.

12 (c) Defendants shall be deemed to have fully met their payment obligations upon
13 payment to the Settlement Administrator of the foregoing payments and shall assume no
14 responsibility for the security or distribution of settlement funds or payment of payroll taxes
15 following payment to the Settlement Administrator. The Settlement Administrator will notify the
16 parties of receipt of each payment installment by CourierRx, LLC within 2 days of receipt of the
17 payment. If payment is not received within five (5) business days of the payment deadline,
18 CourierRx, LLC will be deemed in default absent an agreement by the Parties to extend the
19 particular deadline for that payment.

20 (d) The Settlement Administrator, within either fifteen (15) calendar days of the date
21 that Defendants have completed funding obligations under this Settlement and CourierRx, LLC's
22 share of the payroll taxes owed pursuant to the schedule above or fifteen (15) days of the Effective
23 Settlement Date of this agreement, whichever is later, shall mail the Individual Settlement Payments
24 to Verified Settlement Class Members, deliver any awards of attorneys' fees and costs to Class
25 Counsel, the Service Awards to Plaintiffs, and the portion of the PAGA Payment due to the LWDA.
26 The approval and denial of an Individual Settlement Payment to any Verified Settlement Class
27 Member under the terms of this Settlement Agreement will be conclusive and binding, subject to
28 the dispute resolution provisions of this Settlement Agreement as set forth in Section 2.9(b).

1 (e) Default by CourierRx, LLC. If there is a default by CourierRx, LLC in a payment,
2 CourierRx will have 10 calendar days to cure default. SNP shall make settlement installments in
3 CourierRx's place in the event of CourierRx's uncured default within 5 business days of receipt of
4 notice from Class Counsel of CourierRx's failure to cure the default up to \$100,000. It does not
5 matter which Defendant funds the cure. Any payment by SNP Pharmacy, LLC will be credited
6 toward the \$100,000 maximum it guarantees. The Settlement Administrator shall notify the Parties
7 within 48 hours of a deposit or a default by either Defendant.

8 (1) If the Defendants do not timely cure and SNP Pharmacy, LLC has not met its
9 \$100,000 guarantee obligation, Plaintiffs have the option, to be exercised within 60 calendar days
10 of the failure to cure the default, to:

11 (i) void the settlement and pursue litigation against all Defendants as if the
12 settlement had never been entered into. If Plaintiffs choose to void the
13 settlement based on Defendants' default, then all settlement funds deposited
14 in the escrow accounts shall be returned to Defendants. Plaintiffs do not have
15 the right to void the settlement prior to SNP Pharmacy, LLC funding
16 \$100,000 so long as SNP Pharmacy, LLC is not in default following an
17 opportunity of 10 calendar days to cure a default by SNP Pharmacy, LLC
18 following its funding obligation described in section 2.11(a) above;

19 (ii) seek to enforce the settlement in court pursuant to CCP § 664.6 against
20 Defendants, limiting SNP Pharmacy, LLC's liability to its guarantee to pay
21 \$100,000 in exchange for a Release of SNP Released Parties, and the
22 remainder against CourierRx, LLC in exchange for a Release of CourierRx
23 Released Parties in addition to SNP Released Parties in the event the
24 remainder of the judgment is satisfied. The Judgment shall have an
25 acceleration cause, that makes the full amount due and payable upon default.
26 All settlement funds deposited in the escrow accounts held by the Settlement
27 Administrator up to the time of default will remain in the escrow account to
28 pay Defendants' obligations under the settlement pending the court's order

- 1 enforcing the judgment; or
- 2 (iii) accept the amount on deposit from CourierRx, LLC and up to \$100,000 of
- 3 the amount guaranteed by SNP Pharmacy, LLC as satisfaction of the
- 4 Judgment and Release all CourierRx Released Parties and SNP Released
- 5 Parties.
- 6 (2) If the Defendants do not timely cure and SNP Pharmacy, LLC has met its
- 7 \$100,000 guarantee obligation, Plaintiffs have the option, to be exercised within 60 calendar days
- 8 of the failure to cure the default, to:
- 9 (i) void the settlement and pursue litigation against CourierRx, LLC as if the
- 10 settlement had never been entered into. If Plaintiffs choose to void the
- 11 settlement based on CourierRx, LLC's default, then all settlement funds
- 12 deposited in the escrow account in excess of the \$100,000 guaranteed by SNP
- 13 Pharmacy, LLC shall be returned to CourierRx, LLC. SNP Released Parties
- 14 will still be Released;
- 15 (ii) seek to enforce the settlement in court pursuant to CCP § 664.6 against
- 16 CourierRx, LLC in exchange for a Release of CourierRx Released Parties in
- 17 addition to SNP Released Parties, which shall be released regardless of
- 18 CourierRx, LLC's payment, in the event the remainder of the judgment is
- 19 satisfied. The Judgment shall have an acceleration cause that makes the full
- 20 amount due and payable upon default. All settlement funds deposited in the
- 21 escrow account by CourierRx, LLC and up to \$100,000 deposited by SNP
- 22 Pharmacy, LLC up to the time of default will remain in the escrow account
- 23 to pay Defendants' obligations under the settlement pending the court's order
- 24 enforcing the judgment; or
- 25 (iii) accept the amount on deposit from CourierRx, LLC and up to \$100,000 of
- 26 the amount guaranteed by SNP Pharmacy, LLC as satisfaction of the
- 27 Judgment and Release all CourierRx Released Parties and SNP Released
- 28 Parties.

1 (3) If there is an uncured default, within 30 days of the failure to cure, CourierRx,
2 LLC must advise Plaintiffs' counsel if it has filed for bankruptcy or intends to do so.

3 (4) At all times, SNP Pharmacy, LLC shall have the option, but no obligation, to
4 fund more than its guarantee to avoid the possibility of Plaintiffs exercising a post-default option to
5 set aside the Settlement.

6 (5) Plaintiffs' failure to exercise its option within 60 calendar days of the failure
7 to cure the default shall be construed as waiver of the right to void the settlement agreement

8 (f) Bankruptcy by CourierRx, LLC.

