

Edwin Aiwarzian (SBN 232943)
Arby Aiwarzian (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

**DECLARATION OF EDWIN AIWAZIAN
IN SUPPORT OF PLAINTIFF MEAGAN
HERNANDEZ'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

[Plaintiff Meagan Hernandez's Motion for
Preliminary Approval of Class Action
Settlement; Declaration of Proposed Class
Representative (Meagan Hernandez); and
[Proposed] Order filed concurrently herewith]

Reservation No.: R-2295005

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

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Meagan Hernandez. The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, I have previously served as a *pro bono* mediator for the Los Angeles County Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

5. At *Girardi & Keese*, my practice focused on class actions and other complex cases involving toxic torts and products liability. In addition, I gained substantial experience on cases involving insurance bad faith, premises liability, and medical negligence. While employed by

1 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
2 depositions, and prepared dozens of expert witnesses for deposition or trial.

3 6. Since its inception, in or around October of 2008, *Lawyers for Justice, PC* has almost
4 exclusively focused on the prosecution of consumer and employment class actions, involving
5 wage-and-hour claims, race discrimination, unfair business practices or consumer fraud.
6 Currently, we are the attorneys of record in over a dozen employment-related putative class actions
7 in both state and federal courts in the State of California. Our firm has successfully litigated cases
8 involving the executive, administrative, and other overtime exemptions to the State of California
9 and federal overtime compensation requirements. During this relatively short time, in association
10 with other law firms, we have recovered millions of dollars on behalf of thousands of individuals
11 in California.

12 **EXAMPLES OF CLASS ACTION RESULTS**

13 7. What follows are just a few examples of the type of results we have achieved on
14 behalf of our clients:

15 a) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
16 and-hour class and representative action against a major property management company involving
17 allegations of misclassification of various “manager” positions. On September 20, 2010, the court
18 granted final approval of the class and representative action settlement. The Los Angeles County
19 Superior Court Case Number is BC400414.

20 b) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a national retailer involving allegations of misclassification of the
22 “Assistant Store Manager” position. On October 28, 2010, the court granted final approval of the
23 class action settlement. The Los Angeles County Superior Court Case Number is BC413498.

24 c) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
25 and-hour class and representative action against a national property management company
26 involving allegations of misclassification of the “Property Manager” position. On May 23, 2012,
27 the court granted final approval of the class and representative action settlement. The Los Angeles
28 County Superior Court Case Number is BC430918.

1 d) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class action against a national retailer involving allegations of misclassification of the
3 “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
4 certification. On August 26, 2013, the court granted final approval of the class action settlement.
5 The Los Angeles County Superior Court Case Number is BC424012.

6 e) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a bank, involving allegations of misclassification
8 of the “Assistant Branch Manager” position. On August 27, 2013, the court granted final approval
9 of the class and representative action settlement. The Kern County Superior Court Case Number
10 is S-1500-CV-273194-LHB.

11 f) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class and representative action against a national wholesale distributor of plumbing and
13 builder supplies, involving allegations of misclassification of multiple salaried “manager”
14 positions. On May 22, 2014, the court granted final approval of the class and representative action
15 settlement. The Sacramento County Superior Court Case Number is 34-2012-00136285.

16 g) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
17 and-hour class action involving allegations of misclassification of the “Operations Manager”
18 position. On September 16, 2014, the court granted plaintiffs’ motion for class certification. The
19 Los Angeles County Superior Court Case Number is BC478769.

20 h) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class and representative action against a national retailer of household items, on behalf
22 of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final approval of
23 the class and representative action settlement. The San Francisco County Superior Court Case
24 Number is CGC-13-532344.

25 i) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
26 and-hour class action involving allegations of misclassification of the salaried residential
27 “Property Manager” position. On September 17, 2015, the court granted plaintiffs’ motion for
28 class certification. The Los Angeles County Superior Court Case Number is BC474784.

1 j) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a national retailer of upscale hardware and home
3 furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted final
4 approval of the class and representative action settlement. The Los Angeles County Superior
5 Court Case Number is JCCP4794.

6 k) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a national retailer of apparel and fashion
8 accessories, on behalf of non-exempt employees. On August 5, 2016, the court granted final
9 approval of the class and representative action settlement. The Los Angeles County Superior
10 Court Case Number is BC488069.

11 l) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class action against a national retailer of apparel, accessories, and home products,
13 involving allegations of misclassification of the “Department Manager” position. On August 12,
14 2016, the court granted the plaintiffs’ motion for class certification in part and certified a
15 class. The Alameda County Superior Court Case Number is RG13680477.

16 m) Our firm represented the plaintiffs in a representative action under the
17 Private Attorneys General Act, against a real estate and property management company, on behalf
18 of non-exempt employees. On November 4, 2016, the court granted approval of the settlement.
19 The Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

20 n) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a full-service bank, on behalf of non-exempt employees. On
22 November 18, 2016, the court granted final approval of the class action settlement. The San
23 Francisco County Superior Court Case Number is CJC-13-004839.

24 o) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
25 and-hour class and representative action against a consumer packaging company, on behalf of non-
26 exempt employees. On March 10, 2017, the court granted final approval of the class and
27 representative action settlement. The Los Angeles County Superior Court Case Number is
28 BC590429.

1 p) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a manufacturer of food service industry supplies
3 on behalf of non-exempt employees. On April 14, 2017, the court granted final approval of the
4 class and representative action settlement. The Orange County Superior Court Case Number is 30-
5 2015-00810013-CU-OE-CXC.

6 q) Our firm represented the plaintiffs in a wage-and-hour class and
7 representative action against a food company on behalf of non-exempt employees. On June 30,
8 2017, the court granted final approval of the class action settlement. The Sacramento County
9 Superior Court Case Number is 34-2015-00175871.

10 r) Our firm represented the plaintiffs in a wage-and-hour class and
11 representative action against a chocolate company on behalf of non-exempt employees. On July
12 19, 2017, the court granted final approval of the class and representative action settlement. The
13 Alameda County Superior Court Case Number is RG15764300.

14 s) Our firm represented the plaintiffs in a wage-and-hour class and
15 representative action against a manufacturer of plastic containers on behalf of non-exempt
16 employees. On October 31, 2017, the court granted final approval of the class and representative
17 action settlement. The Los Angeles County Superior Court Case Number is BC577233.

