

Edwin Aiwazian (SBN 232943)
Arby Aiwazian (SBN 269827)
Joanna Ghosh (SBN 272479)
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiff MEAGAN HERNANDEZ

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

MEAGAN HERNANDEZ, individually, and
on behalf of other members of the general
public similarly situated; E'MONII
CRUMBY, individually, and on behalf of all
other members of the general public similarly
situated,

Plaintiffs,

vs.

PELOTON INTERACTIVE, INC., AN
UNKNOWN BUSINESS ENTITY; AND
DOES 1 THROUGH 100, INCLUSIVE,

Defendants.

MEAGAN HERNANDEZ, E'MONII
CRUMBY, individually, and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiffs,

vs.

PELOTON INTERACTIVE, INC., an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: RG20053333 (lead case)
Case No.: RG20061729

Honorable Frank Roesch
Department 17

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Reservation No.: R-2295005

Date: October 28, 2021
Time: 9:00 a.m.
Department: 17

1 This matter has come before the Honorable Frank Roesch in Department 17 of the Superior
2 Court of the State of California, for the County of Alameda, on October 28, 2021, at 9:00 a.m., for
3 Plaintiff Meagan Hernandez's Motion for Preliminary Approval of Class Action Settlement.
4 Lawyers *for* Justice, PC appears as counsel for Plaintiff Meagan Hernandez ("Plaintiff"),
5 individually and on behalf of all others similarly situated and other aggrieved employees and
6 Proskauer Rose LLP appears as counsel for Defendant Peloton Interactive, Inc. ("Defendant").

7 The Court, having carefully considered the papers, argument of counsel, and all matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED THAT:**

11 1. The Court preliminarily approves the Stipulation of Class Action and PAGA
12 Settlement ("Settlement," "Agreement," or "Settlement Agreement"), attached as "EXHIBIT 1" to
13 the Declaration of Edwin Aiwarzian in Support of Plaintiff's Motion for Preliminary Approval of
14 Class Action Settlement. This is based on the Court's determination that the Settlement falls within
15 the range of possible approval as fair, adequate, and reasonable.

16 2. This Order incorporates by reference the definitions in the Settlement Agreement,
17 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
18 Settlement Agreement.

19 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate,
20 and reasonable. It appears to the Court that extensive investigation and research have been
21 conducted such that counsel for the parties at this time are able to reasonably evaluate their respective
22 positions. It further appears to the Court that the Settlement, at this time, will avoid substantial
23 additional costs by all parties, as well as avoid the delay and risks that would be presented by the
24 further prosecution of the case. It further appears that the Settlement has been reached as the result
25 of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

26 4. The Court preliminarily finds that the Settlement, including the allocations for the
27 Attorneys' Fees and Attorneys' Costs, Enhancement Payment, LWDA Payment, Settlement
28 Administration Costs, and payments to the Participating Class Members provided thereby, appear

1 to be within the range of reasonableness of a settlement that could ultimately be given final approval
2 by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part of
3 the Settlement and preliminarily finds that the monetary settlement awards made available to the
4 Class Members are fair, adequate, and reasonable when balanced against the probable outcome of
5 further litigation relating to certification, liability, and damages issues.

6 5. The Court concludes that, for settlement purposes only, the proposed Class meets
7 the requirements for certification under section 382 of the California Code of Civil Procedure in
8 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
9 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
10 community of interest amongst the members of the Class with respect to the subject matter of the
11 litigation; (c) Plaintiff's claims are typical of the claims of the members of the Class; (d) Plaintiff
12 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
13 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
14 Counsel is qualified to act as counsel for Plaintiff in her individual capacity and as the representative
15 of the Class.

16 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
17 follows:

18 All current and former non-exempt employees who worked for Defendant in the
19 State of California at any time between February 4, 2016 and November 17, 2020,
 inclusive.

20 7. The Court provisionally appoints Edwin Aiwazian, Arby Aiwazian, Joanna Ghosh,
21 and Margaux V. Roussel of Lawyers *for* Justice, PC as counsel for the Class ("Class Counsel").