9 (1) If CourierRx, LLC files for bankruptcy before the Settlement is fully funded
10 but after funding at least \$235,000 of the Gross Settlement Amount, then Plaintiffs may enforce
11 SNP Pharmacy, LLC's guarantee to fund the remaining amount up to \$100,000 to fully fund the
12 Settlement and CourierRx, LLC will have no right to funds deposited in the escrow account. All
13 SNP Released Parties and CourierRx Released Parties shall be Released upon full funding of the
14 settlement. SNP Released Parties shall be Released upon funding of at least \$100,000. SNP shall
15 have no obligation to make any additional payments for payroll taxes once it has satisfied its
16 \$100,000 obligation. Payroll taxes shall be taken from whatever payments have been made to the
17 QSF.

18 (2) If CourierRx, LLC files for bankruptcy before funding at least \$235,000 of
19 the Gross Settlement Amount, then:

20 (i) SNP Pharmacy, LLC will have 10 calendar days to decide whether it will
21 guarantee to pay the remaining balance of the Gross Settlement Amount and,
22 if it elects to do so, it will have an additional 10 calendar days to resume
23 funding the Settlement pursuant to the schedule set forth in the Settlement
24 Agreement. SNP shall have no obligation to make any additional payments
25 for payroll taxes once it has satisfied its \$100,000 obligation. Payroll taxes
26 shall be taken from whatever payments have been made to the QSF; or

27 (ii) if SNP Pharmacy, LLC does not guarantee to pay the remaining balance of
28 the Gross Settlement Amount, Plaintiffs will have 10 calendar days to either

(a) elect to accept the funds deposited to date in the escrow account including the \$100,000 guaranteed by SNP Pharmacy, LLC in full satisfaction of the Settlement and in exchange for the Release contemplated in the Settlement Agreement of CourierRx Released Parties and SNP Released Parties or, (b) accept only the \$100,000 guaranteed by SNP Pharmacy, LLC in exchange for a Release of SNP Released Parties as contemplated by the Settlement Agreement but return all other funds in the escrow account and pursue litigation against CourierRx, LLC in court. SNP shall have no obligation to make any additional payments for payroll taxes once it has satisfied its \$100,000 obligation. Payroll taxes shall be taken from whatever payments have been made to the QSF.

Section 2.12 Attorneys' Fees in Actions on Released Claims

(a) The Parties agree that in any proceeding, claim or action brought subsequent to Final Approval that: (i) challenges the validity of or arises out of this Settlement Agreement; and/or (ii) seeks to allege against Defendants or the Released Parties any of the Released Claims, this Settlement Agreement, and/or any related order of the Court shall constitute, and may be pleaded as, a complete and total defense to any such dispute or claim. The prevailing party in any such proceeding, claim or action shall be entitled to an award of its reasonable attorneys' fees and costs.

Section 2.13 Duties of the Parties Prior to Court Approval

(a) Once finalized, the Parties shall promptly submit this Settlement Agreement to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Settlement Agreement, Plaintiffs will prepare, send to Defendants' counsel for comment, and then when it is mutually-agreeable, file a Motion for Preliminary Approval seeking the following:

- (1) Approval of the proposed settlement as fair, reasonable, and adequate as to Settlement Class Members;
- (2) Approval as to form and content of the proposed Notice of Settlement;
- (3) Approval of the Gross Settlement Amount's distribution;

1 (4) Directing the Settlement Administrator to mail the Notice of Settlement by
2 First Class Mail to Settlement Class Members;

3 (5) Conditionally certifying the Settlement Class for settlement purposes only;

4 (6) Appointing Class Counsel, Plaintiffs as Class Representative, and Simpluris,
5 Inc. as Settlement Administrator;

6 (7) Preliminarily approving this Settlement Agreement; and

7 (8) Scheduling a Final Fairness Hearing on the question of whether the proposed
8 settlement should be finally approved.

9 (b) Prior to the Final Fairness Hearing, Class Counsel (in conjunction with Defendants'
10 counsel) will submit a proposed final order:

11 (1) Approving the Settlement, adjudging the terms thereof to be fair, reasonable
12 and adequate, and directing consummation of its terms and provisions;

13 (2) Approving Class Counsel's application for an award of Attorneys' Fees and
14 Costs in whole or in part. These amounts for Attorneys' Fees and Costs shall be paid from the Gross
15 Settlement Amount; and

16 (3) Seeking judgment to be entered in this Action that dismisses the Action with
17 prejudice.

18 **Section 2.14 Communications**

19 (a) Except for disclosures that are authorized by Defendants, that are required by law for
20 Defendants to make, or that are necessary to prepare the Motion for Preliminary Approval, the terms
21 of this Settlement shall remain confidential until they are presented to the Court in connection with
22 the Motion for Preliminary Approval.

23 (b) Following preliminary approval, the Parties and their counsel will direct inquiries
24 from Settlement Class Members to the Settlement Administrator to ensure consistent and accurate
25 communication with Settlement Class Members. The Parties will make no efforts to solicit requests
26 for exclusion or opt-outs or objections to this Settlement. Plaintiffs shall not respond to any inquiries
27 directed to them by Class Members, but shall direct them to speak with the Settlement
28 Administrator. However, Named Plaintiffs may disclose information regarding the Settlement to

1 their attorneys, spouses, or financial/tax advisors. Plaintiffs must refer all inquiries to them by Class
2 Members or anyone other than their attorneys, spouses, or financial/tax advisors to the Settlement
3 Administrator. Notwithstanding anything to the contrary in this Section 2.14 or elsewhere in this
4 Settlement Agreement, Defendants and Class Counsel shall be permitted to disclose the Settlement
5 in order to comply with any state or federal law. Nothing in this Section 2.14 shall limit Defendants
6 from communicating with its counsel regarding this Settlement Agreement or Plaintiffs from
7 communicating with Class Counsel regarding this Settlement Agreement. Nothing in this Section
8 2.14 shall limit Defendants right to issue a memorandum to its managers and HR personnel which
9 shall direct these persons that, if approached by a Class Member concerning the settlement, he/she
10 shall inform the Class Member that they should consult the Class Notice for further information or
11 contact the Settlement Administrator for additional information. In such event, Defendants shall
12 have the right to reasonably encourage Class Members to participate in the Settlement, and will not
13 discourage in any way their participation in the settlement. Defendants will not target, retaliate
14 against, or take any adverse action against any Class Members who choose to Opt-Out of the class
15 portion of the Settlement.