18 t) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
19 and-hour class and representative action against a bank on behalf of non-exempt employees. On
20 December 11, 2017, the court entered an order granting final approval of class and representative
21 action settlement. The Los Angeles County Superior Court Case Number is BC569646.

22 u) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
23 and-hour class and representative action against a property management company on behalf of
24 hourly-paid and non-exempt employees. On January 4, 2018, the court entered an order granting
25 final approval of the class and representative action settlement. The Los Angeles County Superior
26 Court Case Number is JCCP4819.

27 v) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
28 and-hour class and representative action against a global provider of flexible office space

1 solutions. On February 15, 2018, the court entered an order granting final approval of the class
2 and representative action settlement. The Los Angeles County Superior Court Case Number is
3 BC498401.

4 w) Our firm represented the plaintiffs in a wage-and-hour class and
5 representative action against a behavioral health service provider on behalf of non-exempt
6 employees. On November 13, 2018, the court granted final approval of the class and representative
7 action settlement. The Alameda County Superior Court Case Number is RG16811450.

8 x) Our firm, in association with co-counsel, represented the plaintiff in a
9 representative action under the Private Attorneys General Act, against a global provider of
10 products and services to the energy industry, on behalf of hourly-paid and non-exempt employees.
11 On November 19, 2018, the Court granted approval of the settlement. The Kern County Superior
12 Court Case Number is S-1500-CV-280215-SDC.

13 y) Our firm represented the plaintiff in a wage-and-hour class action against a
14 parking company on behalf of non-exempt employees. On September 3, 2019, the court granted
15 the plaintiff's motion for class certification and certified a class. The Santa Clara County Superior
16 Court Case Number is 16CV292208 and the Judicial Council Coordination Proceeding Number is
17 JCCP 4886.

18 z) Our firm, in association with other counsel, on behalf of the plaintiff and
19 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
20 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
21 notable decision from the California Supreme Court clarifying the law and finding, in part, that
22 employer arbitration agreements are unenforceable where they block a PAGA claim from
23 proceeding, *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019).

24 aa) Our firm represents the plaintiffs in a wage-and-hour class and representative
25 action against a bank on behalf of non-exempt employees. On September 27, 2019, the court
26 granted the plaintiffs' motion for class certification in part and certified a class. The Alameda
27 County Superior Court Case Number is RG15757606 and the Judicial Council Coordination
28 Proceeding Number is JCCP 4921.

bb) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a national retailer of apparel and fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted the plaintiffs' motion for class certification in part and certified a class. The Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

cc) Our firm represented the plaintiff in a wage-and-hour class and PAGA representative action against a medical equipment supplier on behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion for class certification and certified a class. The San Bernardino County Superior Court Case Number is CIVDS1505744.

dd) Our firm, in association with other counsel, represented the plaintiff in a wage-and-hour class and PAGA representative action against a large national drug testing laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the plaintiff's motion for class certification and certified a class. The San Diego County Superior Court Case Number is 37-2018-00019611-CU-OE-CTL.

ee) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a national retailer of sportswear, footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the court granted in part the plaintiff's motion for class certification and certified a class. The Riverside County Superior Court Case Number is RICJCCP4930.

ff) Our firm represented the plaintiffs in a wage-and-hour class and PAGA representative action against a plastic packaging company on behalf of non-exempt employees. On June 8, 2020, the court granted in part the plaintiffs' motion for class certification and certified a class. The San Bernardino County Superior Court Case Number is CIVDS1507361.

gg) Our firm, in association with co-counsel, represented the plaintiffs in a wage-and-hour class action against manufacturer and supplier of power products and services on behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion for class certification and certified a class. The San Diego County Superior Court Case Number is 37-2015-00025968-CU-OE-CTL.

PRELIMINARY APPROVAL

8. Marked and attached hereto as “**EXHIBIT 1**” is the Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiff Meagan Hernandez (“Plaintiff”), individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant Peloton Interactive, Inc. (“Defendant”), on the other hand (collectively, the “Parties”). The Parties and their counsel have approved the proposed Notice of Proposed Class Action Settlement (“Notice of Settlement”), which is attached to the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

9. Based on information provided by Defendant, as of November 2020, the Class is estimated to consist of approximately seven hundred sixteen (716) individuals.

10. The effectiveness of Lawyers *for* Justice, PC (“Class Counsel”) in prosecuting this matter has translated into tangible monetary benefits for the Class Members in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the cases; and (3) significant savings in Class Counsel’s fees and/or costs that would have only increased significantly had the cases progressed through certification, trial, and/or appeals.

11. Class Counsel has litigated the cases for over a year, and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in a formal, full-day mediation conducted by Paul Grossman, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. Prior to and during the mediation and settlement discussions, the Parties exchanged class information and engaged in an extensive discussion regarding their evaluations of the cases and various aspects of the cases, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA representative actions, and wage-and-hour

1 enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among
2 other things. During all settlement discussions, the Parties conducted their negotiations at arm's
3 length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was
4 not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at
5 certification, and Plaintiff and Class Counsel believed that they would be able to obtain class
6 certification and prevail at trial. After conducting investigations, formal and informal discovery,
7 and exchange of information, extensive settlement negotiations, and with the aid of the mediator's
8 evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal
9 issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would
10 attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the
11 Released Claims of Plaintiff and Participating Class Members, against the Released Parties.