22 8. The Court provisionally appoints Plaintiff Meagan Hernandez as the representative
23 of the Class ("Class Representative").

24 9. The Court provisionally appoints Phoenix Settlement Administrators ("Phoenix") to
25 handle the administration of the Settlement ("Settlement Administrator").

26 10. Within twenty-eight (28) calendar days of the date of this Order, Defendant shall
27 provide the Settlement Administrator with the following information about each Class Member: full
28 name, last known mailing address, Social Security Number, dates worked for Defendant during the

1 Class Period in a non-exempt/hourly-paid position, and such other information as is necessary for
2 the Settlement Administrator to calculate Workweeks (collectively referred to as the “Class List”)
3 in conformity with the Settlement Agreement.

4 11. The Court approves, both as to form and content, the Notice of Proposed Class
5 Action Settlement (“Notice of Settlement”) attached hereto as “**EXHIBIT 1.**” The Notice of
6 Settlement shall be provided to Class Members in the manner set forth in the Settlement Agreement.
7 The Court finds that the Notice of Settlement appears to fully and accurately inform the Class
8 Members of all material elements of the Settlement, of Class Members’ right to be excluded from
9 the Settlement by submitting a Request for Exclusion, of Class Members’ right to dispute the
10 Workweeks credited to each of them, and of each Participating Class Member’s right and
11 opportunity to object to the Settlement by submitting a timely and complete Notice of Objection to
12 the Settlement Administrator. The Court further finds that distribution of the Notice of Settlement
13 substantially in the manner and form set forth in the Settlement Agreement and this Order, and that
14 all other dates set forth in the Settlement Agreement and this Order, meet the requirements of due
15 process and shall constitute due and sufficient notice to all persons entitled thereto. The Court
16 further orders the Settlement Administrator to mail the Notice of Settlement by First-Class U.S. mail
17 to all Class Members within fourteen (14) calendar days of receipt of the Class List, pursuant to the
18 terms set forth in the Settlement Agreement.

19 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
20 Settlement Agreement, for seeking exclusion from the Settlement. Any Class Member may choose
21 to be excluded from the Settlement by submitting a written Request for Exclusion in conformity
22 with the requirements set forth in the Notice of Settlement, to the Settlement Administrator,
23 postmarked no later than the date which is sixty (60) calendar days from the initial mailing of the
24 Notice of Settlement to Class Members (“Response Deadline”), or, in the case that a Notice of
25 Settlement is re-mailed to a Class Member, the Response Deadline for that Class Member shall be
26 the extended by fifteen (15) calendar days. Any such person who timely and validly chooses to opt
27 out of, and be excluded from, the Settlement will not be entitled to any recovery under the Settlement
28 and will not be bound by the Settlement or have any right to object, appeal, or comment thereon.

1 Class Members who have not submitted a timely and valid Request for Exclusion (i.e., Participating
2 Class Members) shall be bound by the Settlement Agreement and any final judgment based thereon.

3 13. A Final Approval Hearing shall be held before this Court on
4 _____ at _____ a.m./p.m. in
5 Department 17 of the Alameda County Superior Court, located at 1221 Oak Street Oakland,
6 California 94612, to determine all necessary matters concerning the Settlement, including: whether
7 the proposed settlement of the actions on the terms and conditions provided for in the Settlement is
8 fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as
9 provided in the Settlement, should be entered herein; whether the plan of allocation contained in the
10 Settlement should be approved as fair, adequate, and reasonable to the Class Members; and
11 determine whether to finally approve the requests for the Attorneys' Fees and Attorneys' Costs,
12 Enhancement Payment, and Settlement Administration Costs.

13 14. Class Counsel shall file a motion for final approval of the Settlement and for
14 Attorneys' Fees and Attorneys' Costs, Enhancement Payment, and Settlement Administration Costs,
15 along with the appropriate declarations and supporting evidence, including the Settlement
16 Administrator's declaration, by _____,
17 to be heard at the Final Approval Hearing.