16 (c) Plaintiffs, Class Counsel, Defendants and Defendants' counsel agree: not to
17 comment upon or otherwise publicize the Action or its Settlement in the media (including without
18 limitation internet, print, radio, television or social media); not to initiate or issue any press release,
19 advertising, mass mailing, social media or website posting or content; not to disparage or comment
20 negatively about one another, including Defendants, its officers, directors, management, and/or
21 current or former employees; and to respond to any inquiry from the media regarding the Action or
22 its Settlement by referring the inquiry to the publicly available Court file. If Plaintiffs, Class
23 Counsel, Defendants or Defendants' counsel is contacted about this Action or Settlement by the
24 press or other media, the party or their counsel shall state only that the case was settled on mutually
25 satisfactory terms. This Section 2.14 does not apply to any Court-Approved Notice of the
26 Settlement. Nothing in this Section 2.14 shall be construed as prohibiting the Parties or their counsel
27 from responding to an inquiry issued under court order, subpoena or other request issued under the
28 law.

1 **Section 2.15 Continuing Jurisdiction of the Court**

2 (a) The Parties agree that the Court shall retain jurisdiction over the Parties, and over
3 this Settlement Agreement, in order to: (1) monitor and enforce compliance with this Settlement
4 Agreement, Order of Final Approval and/or any related order of this Court; and/or (2) resolve any
5 disputes over this Settlement Agreement or the administration of the benefits of this Settlement
6 Agreement, including disputes over entitlement to payments sought by Class Counsel.

7 **Section 2.16 Voiding the Settlement Agreement**

8 (a) If any of the conditions set forth in the preceding paragraphs are not met and
9 materially satisfied, this Settlement Agreement shall, at the option of either party, be ineffective,
10 void, and of no further force and effect and shall not be used nor be admissible in any subsequent
11 proceeding either in this Court or in any other court or forum. The Parties may exercise their option,
12 only on the terms provided herein, to void this settlement by giving notice, in writing, to the other
13 party and to the Court no later than ten (10) calendar days after notice of the triggering event at any
14 time prior to the Effective Settlement Date. In such an event, (1) nothing in this Settlement
15 Agreement shall be construed as a determination, admission, or concession of any issue in the
16 Action, and nothing in this Settlement Agreement may be offered into evidence in any trial on the
17 merits of the claims asserted in the complaints filed in the Action or in any subsequent pleading; (2)
18 the Parties expressly reserve their rights with respect to the prosecution and defense of the Action
19 as if this Settlement Agreement never existed; and (3) the Party or Parties who exercised the option
20 to void the Settlement Agreement shall be responsible for any claims administration costs incurred
21 by the Settlement Administrator through that date, provided that such costs shall be recoverable in
22 the event that the Party who incurred them is a prevailing party in the Action.

23 (b) If after a notice of appeal, a petition for review, or a petition for certiorari, or any
24 other motion, petition, or application, the reviewing court vacates, reverses, or modifies the
25 Judgment such that there is a material modification to the Settlement, and that court's decision is
26 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
27 either Party may exercise their option, only on the terms provided herein, to void this settlement by
28 giving notice, in writing, to the other party and to the Court no later than ten (10) calendar days after

1 notice of the triggering event. In such an event, (1) nothing in this Settlement Agreement shall be
2 construed as a determination, admission, or concession of any issue in the Action, and nothing in
3 this Settlement Agreement may be offered into evidence in any trial on the merits of the claims
4 asserted in the complaints filed in the Action or in any subsequent pleading; (2) the Parties expressly
5 reserve their rights with respect to the prosecution and defense of the Action as if this Settlement
6 Agreement never existed; and (3) the Party or Parties who exercised the option to void the Settlement
7 Agreement shall be responsible for any claims administration costs incurred by the Settlement
8 Administrator through that date, provided that such costs shall be recoverable in the event that the
9 Party who incurred them is a prevailing party in the Action. A vacation, reversal, or modification
10 of the Court's award of the Plaintiff's Service Award, or Class Counsel Award or Class Counsel's
11 actual litigation costs or expenses will not constitute a vacation, reversal, or material modification
12 of the Judgment.

13 (c) In the event that the Court does not execute and file an Order of Final Approval; that
14 any such Order of Final Approval does not become final for any reason, or is modified in any
15 material respect (other than a modification, reduction, or denial of Class Counsel's application for
16 Attorneys' Fees and Costs or a modification, reduction, or denial of the application for Plaintiffs'
17 Service Award); that the Effective Settlement Date does not occur; or that any of the conditions set
18 forth above do not occur, this Settlement Agreement shall be deemed null and void and shall be of
19 no force or effect whatsoever, and shall not be referred to or utilized for any purpose whatsoever.
20 The Parties shall share any claims administration costs incurred by the Settlement Administrator
21 through that date equally, provided that such costs shall be recoverable in the event that the Party
22 who incurred them is a prevailing party in the Action.

23 (d) In the event that this Settlement is not approved by the Court or the Settlement set
24 forth in this Settlement is terminated or fails to become effective in accordance with its terms, the
25 Parties shall be restored to their respective positions in the Action. In such event, the terms and
26 provisions of this Settlement and any documents relating to it, with the exception of Settlement
27 sections 2.20 and 2.21 and any payments to the Settlement Administrator as set forth in this section
28 2.16 herein, shall have no further force or effect with respect to the Parties and shall not be used in

1 the Action, or in any other proceeding for any purpose and any Judgment or order entered by the
2 Court in accordance with the terms of this Joint Stipulation shall be treated as vacated, nunc pro
3 tunc. All funds deposited in the escrow accounts and any interest accrued thereon, shall be returned
4 and released to the defendant who deposited the funds within 5 business days.

5 **Section 2.17 Parties' Authority**

6 (a) The signatories hereto hereby represent that they are fully authorized to enter into
7 this Settlement Agreement and to bind the Parties to the terms and conditions of the Settlement
8 Agreement.