12 12. The Parties used the pre-mediation time to investigate the veracity, strength, and
13 scope of the claims, and Class Counsel was preparing the Class Action for class certification and
14 trial. Prior to engaging in mediation, Plaintiff conducted significant investigation and formal and
15 informal discovery regarding the facts of the cases, including and not limited to, the exchange,
16 review, and analysis of thousands of pages of documents and data obtained from Defendant and
17 other sources. Class Counsel propounded multiple sets of formal written discovery requests onto
18 Defendant, reviewed Defendant's objections, responses, and verifications thereto, prepared for
19 and took the deposition of Defendant's Person Most Knowledgeable witness, as well as prepared
20 for and defended the deposition of Plaintiff. The volume of data and documents that Class Counsel
21 reviewed and analyzed included and was not limited to: Plaintiff and other Class Members'
22 employment records, a detailed sampling of Class Members' time and pay data, multiple iterations
23 of Defendant's Employee Handbook, company policy acknowledgements, internal memoranda,
24 job descriptions, Defendant's operations and employment practices, forms (including but not
25 limited to Authorization for Background Check, Acknowledgement of Receipt of Employee
26 Handbook, Acknowledgement of Guide to Meal and Rest Breaks, and Acknowledgement to Guide
27 to Attendance and Time Keeping, and the Employee Proprietary Information and Invention
28 Agreement), procedures (including but not limited to Defendant's Guide to Meal and Rest Period

1 Breaks, Defendant's Guide to Attendance and Time Keeping, and How To Clock Time), and
2 policies (including but not limited to Travel and Expense Policy), among other information and
3 documents. Class Counsel interviewed Plaintiff and other Class Members to gather facts and to
4 identify potential witnesses. Counsel for the Parties also met and conferred on numerous
5 occasions, e.g., to discuss issues relating to the pleadings, case management, motion practice,
6 discovery, *Belaire-West* notice administration, and the production of documents and data prior to
7 the mediation. Class Counsel also drafted pleadings and mediation brief and prepared for and
8 attended court proceedings, mediation, and settlement negotiations, among other tasks.

9 13. Counsel for the Parties have also invested time researching and investigating the
10 applicable law, which is constantly evolving as it relates to certification, representative PAGA
11 claims, off-the-clock theory, meal and rest periods, wage-and-hour enforcement, Plaintiff's claims
12 and damages, and Defendant's defenses thereto, as well as facts discovered. Based on our analysis,
13 I submit that the result achieved in this litigation is fair, adequate, and reasonable.

14 14. The Settlement provides for a Gross Settlement Amount of one million five hundred
15 thousand dollars (\$1,500,000.00). The Net Settlement Amount is the Gross Settlement Amount
16 less the following amounts subject to approval by the Court: Attorneys' Fees and Attorneys' Costs
17 to Class Counsel, Enhancement Payment to Plaintiff, Settlement Administration Costs to the
18 Settlement Administrator, and LWDA Payment to the California Labor and Workforce
19 Development Agency ("LWDA"). Assuming that the amounts allocated under the Settlement
20 toward these payments are awarded by the Court, the Net Settlement Amount is currently
21 estimated to be eight hundred nine thousand five hundred dollars (\$809,500.00). The Gross
22 Settlement Amount will be fully distributed in accordance with the terms of the Settlement and
23 there is no reversion to Defendant.

24 15. The Parties have agreed to retain Phoenix Settlement Administrators ("Phoenix" or
25 "Settlement Administrator") to handle the notice and settlement administration. The Parties
26 respectfully request that the Court appoint Phoenix to handle these procedures and serve as the
27 Settlement Administrator. Defendant will provide Phoenix with a list of Class Members that
28 Defendant will compile from its records, which will include each Class Member's full name, last

1 known mailing address, Social Security Number, dates worked for Defendant during the Class
2 Period in a non-exempt/hourly-paid position, and such other information as is necessary for the
3 Settlement Administrator to calculate Workweeks (collectively, “Class List”), and Phoenix will
4 calculate each Class Member’s estimated share of the Net Settlement Amount (“Individual
5 Settlement Share”). Phoenix will also receive written and signed requests (e.g., letters) submitted
6 by Class Members to be excluded from the Settlement (“Requests for Exclusion”), written
7 objections to the Settlement (“Notices of Objection”), and disputes regarding Workweeks; provide
8 necessary reports and declarations; calculate, subtract, and transmit necessary taxes and
9 withholdings; prepare and submit informational and other tax filings and documents; issue and
10 transmit all payments provided for by the Settlement, including and not limited to, mailing
11 Individual Settlement Payment checks to the Participating Class Members; and perform any other
12 usual and customary duties for administering a class action settlement. Settlement Administration
13 Costs are currently estimated not to exceed thirteen thousand dollars (\$13,000.00) and will be paid
14 out of the Gross Settlement Amount, subject to approval of the Court.

15 16. Based on investigation and information discovered, Class Counsel believes that
16 there is sufficient evidence to support the allegations made in the lawsuits, including the
17 allegations that Defendant, with respect to Plaintiff and the Class Members, *inter alia*, failed to
18 properly pay overtime and minimum wages and associated premium pay, failed to provide
19 compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages
20 during employment and upon termination of employment, failed to provide compliant wage
21 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
22 expenses, and thereby engaged in unfair business practices and conduct giving rise to penalties
23 recoverable under the Private Attorneys General Act of 2004 (California Labor Code sections
24 2698, et seq.). Plaintiff also asserted that Class Members were expected to perform similar job
25 duties and were subject to the same or similar operations and employment policies, practices, and
26 procedures. Additionally, Plaintiff asserted that Defendant’s recordkeeping practices with respect
27 to Plaintiff and the Class Members were substantially the same during the time period at issue. As
28 a result, Plaintiff claims that the Class Members, were uniformly not paid all of the compensation

1 that was owed to them by Defendant since February 4, 2016. Thus, in Class Counsel's view, it is
2 clear that the outcome of this litigation would be determined by Defendant's uniform operations
3 and employment practices, policies, and procedures that Plaintiff alleges applied across its non-
4 exempt employees in California during the Class Period.

5 17. Class Counsel is aware of the defenses and position of Defendant, but believes that
6 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has also taken
7 into account the uncertainty and risk of the outcome of further litigation, and the difficulties and
8 delays inherent in such litigation, including those involved in class certification and/or
9 representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish
10 liability for the claims asserted in the lawsuits, Defendant's defenses, and the difficulties in
11 establishing entitlement to monetary recovery. Plaintiff has also considered the Parties' settlement
12 discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in
13 complex labor and employment matters.

14 18. Defendant, on the other hand, denied and continues to deny any liability and
15 wrongdoing of any kind associated with the claims alleged in the lawsuits, and further denies that
16 the matter is appropriate for class treatment or representative adjudication for any purpose other
17 than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides
18 have also had the opportunity to interview witnesses and review documents and information
19 relating to Plaintiff's and Class Members' employment with Defendant, and Defendant's
20 operations and employment policies, practices, and procedures. The Parties also reviewed and
21 analyzed thousands of pages of documents and data, including but not limited to a detailed
22 sampling of Class Members' timekeeping and payroll records, to determine the potential value
23 and strength of the claims. The available information enabled Class Counsel to estimate the
24 potential claims of the Class and prepare damages/valuation models. Accordingly, the Parties have
25 conducted adequate investigation and discovery to be sufficiently informed of the nature and
26 extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for
27 its fairness, adequacy, and reasonableness. The Parties have agreed that the matter is well-suited
28 for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and

1 risks to both sides that would attend further litigation. The Settlement takes into account the
2 strengths and weaknesses of each side's position and the uncertainty of how the case might have
3 concluded at certification, trial, and/or appeals.