18 15. To object to the Settlement, a Class Member must submit their Notice of Objection
19 to the Settlement Administrator on or before the Response Deadline. The Notice of Objection must
20 be signed and must contain the information that is required, as set forth in the Notice of Settlement,
21 including and not limited to the grounds for the objection.

22 16. In the event the Settlement does not become effective in accordance with the terms
23 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled
24 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
25 vacated, and the Parties shall revert back to their respective positions as of before entering into the
26 Settlement Agreement.

27 ///

28 ///

1 17. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
3 Members, and retains jurisdiction to consider all further applications arising out of or connected with
4 the Settlement.

5 **IT IS SO ORDERED.**

6
7 Dated: _____

By:

The Honorable FRANK ROESCH
Judge of the Superior Court

EXHIBIT 1

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Hernandez v. Peloton Interactive, Inc.

Superior Court of California for the County of Alameda, Case Nos. RG20053333 and RG20061729

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Peloton Interactive, Inc.’s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced cases.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options relating to the settlement, and how you can request to be excluded from the settlement or object to the settlement, if you so choose.

YOU ARE NOTIFIED THAT: A proposed class and representative action settlement (the “Settlement”) has been reached between Plaintiff Meagan Hernandez (“Plaintiff” or “Hernandez”) and Defendant Peloton Interactive, Inc. (“Peloton”) (Plaintiff and Peloton are collectively referred to as the “Parties”) in a consolidated class and representative action case entitled *Hernandez v. Peloton Interactive, Inc.*, Alameda County Superior Court, Case Nos. RG20053333 and RG20061729 (the “Consolidated Action”), which may affect your legal rights.

On [date of Preliminary Approval], the Court granted preliminary approval of the Parties’ Settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the Settlement.

Your Legal Rights and Options in this Settlement	
DO NOTHING	Receive an Individual Settlement Payment. If you received this notice and do not exclude yourself from the Settlement (pursuant to the procedures set forth Section IV.B below), you will receive an Individual Settlement Payment automatically without the need to return a claim form, after final judicial approval of the Settlement, and will release and lose the right to assert all Released Claims against Peloton and the other Released Parties (see Section III.D below).
MAIL-IN A WRITTEN REQUEST FOR EXCLUSION	Exclude Yourself from the Settlement; Do Not Receive Any Payment. If you do not want to participate as a Class Member, you may “opt-out” of the Settlement and the Class by submitting a signed written Request for Exclusion (pursuant to the procedures in Section IV.B below) to the Settlement Administrator that is postmarked no later than insert . Opt-out requests that do not include all required information, or that are not submitted by the deadline, will be disregarded. If you submit a valid and timely Request for Exclusion and the Court grants final approval of the Settlement, you will not receive any payment from the Settlement, and you will not be bound the Settlement and release of claims provided under the Settlement.
OBJECT TO THE SETTLEMENT	Object to the Settlement; Receive an Individual Settlement Payment. If you participate in the Settlement, you may also object to the Settlement if you wish. To object, you can submit a written Notice of Objection (along with any supporting documentation or authority) by mail to the Settlement Administrator no later than insert (as described in Section IV.C below), or appear at the Final Approval Hearing and state any objections to the proposed Settlement. The Court does not require written objections for an objector to appear at the Final Approval Hearing to raise an objection. Whether you submit a written Notice of Objection or appear at the Final Approval Hearing, if the Court overrules your objection, you will be part of the Settlement and will receive an Individual Settlement Payment, and you

	will release and lose the right to assert all Released Claims against Peloton and the other Released Parties as described in Section III.D below. You cannot object to the Settlement if you exclude yourself from the Settlement, however.
--	---

I. IMPORTANT DEFINITIONS

As used in this Notice, the following terms and phrases have the meanings set forth below:

“**Class**” means all current and former non-exempt employees who worked for Peloton in the State of California at any time during the Class Period.

“**Class Member**” means a member of the Class.

“**Class Period**” means the time period from February 4, 2016 through November 17, 2020.