9 **Section 2.18 Mutual Full Cooperation**

10 (a) The Parties agree to fully cooperate with each other to accomplish the terms of this
11 Settlement Agreement, including without limitation to execute such documents and to take such
12 other action as may reasonably be necessary to implement the terms of this Settlement Agreement.
13 The Parties to this Settlement Agreement shall use their best efforts, including all efforts
14 contemplated by this Settlement Agreement and any other efforts that may become necessary by
15 order of the Court, or otherwise, to effectuate the terms of this Settlement Agreement. As soon as
16 practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance
17 and cooperation of Defendants and its counsel, take all necessary steps to secure the Court's Final
18 Approval of this Settlement Agreement. Class Counsel will also notify counsel for Defendants if
19 Class Counsel are subpoenaed or receive any other request for documents or information regarding
20 any other action filed or potential action against the Released Parties that covers or includes any
21 Settlement Class Members.

22 **Section 2.19 No Prior Assignments**

23 (a) The Parties represent, covenant, and warrant that they have not directly or indirectly,
24 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
25 entity any portion of any liability, claim, demand, action, cause of action or rights herein released
26 and discharged except as set forth herein.

27 **Section 2.20 No Admission**

28 (a) Nothing contained herein, nor the negotiation, consummation or performance of this

1 Settlement Agreement, is to be construed or deemed an admission of liability, culpability,
2 negligence, or wrongdoing on the part of Defendants and/or any of the Released Parties, and they
3 expressly deny liability or wrongdoing. Defendants further deny, for any purpose other than settling
4 this Lawsuit, that this Lawsuit is appropriate for class, or representative treatment. This Settlement
5 Agreement is not, shall not be deemed to be, and may not be used as, an admission or evidence of
6 the appropriateness of this or similar claims for class action certification or administration other than
7 for the purposes of administering this Settlement Agreement. Each of the Parties has entered into
8 this Settlement Agreement with the sole purpose and intention to avoid further disputes and
9 litigation with the attendant inconvenience and expenses. In the event this Settlement Agreement is
10 not approved by the Court or otherwise does not become final, Defendants do not waive any
11 defenses or rights, including without limitation, that this case is not suitable for class treatment, and
12 the Parties agree that the Settlement Class will be decertified. This Settlement Agreement is a
13 settlement document and shall, pursuant to Federal Rule of Evidence 408 and any and all analogous
14 state laws, be inadmissible as evidence in any proceeding, except an action or proceeding to approve,
15 interpret, or enforce this Settlement Agreement.

16 (b) Whether or not the Settlement is finally approved, neither the Settlement Agreement,
17 nor any of its terms, nor any document, statement, proceeding or conduct related to this Settlement
18 Agreement including without limitation the motions for preliminary and final approval of the
19 Settlement and any documents submitted in support of such motions, nor any reports or accounts
20 thereof, shall in any event be disclosed, referred to or offered or received in evidence against any of
21 the Parties, in any further proceedings in this Action, or any other civil, criminal or administrative
22 action or proceeding except for purposes of settling this Action or enforcing the Released Claims
23 contained herein pursuant to the terms of this Settlement Agreement.

24 **Section 2.21 Enforcement Actions**

25 (a) In the event that one or more of the Parties to this Settlement Agreement institutes
26 any legal action, arbitration, or other proceeding against any other party to enforce the provisions of
27 this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement,
28 the successful party shall be entitled to recover from the unsuccessful party reasonable attorneys'

1 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

2 **Section 2.22 Notices**

3 (a) Unless otherwise specifically provided herein, all notices, demands, or other
4 communications shall be in writing and shall be deemed to have been duly given as of the third
5 business day after mailing by United States registered or certified mail, return receipt requested,
6 addressed as follows:

7 To Plaintiffs and the Settlement Class:

8 MOSS BOLLINGER, LLP
9 Jeremy F. Bollinger, Esq.
Ari Moss, Esq.
Dennis F. Moss, Esq.
10 Kiara Bramasco, Esq.
15300 Ventura Boulevard, Ste. 207
11 Sherman Oaks, California 91403

12 To Defendants:

13 JEFFER MANGELS BUTLER & MITCHELL LLP
14 Barbra A. Arnold
Patricia Belton
1900 Avenue of the Stars, 7th Floor
15 Los Angeles, CA 90067

16 **Section 2.23 Construction**

17 (a) The Parties hereto agree that the terms and conditions of this Settlement Agreement
18 are the result of lengthy, intensive arms-length negotiations between the Parties and that this
19 Settlement Agreement shall not be construed in favor of or against any party by reason of the extent
20 to which any party or his, her or its counsel participated in the drafting of this Settlement Agreement.

21 **Section 2.24 Captions and Interpretations**

22 (a) Paragraph titles or captions contained herein are inserted as a matter of convenience
23 and for reference, and in no way define, limit, extend, or describe the scope of this Settlement
24 Agreement or any of its provisions. Each term of this Settlement Agreement is contractual and not
25 merely a recital.

26 **Section 2.25 Modification**

27 (a) This Settlement Agreement may not be changed, altered, or modified, except in
28 writing and signed by Defendants and the Plaintiffs, or their counsel acting on their behalf, hereto.

1 This Settlement Agreement may not be discharged except by performance in accordance with its
2 terms or by a writing signed by the Parties hereto.

3 **Section 2.26 Integration Clause**

4 (a) This Settlement Agreement contains the entire agreement between the Parties
5 relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous
6 agreements, understandings, representations, and statements relating to this Settlement and the
7 transaction contemplated hereby, whether oral or written and whether by a party or such party's
8 legal counsel, are merged herein. No rights hereunder may be waived except in writing.

9 **Section 2.27 Binding on Assigns**

10 (a) The provisions of this Settlement Agreement shall run in perpetuity. This Settlement
11 Agreement shall be binding upon the Parties hereto and their spouses, heirs, administrators,
12 representatives, executors, successors and assigns, and shall inure to the benefit of Defendants and
13 the Released Parties, and their predecessors, successors, affiliates, subsidiaries, parent companies,
14 partners, current and past employees, officers, directors, shareholders, insurers, agents, legal
15 representatives, and benefit plans, each of which is entitled to enforce this Settlement Agreement.