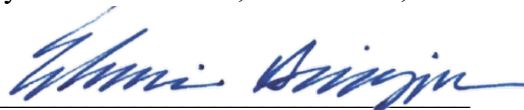
4 19. The Settlement Agreement provides for Class Counsel to apply for Attorneys' Fees
5 in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount
6 (i.e., \$525,000.00) and Attorneys' Costs in an amount not to exceed thirty thousand dollars
7 (\$30,000.00), which will be paid out of the Gross Settlement Amount, subject to approval by the
8 Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and
9 will not receive any compensation until recovery is obtained.

10 20. The Settlement Agreement provides for payment of up to ten thousand dollars
11 (\$10,000.00) to Plaintiff as an Enhancement Payment, to be paid out of the Gross Settlement
12 Amount subject to approval by the Court. Plaintiff spent considerable time and effort to produce
13 relevant documents and past employment records and to provide the facts and evidence necessary
14 to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her
15 and actively tried to obtain information that would benefit the Class. For example, Plaintiff
16 prepared for and attended a deposition, and reviewed her transcripts thereafter. Accordingly, it is
17 appropriate and just for Plaintiff to receive an Enhancement Payment, in addition to her Individual
18 Settlement Payment, for her services on behalf of the Class.

19 21. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
20 in the best interest of the Class. Class Counsel further submits that the Settlement is within an
21 acceptable range of recovery for this type of litigation given the strengths and weaknesses of the
22 case, the inherent costs and risks of further litigation, and the costs and risks associated with class
23 certification, representative adjudication, trial, and/or appeals.

24 I declare under penalty of perjury under the laws of the State of California that the
25 foregoing is true and correct.

26 Executed on this 5th day of October 2021, at Glendale, California.

27 

28 Edwin Aiwanian

EXHIBIT 1

1 **STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiff Meagan Hernandez (“Plaintiff” or “Class
4 Representative”), on behalf of all others similarly situated and aggrieved employees, and Defendant
5 Peloton Interactive, Inc. (“Defendant”) (collectively with Plaintiff, the “Parties”).

6 This Settlement Agreement shall be binding on Plaintiff and Participating Class Members (as
7 defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the
8 Court.

9 **RECITALS**

10 1. On February 7, 2020, Plaintiff and E’monii Crumby (“Crumby”) provided written notice
11 by certified mail to the Labor and Workforce Development Agency and Defendant of the specific
12 provisions of the California Labor Code that Defendant was alleged to have violated. On February 4, 2020,
13 Plaintiff and Crumby filed a Class Action Complaint for Damages against Defendant in the Superior Court
14 of California for the County of Alameda, Case No. RG20053333 (“Class Action”), alleging causes of
15 action for violation of the California Labor Code and California Business & Professions Code §§ 17200,
16 *et seq.* on behalf of all current and former hourly-paid or non-exempt employees who worked for
17 Defendant within the State of California at any time since February 4, 2016 for failure to pay overtime
18 wages, failure to provide meal periods and premium payments in lieu thereof, failure to provide rest
19 periods and premium payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages
20 upon termination, failure to timely pay wages during employment, failure to provide compliant wage
21 statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary
22 business expenses.

23 2. On May 13, 2020, Plaintiff and Crumby filed a Complaint for Enforcement Under the
24 Private Attorneys General Act, California Labor Code § 2698, Et Seq. against Defendant in the Superior
25 Court of California for the County of Alameda, Case No. RG20061729 (the “PAGA Action”), alleging a
26 single cause of action for violation of the California Labor Code Private Attorneys’ General Act,
27 California Labor Code section 2698 *et seq.* (“PAGA”) for failure to pay overtime wages, failure to provide
28 meal periods and premium payments in lieu thereof, failure to provide rest periods and premium payments

1 in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to
2 timely pay wages during employment, failure to provide compliant wage statements, failure to maintain
3 complete and accurate payroll records, and failure to reimburse necessary business expenses.

4 3. On October 28, 2020, Plaintiff filed a request for dismissal in the Class Action and PAGA
5 Action to dismiss Crumby from the cases, without prejudice. However, to date, the Court has not
6 dismissed Crumby as a plaintiff from either the Class or PAGA Action.

7 4. On November 5, 2020, the Court issued an order consolidating the Class Action and the
8 PAGA Action (together, the “Consolidated Action”).

9 5. Defendant denies all material allegations set forth in the Consolidated Action, and has
10 asserted numerous affirmative defenses; further, Defendant denies that the Consolidated Action could
11 be certified as a “class” or proceed on a representative basis, other than for purposes of settlement.
12 Notwithstanding, in the interest of avoiding further litigation, the Parties desire to fully and finally settle
13 the Consolidated Action.

14 6. Class Counsel in the Consolidated Action diligently investigated the proposed Class
15 Members’ claims against Defendant, including any and all applicable defenses and the applicable law.
16 The investigation included, *inter alia*, the exchange of information, data, and documents, and review of
17 numerous corporate policies and practices, written discovery requests, interviews of Class Members,
18 and a deposition of Defendant’s person most qualified regarding a number of wage and hour policies
19 and practices during the time period relevant to the Consolidated Action.

20 7. On November 17, 2020, the Parties participated in mediation with Paul Grossman, Esq.
21 (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of
22 the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein (the
23 “Settlement”). The settlement discussions were conducted at arm’s-length, and the settlement is the
24 result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to
25 the costs and risks associated with continued litigation. Based on the documents produced, as well as
26 Class Counsel’s own independent investigation and evaluation, Class Counsel believes that the
27 Settlement with Defendant for the consideration and on the terms set forth in this Agreement is fair,
28 reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and

1 circumstances, including the risk of significant delay and uncertainty associated with litigation and
2 various defenses asserted by Defendant.