II. BACKGROUND OF THE LAWSUIT

On February 4, 2020, Hernandez and another named plaintiff filed a Class Action Complaint for Damages in the Alameda County Superior Court, Case No. RG20053333, thereby commencing a putative class action lawsuit against Peloton, alleging causes of action for failure to pay overtime wages, failure to provide meal periods and premium payments in lieu thereof, failure to provide rest periods and premium payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business expenses. In their proposed class action lawsuit, Hernandez and the other named plaintiff sought to pursue those claims on behalf of themselves and all current and former hourly-paid or non-exempt employees who worked for Peloton within California at any time since February 4, 2016. On May 13, 2020, Hernandez and another named plaintiff filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. against Peloton in the same Superior Court, Case No. RG20061729, alleging a single cause of action for violation of the California Labor Code Private Attorneys’ General Act, California Labor Code section 2698 *et seq.* (“PAGA”) for failure to pay overtime wages, failure to provide meal periods and premium payments in lieu thereof, failure to provide rest periods and premium payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business expenses. On November 5, 2020, the Alameda Superior Court issued an order consolidating the two actions filed by Plaintiff, resulting in the Consolidated Action.

Peloton denied and denies all of the material allegations in the Consolidated Action, and asserted numerous affirmative defenses. Further, Peloton denied that the Consolidated Action was appropriate to be certified as a “class” or to proceed on a representative basis, other than for purposes of this Settlement.

After exchanging written discovery and depositions, the Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached this Settlement. The Parties have since entered into a Stipulation of Class Action and PAGA Settlement (the “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement and Settlement Agreement. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement (“Settlement Administrator” or “Phoenix”), Hernandez as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Margaux V. Roussel
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Peloton that the claims in the Consolidated Action have merit or that Peloton has any liability to Plaintiff or to Class Members. The Parties, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

As part of the Settlement, Peloton has agreed to pay a total gross settlement amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$525,000.00); (2) Attorneys' Costs in an amount not to exceed Thirty Thousand Dollars (\$30,000.00); (3) an Enhancement Payment to Hernandez in an amount not to exceed Ten Thousand Dollars (\$10,000.00) for her services in the Consolidated Action; (4) a payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00) for its 75% portion of the total portion of the Gross Settlement Amount allocated to Plaintiff's representative claims under the PAGA; and (5) Settlement Administration Costs in an amount not to exceed Thirteen Thousand Dollars (\$13,000.00) to the Settlement Administrator. Note: a total of One Hundred Fifty Thousand Dollars (\$150,000.00) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act (the "PAGA Amount"), of which the LWDA will be paid 75% and the remaining 25% (i.e., Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00)) will be a part of the Net Settlement Amount for distribution to Class Members who do not opt-out of the Settlement.

Class Members are eligible to receive payment under the Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks that each Class Member was credited to have worked for Peloton as an hourly-paid or non-exempt employee in California during the Class Period ("Workweeks"), which will be calculated by the Settlement Administrator based on Peloton's records by, for each Class Member, taking the number of calendar days that each Class Member worked for Peloton in a non-exempt/hourly-paid position during the Class Period, excluding days on leave of absence (if any), divided by seven (7) and rounded up to the nearest hundredth of a workweek. Each Class Member will be credited with at least one (1) Workweek.

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below). After the Court grants final approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members") to yield the "Final Workweeks Value," and multiply each Participating Class Member's individual Workweeks by the Final Workweeks Value to yield his or her or their Individual Settlement Payment, which shall be paid from the Net Settlement Amount, less applicable employee-side tax withholdings.

Each Individual Settlement Share will be allocated as one-third (1/3) wages which will be reported on an IRS Form W2 and two-thirds (2/3) penalties and interest which will be reported on an IRS Form 1099 (if applicable). The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wage portion of the Individual Settlement Shares, and issue checks to Participating Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The employer's share of taxes on the wage portion of Individual Settlement Shares will be paid by Peloton separately and in addition to the Gross Settlement Amount.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant's Records

According to Peloton's records:

From February 4, 2016 to November 17, 2020, you worked for Peloton as an hourly-paid or non-exempt employee in California for approximately [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you above, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. The written letter must: (a) contain the case name and number of the Class Action (*Hernandez v. Peloton Interactive, Inc.*, Case No. RG20053333); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of Workweeks that you contend should be credited to you is correct; and (f) be returned by mail to the Settlement Administrator at the address specified in Section IV.B below, postmarked **no later than [the Response Deadline]**.