16 **Section 2.28 Signatories**

17 (a) It is agreed that because the members of the Settlement Class are so numerous, it is
18 impossible or impractical to have each member of the Settlement Class execute this Settlement
19 Agreement. It is agreed that this Settlement Agreement may be executed on behalf of the Settlement
20 Class by Class Counsel and Plaintiffs and shall have the same force and effect as if executed by each
21 member of the Settlement Class, who will be notified of the Settlement by the Notice of Settlement.

22 **Section 2.29 Incorporation of Exhibits**

23 (a) All exhibits attached hereto are incorporated by reference and are a material part of
24 this Settlement Agreement. Any notice, order, judgment, or other exhibit that requires approval of
25 the Court must be approved without material alteration from its current form in order for this
26 Settlement Agreement to become effective.

27 **Section 2.30 Reasonableness of Settlement Agreement**

28 (a) The Parties jointly warrant that this is a fair, reasonable, and adequate Settlement and

1 have arrived at this Settlement through arms-length negotiations, involving an experienced and well-
2 regarded mediator, taking into account all relevant factors, present and potential.

3 **Section 2.31 California Law and Interpretation**

4 (a) All terms of this Settlement Agreement and its exhibits will be governed and
5 interpreted by and according to the laws of the State of California, without giving effect to any
6 conflict of law principles or choice of law principles. If the Court determines that the Release of
7 Claims in Section 2.6 above is unenforceable, for whatever reason, this entire Settlement Agreement
8 will become null and void *ab initio*.

9 **Section 2.32 Counterparts**

10 (a) This Settlement Agreement may be executed in counterparts and/or by facsimile
11 signature (“counterpart”), and when each party has signed and delivered at least one such
12 counterpart, each counterpart shall be deemed an original, and, when taken together with other
13 signed counterparts, shall constitute one fully-executed Settlement Agreement, which shall be
14 binding upon and effective as to all Parties.

15 **Section 2.33 Confidential Documents**

16 (a) Plaintiffs and Class Counsel agree that none of the documents and information
17 provided to them in discovery or at any other time during this Action shall be used for any purposes
18 other than prosecution of this Action. Class Counsel shall not refer to, rely upon, or otherwise utilize
19 any documents or information obtained during this Action for any purpose outside of this Action,
20 including but not limited to, to prosecute a separate action against Defendants and/or any Released
21 Parties; however, nothing in this Section will be construed as a restraint on the right of any counsel
22 to practice, or a limitation on the rights that any Settlement Class Member or Class Counsel may
23 have under any applicable federal, state, or local law to separately obtain documents or information
24 from Defendants.

25 **Section 2.34 Entire Agreement**

26 (a) After this Settlement Agreement is fully executed by the Parties, it will constitute the
27 entire agreement of the Parties. No oral representations, warranties, inducements, or writings have
28 been made by any Party concerning this Settlement Agreement, other than those expressly stated

1 herein.

2 IN WITNESS WHEREOF, Plaintiffs and Defendants and their respective undersigned
3 counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

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[ALL SIGNATURES ON NEXT PAGE]

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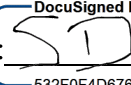
Dated: 10/30/2020 _____

PLAINTIFF ADEOYE FADIYA

DocuSigned by:
By:  _____
ADEOYE FADIYA

Dated: 10/30/2020 _____

PLAINTIFF STEVEN DEAR

DocuSigned by:
By:  _____
STEVEN DEAR

Dated: _____

DEFENDANT COURIERRX, LLC

By: _____
CONRAD DOSS,
ON BEHALF OF DEFENDANT
COURIERRX, LLC

Dated: _____

DEFENDANT SNP PHARMACY, LLC

By: _____
ON BEHALF OF DEFENDANT
SNP PHARMACY, LLC

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Dated: _____

PLAINTIFF ADEOYE FADIYA

By: _____
ADEOYE FADIYA

Dated: _____

PLAINTIFF STEVEN DEAR

By: _____
STEVEN DEAR

Dated: 10/31/2020

DEFENDANT COURIERRX, LLC

By: Conrad Doss
CONRAD DOSS,
ON BEHALF OF DEFENDANT
COURIERRX, LLC

Dated: _____

DEFENDANT SNP PHARMACY, LLC

By: _____
ON BEHALF OF DEFENDANT
SNP PHARMACY, LLC

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Dated: _____

PLAINTIFF ADEOYE FADIYA

By: _____
ADEOYE FADIYA

Dated: _____

PLAINTIFF STEVEN DEAR

By: _____
STEVEN DEAR

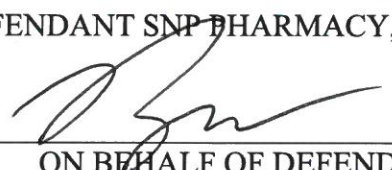
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DEFENDANT COURIERRX, LLC

By: _____
CONRAD DOSS,
ON BEHALF OF DEFENDANT
COURIERRX, LLC

Dated: 10/30/20

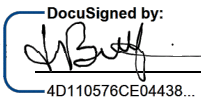
DEFENDANT SNP PHARMACY, LLC

By: 
ON BEHALF OF DEFENDANT
SNP PHARMACY, LLC

1 APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE PLAINTIFFS AND AS A
2 SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE
3 SETTLEMENT CLASS:

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DATED: 10/30/2020

MOSS BOLLINGER, LLP

By 

Dennis F. Moss
Jeremy F. Bollinger
Counsel for Plaintiffs, Class Representative
and the Class

APPROVED AS TO FORM AND CONTENT

DATED: _____

JEFFER MANGELS BUTLER & MITCHELL LLP

By: _____

Barbra A. Arnold
Patricia DeSantis Belton
Counsel for Defendants CourierRx, LLC
and SNP Pharmacy, LLC

1 APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE PLAINTIFFS AND AS
2 A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE
3 SETTLEMENT CLASS:

4 DATED: _____ MOSS BOLLINGER, LLP

5
6 By: _____
7 Dennis F. Moss
8 Jeremy F. Bollinger
9 Counsel for Plaintiffs, Class Representative
10 and the Class

11 APPROVED AS TO FORM AND CONTENT

12 DATED: November 2, 2020 JEFFER MANGELS BUTLER & MITCHELL LLP

13 By:  _____
14 Barbra A. Arnold
15 Patricia DeSantis Belton
16 Counsel for Defendants CourierRx, LLC
17 and SNP Pharmacy, LLC
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EXHIBIT A

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**IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ADEOYE FADIYA, on behalf of himself and
others similarly situated,

Plaintiffs,

vs.