3 8. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
4 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
5 of liability or wrongdoing by Defendant. This Agreement is contingent upon the approval and
6 certification by the Court, and Defendant does not consent to certification of the Class for any purpose
7 other than to effectuate settlement of the Consolidated Action memorialized in this Agreement. If, for
8 any reason, the Settlement Agreement is not approved, it will be of no force or effect, and the Parties
9 shall be returned to their original respective positions.

10 DEFINITIONS

11 9. As used in this Settlement Agreement, the following terms and phrases shall have the
12 meanings set forth below; definitions contained elsewhere in this Settlement Agreement will also be
13 effective:

14 a. “Attorneys’ Fees” means the amount to be paid to Class Counsel for their
15 attorneys’ fees in litigating the Consolidated Action, subject to approval by the Court, as set forth in
16 Paragraph 13 below.

17 b. “Attorneys’ Costs” means all actual costs incurred by and to be incurred by Class
18 Counsel in the Consolidated Action, subject to approval by the Court.

19 c. “Class Counsel” or “Plaintiff’s Counsel” mean Edwin Aiwazian, Arby Aiwazian,
20 Joanna Ghosh, and Margaux V. Roussel of Lawyers *for* Justice, PC, who will seek to be appointed
21 counsel for the Class.

22 d. “Class List” means a complete list of all Class Members that Defendant will
23 diligently and in good faith compile from its records and provide to the Settlement Administrator. The
24 Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each
25 Class Member’s full name, last known mailing address, Social Security Number, dates worked for
26 Defendant during the Class Period in a non-exempt/hourly-paid position, and such other information as
27 is necessary for the Settlement Administrator to calculate Workweeks (as defined below).

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1 e. "Class Member(s)" or "Class" mean all current and former non-exempt employees
2 who worked for Defendant in the State of California at any time between February 4, 2016 and November
3 17, 2020, inclusive. Defendant estimates that the number of Class Members is approximately 716 as of
4 November 2020.

5 f. "Notice of Settlement" means the Notice of Class Action Settlement, substantially
6 in the form attached as "**Exhibit A.**"

7 g. "Class Period" means the time period from February 4, 2016 through November
8 17, 2020.

9 h. "Class Representative" or "Plaintiff" mean Meagan Hernandez.

10 i. "Court" means the Superior Court of the State of California for the County of
11 Alameda.

12 j. "Defendant" or "Peloton" mean Peloton Interactive, Inc.

13 k. "Defendant's Counsel" means Kate S. Gold, Philippe A. Lebel, and Danielle J.
14 Moss of Proskauer Rose LLP.

15 l. "Effective Date" means the date when all of the following events have occurred:
16 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant's Counsel;
17 (2) the Court has given preliminary approval to the Settlement; (3) the Notice has been mailed to the
18 Class Members, providing them with an opportunity to object to the terms of the Settlement or opt out
19 of the Settlement; (4) the Court has held a Final Approval Hearing and entered a Final Approval Order
20 and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order
21 and Judgment; and (6) in the event there are written objections filed prior to the Final Approval Hearing
22 which are not later withdrawn or denied, the later of the following events: ten (10) business days after
23 the period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval
24 Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been
25 filed; or, if any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order
26 and Judgment has been filed, ten (10) business days after any appeal, writ, or other appellate proceedings
27 opposing the Settlement has been finally and conclusively dismissed with no right to pursue further
28 remedies or relief.

1 m. “Enhancement Payment” means the Court-approved amount to be paid to Plaintiff
2 in recognition of her effort and work in prosecuting the Consolidated Action on behalf of Class Members
3 and in exchange for a general release, as set forth in Paragraph 14 below.

4 n. “Final Approval” means the determination by the Court that the settlement is fair,
5 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

6 o. “Final Approval Hearing” means the hearing at which the Court will consider and
7 determine whether the Settlement should be granted Final Approval.

8 p. “Final Approval Order and Judgment” means an order granting final approval of
9 the Parties’ settlement in the Consolidated Action and entering final judgment in the Consolidated
10 Action.

11 q. “Individual Settlement Payment” means the net payment of each Participating
12 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
13 withholdings with respect to the wage portion of the Individual Settlement Share, as provided in
14 Paragraph 29 below.

15 r. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
16 Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be
17 calculated in accordance with Paragraph 17.

18 s. “LWDA Payment” means the California Labor and Workforce Development
19 Agency’s (“LWDA”) 75% share of the PAGA Amount, as set forth in Paragraph 16.

20 t. “Net Settlement Amount” means the amount remaining from the Gross Settlement
21 Amount that is available for distribution to Participating Class Members, which is the Gross Settlement
22 Amount less the Court-approved Enhancement Payment, Settlement Administration Costs, LWDA
23 Payment, Attorneys’ Fees and Attorneys’ Costs.

24 u. “Notice of Objection” means a Class Member’s valid and timely written
25 objection to the Settlement, which must be in writing and include: (a) the case name and number of the
26 Class Action; (b) the objector’s full name, signature, address, and telephone number, and the last four
27 digits of his or her Social Security number, (c) a written statement of all grounds for the objection
28 accompanied by any legal support for such objection (if any), and (d) copies of any papers, briefs, or

1 other documents upon which the objection is based (if any).

2 v. “Operative Complaints” refers collectively to the Class Action Complaint for
3 Damages filed in the Class Action on February 4, 2020 (the “Class Complaint”) and the Complaint for
4 Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. filed in the
5 PAGA Action on May 13, 2020 (the “PAGA Complaint”).

6 w. “PAGA Amount” means the \$150,000 portion of the Gross Settlement Amount
7 allocated by the Parties to settlement of Plaintiff’s claim set forth in the PAGA Complaint.

8 x. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either
9 Plaintiff or Defendant.

10 y. “Preliminary Approval” means entry of the Court order granting preliminary
11 approval of the Settlement Agreement.