C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., all Participating Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the "Released Parties" as to and from all "Released Claims" he/she/they may have or had.

"Released Claims" means any and all claims pled or which could have been pled in the Operative Complaints deriving from, arising out of, and/or based on the facts alleged in the Operative Complaints from February 4, 2016 through the date of Preliminary Approval, whether known or unknown, including claims for wages, penalties, interest, attorneys' fees, restitution, and/or costs, and including, without limitation, claims for: unpaid overtime; failure to provide meal periods or unpaid meal period premiums; failure to provide rest periods or unpaid rest period premiums; unpaid minimum wages; untimely final wages; untimely wages during employment; non-compliant itemized wage statements; failure to maintain required payroll records; unreimbursed business expenses; violation of California Business & Professions Code §§ 17200 *et seq.*; and alleged violations of the PAGA based on Labor Code sections 201-204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, 2800, and 2802. Without limitation, the "Released Claims" includes any and all claims pled or which could have been pled in the Operative Complaints deriving from, arising out of, and/or based on the facts alleged in the Operative Complaints from February 4, 2016 through the date of Preliminary Approval, whether known or unknown pursuant to California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, 2800, and 2802, and California Business and Professions Code sections 17200, *et seq.*

"Released Parties" means Peloton, and all its parent, subsidiary, affiliated and/or related companies and entities and any predecessors(s) and/or successors, as well as its/their officers, directors, investors, owners, shareholders, employees, partners, agents, accountants, and attorneys.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$525,000.00) and reimbursement of litigation costs and expenses in an amount of up to Thirty Thousand Dollars (\$30,000.00) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Consolidated Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been advancing all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Hernandez will seek the amount of Ten Thousand Dollars (\$10,000.00) to her ("Enhancement Payment"), in recognition of her services in connection with the Consolidated Action and her individual release of all known and unknown claims. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to her Individual Settlement Payment that she is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Thirteen Thousand Dollars (\$13,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and disputes of Workweeks, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement. You may, however, submit a dispute regarding the number of Workweeks for which you received credit by following the procedures set forth in Section III.B above.

Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must seek exclusion from the Settlement by submitting a written request ("Request for Exclusion") to the Settlement Administrator.

A Request for Exclusion must: (a) contain the case name and number of the Class Action (*Hernandez v. Peloton Interactive, Inc.*, Case No. RG20053333); (b) be signed by you; (c) contain your full name, address, telephone number, and last four digits of your Social Security Number; (d) contain a statement clearly indicating that you do not wish to be included in the Settlement; and (e) be submitted to the Settlement Administrator by mail, postmarked **no later than** **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement (and the release of claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not submit a valid and timely Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not already submitted a Request for Exclusion, by submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

A written Notice of Objection must: (a) contain the case name and number of the Class Action (*Hernandez v. Peloton Interactive, Inc.*, Case No. RG20053333); (b) contain your full name, signature, address, and telephone number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be mailed to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys’ Fees and Attorneys’ Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

Presently, the Final Approval Hearing is scheduled to take place in Department 17 of the Alameda County Superior Court, located at Administration Building, 1221 Oak Street, Oakland, California 94612, on **[date]**, at **[time]**. The hearing may be continued without further notice to Class Members. You can check the status of the Final Approval Hearing online, by visiting the Alameda Superior Court’s Domain Website (available at <https://publicrecords.alameda.courts.ca.gov/PRS/Case/SearchByCaseNumber>) and entering in case number RG20053333. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Consolidated Action for a fee by visiting the civil clerk’s office, located at Administration Building, 1221 Oak Street, Oakland, California 94612, during business hours, or online by visiting the following website: <https://publicrecords.alameda.courts.ca.gov/PRS/Case/SearchByCaseNumber>.

PLEASE DO NOT TELEPHONE OR EMAIL THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**