**COURIERRX, LLC; ANCILLARY
PROVIDER SERVICES, INC.;** and **DOES 1-50,**

Defendants.

Case No. 20STCV07220

**NOTICE OF PENDENCY OF CLASS
ACTION SETTLEMENT**

[IMAGED FILE]

Hon. Elihu M. Berle
Dept. 6

Date Action Filed: February 25, 2020

FINAL APPROVAL HEARING DATE:

XXXXXXX, 2020

TIME: XX:XX a.m.

A court approved this notice. This is not an advertisement.

NOTICE

IF YOU WERE CLASSIFIED AS A COURIER FOR COURIERRX, LLC
("COURIERRX") IN EITHER AN INDEPENDENT CONTRACTOR RELATIONSHIP
OR AN EMPLOYMENT RELATIONSHIP IN CALIFORNIA FROM FEBRUARY 25,
2016 THROUGH [REDACTED], 2020, YOU MAY BE ELIGIBLE TO RECEIVE
MONEY FROM A CLASS ACTION SETTLEMENT.

COURIERRX'S RECORDS INDICATE THAT YOU WERE CLASSIFIED AS A
COURIER FOR COURIERRX FOR A TOTAL OF [REDACTED] WORKWEEKS FROM
FEBRUARY 25, 2016 THROUGH [REDACTED], 2020. BASED ON THE
PRECEDING INFORMATION, AND ASSUMING EVERY CLASS MEMBER
PARTICIPATES IN THE SETTLEMENT, YOUR ESTIMATED INDIVIDUAL
SETTLEMENT PAYMENT WILL BE APPROXIMATELY \$ [REDACTED].

You are **NOT** being sued. However, your legal rights are affected whether you act or not.

CourierRx **will not** fire, punish, retaliate, or otherwise discriminate against any employee because
he or she chooses to participate in this settlement, chooses not to participate, or objects to the

1 settlement.

2 **PLEASE READ THIS NOTICE**
3 **WHAT INFORMATION IS IN THIS NOTICE**

3	1.	Why It Is Important To Read This Notice:	2
4	2.	What The Case Is About:	2
	3.	What Is The Class Action Settlement?.....	3
5	4.	Why Did Defendants Join in This Notice?.....	3
	5.	Who Are The Plaintiffs in This Class Action?.....	3
6	6.	Who Are The Attorneys Representing The Parties?	3
	7.	What Do I Need To Do To Get Money From This Settlement?	3
7	8.	How Do I Remove Myself From This Settlement?.....	4
	9.	What If I Disagree With The Terms Of The Settlement?	4
8	10.	How Does The Settlement Affect My Rights?.....	5
	11.	How Much Can I Expect To Receive?.....	5
9	12.	How Will the Attorneys for the Class and Class Representative Be Paid?.....	7

10
11 **1. Why It Is Important To Read This Notice:**

12 The Superior Court of the State of California in and for the County of Los Angeles (the “Court”)
13 has granted Preliminary Approval to a proposed settlement (the “Settlement”) of a class action
14 lawsuit regarding wage and hour claims of persons who worked as couriers for CourierRx in an
15 independent contractor and/or employment relationship in California. Because your rights may be
affected by the Settlement, it is important that you read this notice carefully.

16 CourierRx’s records show that you were classified as a courier for CourierRx in California as
17 either an independent contractor or as an employee sometime between February 26, 2016 and
[REDACTED], 2020. Therefore, you are a “Class Member” in this Lawsuit.

18 The purpose of this Notice is to provide you with a brief description of the class action lawsuit,
19 what investigation of the claims has taken place, and, finally, to inform you of the terms of the
20 proposed Settlement and to discuss your rights and options in connection with the lawsuit and the
Settlement.

21 **2. What The Case Is About:**

22 Two former CourierRx couriers filed a lawsuit against CourierRx and SNP Pharmacy, LLC
23 (collectively, the “Defendants”) alleging that Defendants misclassified CourierRx’s couriers as
24 independent contractors, failed to properly provide meal and rest breaks in accordance with
25 California wage and hour laws, failed to pay all minimum and overtime wages, and failed to
26 reimburse business expenses. Specifically, the former employees sought unpaid meal and rest
27 period premiums, unpaid wages, reimbursement of expenses, restitution, attorneys’ fees, and
28 penalties on the basis of potential wage and hour violations, including without limitation, failure to
pay break period premiums, failure to pay minimum and overtime wages, failure to provide
accurate wage statements under Labor Code section 226, failure to pay wages at termination under
Labor Code section 203, and such related and derivative claims under California Business &
Professions Code section 17200 et seq. and Labor Code sections 2698 et seq. (“Private Attorney
General Act”).

Defendants deny Plaintiffs' allegations and assert that they have no liability for any of Plaintiffs' or the Class members' claims under any statute, wage order, common law, or equitable theory.

Notwithstanding Defendants' denial of liability, they have chosen to resolve the matter based upon the terms and conditions set forth in the settlement agreement now before the Court for approval.

3. What Is The Class Action Settlement?

The Court must approve the terms of the class action settlement described below as fair and reasonable to the class. The settlement will affect all members of the class. This Notice will explain the terms of the settlement and the amount of money you may get.

4. Why Did Defendants Join in This Notice?

The Defendants do not admit to any of the claims alleged in the lawsuit and deny that they owe money for rest breaks, meal periods, unpaid wages, waiting time penalties, that they failed to provide accurate wage statements, that they failed to reimburse expenses, or any derivative claims for any of the above under Business & Professions Code sections 17200 et seq. and Labor Code sections 2698 et seq. The Defendants are settling the class action lawsuit as a compromise. The Defendants reserve the right to object to any claim if for any reason the settlement fails. The Court file has the settlement documents with more information on the lawsuit.