12 z. “Released Claims” means any and all claims pled or which could have been pled
13 in the Operative Complaints deriving from, arising out of, and/or based on the facts alleged in the
14 Operative Complaints from February 4, 2016 through the date of Preliminary Approval, whether known
15 or unknown, including claims for wages, penalties, interest, attorneys’ fees, restitution, and/or costs,
16 and including, without limitation, claims for: unpaid overtime; failure to provide meal periods or unpaid
17 meal period premiums; failure to provide rest periods or unpaid rest period premiums; unpaid minimum
18 wages; untimely final wages; untimely wages during employment; non-compliant itemized wage
19 statements; failure to maintain required payroll records; unreimbursed business expenses; violation of
20 California Business & Professions Code §§ 17200 *et seq.*; and alleged violations of the PAGA based on
21 Labor Code sections 201-204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, 2800,
22 and 2802. Without limitation, the “Released Claims” includes any and all claims pled or which could
23 have been pled in the Operative Complaints deriving from, arising out or, and/or based on the facts
24 alleged in the Operative Complaints from February 4, 2016 through the date of Preliminary Approval,
25 whether known or unknown pursuant to California Labor Code sections 201, 202, 203, 204, 226, 226.7,
26 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, 2800, and 2802, and California Business and
27 Professions Code sections 17200, *et seq.*

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1 aa. “Released Parties” means Defendant, and all its parent, subsidiary, affiliated
2 and/or related companies and entities and any predecessors(s) and/or successors, as well as its/their
3 officers, directors, investors, owners, shareholders, employees, partners, agents, accountants, and
4 attorneys.

5 bb. “Request for Exclusion” means a timely written and signed request (e.g., letter)
6 submitted by a Class Member to be excluded from the Parties’ settlement. The Request for Exclusion
7 must: (a) contain the case name and number of the Class Action, (b) be signed by the Class Member,
8 (c) contain the full name, address, telephone number, and the last four digits of the Social Security
9 Number of the Class Member requesting exclusion, (d) clearly state that the Class Member does not
10 wish to be included in the settlement, and (e) be returned by mail to the Settlement Administrator at the
11 specified address, postmarked on or before the Response Deadline. The date of the postmark on the
12 return mailing envelope on the submission will be the exclusive means to determine whether a Request
13 for Exclusion has been timely submitted. A Class Member who does not request exclusion from the
14 settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement
15 Agreement, if the settlement is granted Final Approval by the Court.

16 cc. “Response Deadline” means the deadline by which Class Members must submit a
17 Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which
18 shall be the date that is sixty (60) calendar days from the initial mailing of the Notice of Settlement by
19 the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case
20 the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The
21 Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s
22 Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to
23 extend the Response Deadline. In the event that a Notice of Settlement is re-mailed to a Class Member,
24 the Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days.

25 dd. “Settlement Administrator” means Phoenix Settlement Administrators, or any
26 other third-party class action settlement administrator agreed to by the Parties and approved by the Court
27 for purposes of administering this Settlement. The Parties each represent that they do not have any
28 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement

1 Administrator that could create a conflict of interest.

2 ee. “Settlement Administration Costs” means the costs payable from the Gross
3 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
4 Settlement, as set forth in Paragraph 15 below.

5 ff. “Participating Class Members” means all Class Members who do not submit a
6 valid and timely Request for Exclusion.

7 gg. “Gross Settlement Amount” means the amount of one million five hundred
8 thousand dollars (\$1,500,000.00) to be paid by Defendant pursuant to this Settlement Agreement in full
9 settlement of the Consolidated Action and in exchange for release of all Released Claims by all
10 Participating Class Members. The following amounts shall be payable from the Gross Settlement
11 Amount: (1) all Court-approved Attorneys’ Fees and Attorneys’ Costs; (2) the Court-approved
12 Enhancement Payment; (3) the LWDA Payment; (4) Court-approved Settlement Administration Costs;
13 and (5) the Net Settlement Amount to be paid to the Participating Class Members (which includes the
14 Participating Class Members’ portion of the PAGA Amount), and Settlement Administration Costs. The
15 employer’s share of taxes on the wage portion of Individual Settlement Shares will be paid separately
16 and in addition to the Gross Settlement Amount.

17 hh. “Workweeks” means the number of calendar days that each Class Member worked
18 for Peloton in a non-exempt/hourly-paid position during the Class Period, excluding days on leave of
19 absence (if any), divided by seven (7) and rounded up to the nearest hundredth of a workweek. Each
20 Class Member will be credited with at least one (1) Workweek. The Workweeks through November 1,
21 2020 are estimated to be approximately 30,704.

22 **CLASS CERTIFICATION**

23 10. For the purposes of this Settlement only, the Parties stipulate to the certification of the
24 following Class: all current and former non-exempt employees who worked for Defendant in the State of
25 California at any time between February 4, 2016 and November 17, 2020, inclusive.

26 11. The Parties agree that certification for the purpose of settlement is not an admission that
27 certification is proper under section 382 of the California Code of Civil Procedure. Should, for whatever
28 reason, the Court not grant Final Approval of the Settlement of the Consolidated Action, the Parties’

1 stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall
2 have no bearing on, and shall not be admissible in connection with, the issue of whether or not
3 certification would be inappropriate in a non-settlement context.

4 **TERMS OF AGREEMENT**

5 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
6 forth herein, the Parties agree, subject to the Court's approval, as follows:

7 12. Funding of the Gross Settlement Amount. Within fifteen (15) calendar days after the
8 Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts
9 to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within thirty (30) business
10 days of the Effective Date, Defendant will make a one-time deposit of the Gross Settlement Amount into
11 a qualified settlement fund ("QSF") account to be established by the Settlement Administrator for
12 purposes of this Settlement. Within seven (7) calendar days of the funding of Gross Settlement Amount,
13 the Settlement Administrator will issue payments due under the Settlement and approved by the Court,
14 as follows: (a) Individual Settlement Payments to Participating Class Members; (b) LWDA Payment to
15 the LWDA; (c) Enhancement Payment to Plaintiff; and (d) Attorneys' Fees and Attorneys' Costs to Class
16 Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services
17 performed in connection with administration of the Settlement.

18 13. Attorneys' Fees and Attorneys' Costs. Class Counsel will request and Defendant agrees
19 not to oppose an award of attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement
20 Amount (i.e., up to five hundred twenty five thousand dollars (\$525,000.00)) and reimbursement of actual
21 costs and expenses associated with Class Counsel's litigation and settlement of the Consolidated Action,
22 in an amount not to exceed thirty thousand dollars (\$30,000.00), both of which will be paid from the
23 Gross Settlement Amount, subject to Court approval. These amounts will cover any and all work
24 performed and any and all costs incurred by Class Counsel in connection with the litigation of the
25 Consolidated Action, including, without limitation, all work performed and costs incurred to date, and
26 all work to be performed and all costs to be incurred in connection with obtaining the Court's approval
27 of this Settlement Agreement, including any objections raised and any appeals necessitated by those
28 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this

1 compensation for tax purposes and for paying any taxes on the amounts received. With respect to the
2 Attorneys' Fees and Attorneys' Costs to Class Counsel, the Settlement Administrator may purchase an
3 annuity to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class
4 Counsel. Any additional expenses for the purchase of an annuity by the Settlement Administrator shall
5 be paid separately by Class Counsel and shall not be included within the Settlement Administration
6 Costs. Approval of the Settlement by the Court shall not be contingent on approval of the amounts of
7 Class Counsel's Attorney's Fees or Class Counsel's Attorney's Costs requested by Class Counsel. To the
8 extent the Court does not approve the entire amount(s) requested by Class Counsel as Attorneys' Fees
9 and/or Attorneys' Costs, it shall not affect the terms of the Parties' Settlement and any portion of the
10 Attorneys' Fees and Attorneys' Costs not awarded to Class Counsel shall remain part of the Gross
11 Settlement Amount and shall be distributed to Participating Class Members as part of the Net Settlement
12 Amount.

13 14. Enhancement Payment. In recognition of her efforts and work in prosecuting the
14 Consolidated Action and in consideration of her general release of all claims, Defendant agrees not to
15 oppose or impede any application or motion for an Enhancement Payment in an amount up to ten
16 thousand dollars (\$10,000.00) to Plaintiff Meagan Hernandez, payable from the Gross Settlement
17 Amount, subject to Court approval. Any Court-approved Enhancement Payment will be in addition to
18 Plaintiff's Individual Settlement Payment that is to be paid pursuant to the Settlement. The Settlement
19 Administrator will issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and Plaintiff shall
20 be solely and legally responsible for correctly characterizing this compensation for tax purposes and for
21 paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendant harmless
22 from any claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payment.
23 Should the Court approve the Enhancement Payment to Plaintiff in an amount that is less than that set
24 forth above, the difference between the lesser amount approved by the Court and the amount allocated
25 toward the Enhancement Payment will be part of the Net Settlement Amount for the benefit of
26 Participating Class Members.

27 15. Settlement Administration Costs. Subject to Court approval, the Settlement Administrator
28 will be paid for the reasonable costs of administration of the Settlement and distribution of payments

under the settlement, which is currently estimated not to exceed thirteen thousand dollars (\$13,000.00). These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*, printing, distributing, and tracking Notices and other documents for this Settlement, calculating and distributing payments due under the settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the requirement settlement administration duties will become part of the Net Settlement Amount.

16. LWDA Payment. Subject to approval by the Court, the Parties have allocated one hundred fifty thousand dollars (\$150,000.00) from the Gross Settlement Amount to the PAGA Amount, of which seventy-five percent (75%), or \$112,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$37,500.00, will be distributed to Participating Class Members as part of the Net Settlement Amount.

17. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' respective Workweeks, as follows:

a. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the Net Settlement Amount by the total Workweeks of all Class Members to yield the "Estimated Workweeks Value," and multiply each Class Member's individual Workweeks by the Estimated Workweeks Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement.

b. After Final Approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Member to yield the "Final Workweeks Value," and multiply each Participating Class Member's individual Workweeks by the Final

1 Workweeks Value to yield his or her Individual Settlement Share, which shall be paid from the Net
2 Settlement Amount, less applicable employee-side tax withholdings.

3 18. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
4 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
5 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement
6 shall not in any way entitle Plaintiff or any Participating Class Member to additional compensation or
7 benefits under any new or additional compensation or benefits, or any bonus, contest or other
8 compensation or benefit plan or agreement in place during the Class Period, nor will it entitle any
9 Participating Class Member to any increased retirement, 401K benefits or matching benefits, or deferred
10 compensation benefits (notwithstanding any contrary language or agreement in any benefit or
11 compensation plan document that might have been in effect during the Class Period).

12 19. Delivery of the Class List. Within twenty-eight (28) calendar days of Preliminary
13 Approval, Defendant will provide the Class List to the Settlement Administrator.

14 20. Notice by First-Class U.S. Mail.

15 a. Within fourteen (14) calendar days after receiving the Class List from Defendant,
16 the Settlement Administrator will perform a search based on the National Change of Address Database
17 or any other similar services available, such as provided by Experian, for information to update and
18 correct for any known or identifiable address changes, and will mail a Notice in English (in the form
19 attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail,
20 using the most current, known mailing addresses identified by the Settlement Administrator.

21 b. With respect to Notices that are returned as undeliverable on or before the
22 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
23 trace and re-mail the Notice within five (5) calendar days.

24 21. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
25 number of Workweeks to which they have been credited, as reflected in their respective Notices. In
26 order to dispute Workweeks, Class Members must submit a written letter to the Settlement Administrator
27 that: (a) contains the case name and number of the Class Action, (b) is signed by the Class Member, (c)
28 contains the full name, address, telephone number, and last four digits of the Social Security Number of

1 the disputing Class Member, (d) clearly states that the Class Member disputes the number of Workweeks
2 credited to him or her and what he or she contends is the correct number to be credited to him or her,
3 (e) includes information and/or attaches documentation demonstrating that the number of Workweeks
4 that he or she contends should be credited to him or her are correct, and (f) is returned by mail to the
5 Settlement Administrator at the specified address, postmarked on or before the Response Deadline. The
6 date of the postmark on the return mailing envelope on the submission will be the exclusive means to
7 determine whether a dispute has been timely submitted. Absent evidence rebutting the accuracy of
8 Defendant's records and data as they pertain to the number of Workweeks to be credited to a disputing
9 Class Member, Defendant's records will be presumed correct and determinative of the dispute.
10 However, if a Class Member produces information and/or documents to the contrary, the Settlement
11 Administrator will evaluate the materials submitted by the Class Member and the Settlement
12 Administrator will resolve and determine the number of eligible Workweeks that the disputing Class
13 Member should be credited with under the settlement. The Settlement Administrator's decision on such
14 disputes will be final and non-appealable.