5. Who Are The Plaintiffs in This Class Action?

Adeoye Fadiya and Steven Dear are the Plaintiffs and Class Representatives in this class action lawsuit. They are acting on behalf of themselves and on behalf of all other couriers that worked for CourierRx.

6. Who Are The Attorneys Representing The Parties?

Attorneys for Plaintiffs & the Class	Attorneys for Defendant
MOSS BOLLINGER, LLP Jeremy F. Bollinger Dennis F. Moss 15300 Ventura Boulevard, Suite 207 Sherman Oaks, California 91403 Telephone: (310) 982-2984	JEFFER MANGELS BUTLER & MITCHELL LLP Barbra A. Arnold Patricia Belton 1900 Avenue of the Stars, 7th Floor Los Angeles, CA 90067 Telephone: (310) 203-8080

7. What Do I Need To Do To Get Money From This Settlement?

For purposes of the class action settlement, the Class Members are defined as all natural persons who either were contracted directly as a courier for CourierRx, LLC, in an independent contractor relationship or worked as a courier for CourierRx in an employment relationship at any time between February 25, 2016 and [REDACTED], 2020.

1 Class Members do not need to take any action to receive their share of the settlement fund. All
2 Class Members who do not timely and effectively exclude themselves from the Settlement
3 (“Settlement Class Members”) will receive their share of the settlement fund.

4 Defendants will fund the settlement in installments over a 14-month period. Following final
5 approval of the class action settlement by the court, distribution of the net settlement monies will
6 be made to the Settlement Class Members within 15 calendar days after funding of the settlement
7 is complete. It is important to update any changes to your mailing address between now and
8 [REDACTED], 2022, by contacting the Settlement Administrator.

8. *How Do I Remove Myself From This Settlement?*

Excluding Yourself from the Settlement.

9 If you do not wish to take part in the settlement, you must submit a signed written request to the
10 Settlement Administrator to be excluded from the Settlement. The written request must: (a) state
11 your name, address, telephone number, last four digits of your Social Security Number, and the
12 dates (or approximate dates) of your employment; (b) clearly state that you wish to be excluded
13 from the Settlement; (c) be addressed to the Settlement Administrator, Simpluris, Inc.; and (d) be
14 postmarked on or before [REDACTED], 2021 [45 DAYS FROM MAILING OF NOTICE].

15 The Settlement Administrator is:

16 Simpluris, Inc.

17 P.O. Box [INSERT]

18 [INSERT], CA 9[INSERT]

19 The Judgment following approval of the class action settlement by the Court will bind all Class
20 Members who do not request exclusion from the class action settlement. Any class member who
21 does not request exclusion may, if they wish, enter an appearance through his or her own lawyer.

9. *What If I Disagree With The Terms Of The Settlement?*

Objecting to the Settlement

22 If you wish to object to the Settlement, you shall file your objection with the Settlement
23 Administrator. The objection should include your reasons for why the Court should not approve
24 the settlement, your name, address, and phone number, and/or the name, address and phone
25 number of the attorney representing you at your costs, if you have one. For an objection to be
26 considered timely the Settlement Administrator must receive it no later than DATE [45 DAYS
27 FROM MAILING OF NOTICE]. Counsel for the parties may oppose your objection in writing or
28 orally at the hearing on Final Approval. Whether or not you appear at the hearing on Final
Approval, the Court will consider all timely filed Objections. Please note, that Objections served
later than DATE [45 DAYS FROM MAILING OF NOTICE] shall be considered untimely and
waived.

If you timely submit both an objection and a request for exclusion (under Section 8 above), the
request for exclusion shall supersede the objection regardless of timing, and the objection shall
therefore be waived.

DO NOT TELEPHONE THE COURT.

1 You may also, if you wish, appear at the Settlement Fairness Hearing set for
2 2020, at .m. in Dept. 6 of the Los Angeles County Superior Court
and discuss your objections with the Court and the Parties.

3 You are welcome to attend the Final Approval Hearing and be heard by the Court. Due to the
4 COVID-19 pandemic, hearings are currently being conducted remotely with the assistance of a
5 third-party service provider, LACourtConnect. Class members who wish to appear at the final
6 fairness hearing should arrange a telephonic appearance through LACourtConnect at
7 <https://www.lacourt.org/lacc/>, at least three days before the hearing if possible. The Court may
8 change the date/time of the hearing, so you should consult the Court's website ADDRESS as the
date approaches, if you want to appear. It is unnecessary to file an objection with the Court to be
9 heard on matters unrelated to an objection. If you exclude yourself from the Settlement, you may
not be heard at the Final Approval Hearing

10 ***10. How Does The Settlement Affect My Rights?***

11 Attorneys for the Class, also known as "Class Counsel," appointed and approved by the Court for
settlement purposes only, will represent you.

12 If the proposed settlement is approved by the Court, a Judgment will be entered by the Court. The
13 Judgment following approval of the settlement by the Court will bind all Class Members who do
not request exclusion from the class action settlement. Any member who does not request
14 exclusion may, if they wish, enter an appearance through his or her own lawyer.

15 If the settlement is approved and you choose not to exclude yourself from the settlement, you will
be forever barred from asserting any of the claims arising out of or relating to the lawsuit
("Released Claims"¹) against CourierRx, LLC, Circle45 Logistics, LLC, and Conrad Doss and
16 each of their respective agents, attorneys, insurers, past, present and future divisions, affiliates,
predecessors, successors, owners, shareholders, officers, directors, members, clients, employees,
17 trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners,
subsidiaries, parents, vendors, couriers, delivery or courier services, and/or privies ("CourierRx
18 Released Parties") and against SNP Pharmacy, LLC and its respective agents, attorneys, insurers,
past, present and future divisions, affiliates, predecessors, successors, owners, shareholders,
19 officers, directors, members, clients, employees, trustees, representatives, administrators,
fiduciaries, assigns, subrogees, executors, partners, subsidiaries, parents, vendors, couriers,
20 delivery or courier services, and/or privies with the exception of CourierRx ("SNP Released
21 Parties"), collectively the "Released Parties."

22 ***11. How Much Can I Expect To Receive?***

23 Defendant CourierRx will pay a Gross Settlement Amount of \$335,000.00 ("Gross Settlement
24 Amount") to cover: (1) settlement payments to Verified Settlement Class Members; (2) the costs
25 of administering the settlement; (3) Class Representative Service Award to the Plaintiffs; (4)
26 payment of \$2,400 to the California Labor and Workforce Development Agency ("LWDA"); and

27 ¹ "Released Claims" means [INSERT FROM SETTLEMENT AGREEMENT ONCE
28 FINALIZED].

(5) the Class Counsel Fees and Costs. CourierRx shall remit its share of the employer's payroll taxes separate from the Gross Settlement Amount. Defendant SNP Pharmacy, LLC guarantees \$100,000 of the Gross Settlement Amount, and is not responsible for any employer payroll taxes, in the event that CourierRx defaults on any of its payments or files for bankruptcy. All wages paid to Class Members shall be reflected on such Class Members' W-2 forms unless such forms are unavailable, in which case a form 1099 shall be used.

After deducting the Class Representative Enhancements, Class Counsel's awarded attorneys' fees and costs, payment to the LWDA, and the Settlement Administrator's fees and expenses, the balance of the Gross Settlement Amount (the "Net Settlement Amount") will be available for payment to Settlement Class Members. The Net Settlement Amount will be apportioned on a pro rata basis among Settlement Class Members based on the methodology below. The estimated Net Settlement Amount is \$ [REDACTED].

An "Individual Settlement Payment" for each Class Member will be determined by (a) adding together all Qualified Workweeks² of the Verified Settlement Class Members; (b) for every Qualified Employee Workweek worked by a Class Member, the Class Member will receive one Net Settlement Share; (c) for every Qualified Contractor Workweek worked by a Class Member, the Class Member will receive three Net Settlement Shares; (d) the Settlement Administrator shall then divide each Verified Settlement Class Member's total Net Settlement Shares by the total Qualified Workweeks in order to determine the "Percentage Share" of each Verified Settlement Class Member; (e) in addition, all Verified Settlement Class Members who worked at least one Qualified Contractor Workweek and whose last day of work occurred during the Class Period ("Terminated Class Members") will receive an additional \$100 lump sum payment in recognition for their claims under Labor Code sections 201, 202 and/or 203; (f) pursuant to this formula, after deducting the total number of \$100 premium payments per Terminated Class Member, the Settlement Administrator will distribute the remaining Net Settlement Amount on a pro rata basis among the Verified Settlement Class Members based on the number of Net Settlement Shares each of them have been allocated.

Each Verified Settlement Class Member's Individual Settlement Payment will be allocated as follows: 25% to satisfaction of claims for unpaid wages (subject to required wage withholdings and deductions) and 75% to the satisfaction of claims for interest and penalties including PAGA penalties.

Employee taxes will be withheld from the wages portion only in accordance with the most recent W-4 or withholding instructions provided to CourierRx, unless none is available, in which case a Form 1099 shall be used. CourierRx's employer contributions of all federal, state, and local taxes

² "Qualified Workweeks" means the aggregate total of "Qualified Contractor Workweeks" and "Qualified Employee Workweeks". The workweeks will be calculated by the Settlement Administrator for each Settlement Class Member by using the difference between the first and last dates each Settlement Class Member worked during the Class Period (and in each relevant period of Qualified Workweeks) divided by seven; partial workweeks will be rounded up. "Qualified Contractor Workweeks" means the number of workweeks when Class Members were classified as independent contractors by CourierRx, LLC during the Class Period. "Qualified Employee Workweeks" means the number of workweeks when Class Members were employed by CourierRx, LLC in California during the Class Period.

(including, but not limited to, FICA, FUTA, and SDI) in regard to the wage portion of the Individual Settlement Payments shall be paid by CourierRx in addition to the Gross Settlement Amount. To the extent necessary to ensure the payment of all such tax obligations on the Individual Settlement Payments, the Individual Settlement Payments will be reduced by any such required tax obligations for wages for each Settlement Class Member. All wages paid to Settlement Class Members shall be reflected on their individual W-2 forms. All remaining portions of any Individual Settlement Payments made to Settlement Class Members shall, if required by applicable state and/or federal law, be reported on a federal form 1099 that shall be provided to the Individual Class Members.

CourierRx's records indicate that you were contracted for a total of [REDACTED] "Qualified Contractor Workweeks" and employed for [REDACTED] "Qualified Employee Workweeks" during the Class Period.

Based on the preceding information, your estimated settlement payment is \$[REDACTED].

If you dispute the number of workweeks stated above, CourierRx's records will control unless you are able to provide documentation to the Settlement Administrator that establishes otherwise and that CourierRx's records are mistaken. If there is a dispute about whether CourierRx's information, you must contact the Settlement Administrator. If the dispute cannot be resolved informally, the dispute will be resolved by the Settlement Administrator.

The Final Approval or Final Fairness Hearing will be on **DATE**. You are welcome to attend and be heard by the Court. The Court may change the date/time of the hearing, so you should consult the Court's website **ADDRESS** as the date approaches, if you want to appear. It is unnecessary to file an objection with the Court to be heard on matters unrelated to an objection. If you exclude yourself from the Settlement, you may not be heard at the Final Approval Hearing.

This Notice does not constitute tax advice to any recipient of monies. You should seek individual tax advice. Defendants will not be held responsible for individual tax liability, if any, found to exist on behalf of any Class Member.

12. How Will the Attorneys for the Class and Class Representative Be Paid?

The attorneys for the Representative Plaintiffs and the Class will be paid from the Gross Settlement Amount. The actual amount of attorneys' fees awarded will be determined by the Court, but will not exceed \$111,689.00, plus reimbursement of reasonable actual costs. Additionally, Plaintiffs will seek reimbursement for their services as Class Representatives in an amount not to exceed \$8,000 for each Plaintiff.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may call the Settlement Administrator at the telephone number listed below, toll free.

Adeoye Fadiya v. CourierRx, LLC et al.

Settlement Administrator

c/o

Simpluris, Inc.

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P.O. Box [INSERT]

[INSERT], CA 9[INSERT]

Phone: [INSERT PHONE NUMBER]

**PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS
SETTLEMENT OR THE CLAIMS PROCESS.**

DATE: _____