15 22. Settlement Checks. The Settlement Administrator will be responsible for undertaking
16 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
17 of check to the Participating Class Members in accordance with this Settlement Agreement. Each
18 Individual Settlement Payment check will be valid and negotiable for one hundred and eighty (180)
19 calendar days from the date each check is issued, and thereafter, shall be cancelled. All funds associated
20 with such cancelled checks will be transmitted to the Unclaimed Property Fund maintained by the
21 California State Controller's Office. The Settlement Administrator shall undertake amended and/or
22 supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are
23 necessitated due to the cancellation of any Individual Settlement Payment checks. Participating Class
24 Members whose Individual Settlement Payment checks are cancelled shall, nevertheless, be bound by this
25 Settlement Agreement.

26 23. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing to
27 be excluded from the Settlement must submit a written Request for Exclusion to the Settlement
28 Administrator, by mail, by the Response Deadline. The date of the postmark on the return mailing

1 envelope will be the exclusive means to determine whether a Request for Exclusion has been timely
2 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel
3 the Requests for Exclusion that were timely submitted, and also identify the individuals who have
4 submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in
5 advance of the Final Approval Hearing. Any Class Member who submits a Request for Exclusion is
6 prohibited from making any objection to the Settlement Agreement.

7 24. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class
8 Member who does not affirmatively request exclusion from the Settlement by submitting a timely and
9 valid Request for Exclusion will be bound by all of the terms of the Settlement Agreement, including
10 and not limited to those pertaining to the Released Claims, as well as any judgment that may be entered
11 by the Court if it grants Final Approval to the Settlement.

12 25. Procedures for Objecting to the Settlement. To object to the Settlement, Class Members
13 who have not opted out of the Settlement (i.e., Participating Class Members) must submit a timely and
14 complete Notice of Objection to the Settlement Administrator, by mail, on or before the Response
15 Deadline. The Notice of Objection must be signed by the Participating Class Member and contain all
16 information required by this Settlement Agreement. The postmark date will be deemed the exclusive
17 means for determining that the Notice of Objection is timely. At no time will any of the Parties or their
18 counsel seek to solicit or otherwise encourage Participating Class Members to object to the Settlement
19 Agreement or appeal from the Final Approval Order and Judgment. In lieu of submitting a written
20 Notice of Objection, Participating Class Members may also present their objection at the Final Approval
21 Hearing.

22 26. Reports by the Settlement Administrator Regarding Settlement Administration. The
23 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
24 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number
25 of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete
26 Notices of Objection; and (c) the number of undeliverable and re-mailed Notices. Additionally, the
27 Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
28 administration of the Settlement as needed or requested, and immediately notify the Parties when it

receives a request from an individual or any other entity regarding inclusion in the Class and/or settlement.

27. Certification of Completion. Upon completion of administration of the settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

28. Tax Treatment of Individual Settlement Payments. Each Individual Settlement Share will be allocated as follows for tax purposes: one-third (1/3) wages, and two-thirds (2/3) penalties and interest. The portion allocated to wages will be reported on an IRS Form W-2 and the portion allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement Administrator. 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.

29. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

30. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff and Participating Class Members understand and agree that Plaintiff and Participating Class Members will be solely responsible for correctly characterizing any compensation received under the Settlement on his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

31. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS

1 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
2 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT
3 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
4 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
5 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
6 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
7 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
8 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
9 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
10 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
11 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
12 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
13 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
14 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
15 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO
16 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
17 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
18 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
19 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
20 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
21 BY THIS SETTLEMENT AGREEMENT.

22 32. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
23 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
24 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
25 of action or right herein released and discharged.

26 33. Release of Claims by Participating Class Members. Upon the Effective Date and full
27 funding of the Gross Settlement Amount, Plaintiff and all Class Members who do not submit a valid and
28 timely Request for Exclusion (i.e., all Participating Class Members) will be deemed to have fully, finally

1 and forever released, settled, compromised, relinquished, and discharged the Released Parties as to and
2 from all Released Claims he, she, or they may have or had.

3 34. General Release of Claims by Plaintiff. In addition, upon the Effective Date and full
4 funding of the Gross Settlement Amount, Plaintiff will be deemed to have fully released and discharged
5 the Released Parties as to and from all claims arising out of or in any way related to her employment with
6 Defendant, the separation of her employment from Defendant, and any acts that have or could have been
7 asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under
8 any federal, state, or local law, statute, regulation, or ordinance including, without limitation, any and all
9 claims arising under the California Labor Code, the Fair Labor Standards Act, the Americans with
10 Disabilities Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act,
11 the National Labor Relations Act, California Corporations Code, California Business and Professions
12 Code, the Wage Orders of the Industrial Welfare Commission, the California Government Code
13 (including, without limitation, the California Fair Employment and Housing Act), the California
14 Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment,
15 retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional
16 distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising
17 on or before the date on which the Settlement Agreement is executed. With respect to those claims released
18 by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits
19 available under section 1542 of the California Civil Code, which provides:

20
21 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR
22 OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR
23 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.

24 Plaintiff understands and agrees that claims or facts in addition to or different from those which are now
25 known or believed by her to exist may hereafter be discovered. It is Plaintiff's intention to settle fully
26 and release all claims she now has against the Released Parties, whether known or unknown, suspected
27 or unsuspected. The Enhancement Payment will be paid to Plaintiff specifically in exchange for the
28 general release of the Released Parties from all claims, including those specified in this paragraph and a

covenant not to sue the Released Parties. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the Preliminary Approval Motion at least five business days before the filing deadline for Plaintiff's Motion for Preliminary Approval. Defendant agrees not to oppose the Motion for Preliminary Approval of the Settlement, consistent with this Settlement Agreement. Said Motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as representative of the Class;
- d. Preliminarily appointing Plaintiff's Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Notice and directing its mailing to the Class by first class mail;
- f. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether the Settlement should be finally approved as fair, reasonable and adequate as to the Participating Class Members.

In the event that the Court has not already entered an order dismissing, without prejudice, Crumby as a Plaintiff in the Consolidated Actions, Plaintiff's Motion shall also seek Crumby's dismissal.

36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly

payable for (a) Individual Settlement Payments; (b) LWDA Payment; (c) Attorneys' Fees and Attorneys' Costs; (d) Enhancement Payment; and (e) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the Final Approval Motion before the filing deadline. By way of said Motion, Plaintiff will apply for the entry of the mutually-agreed upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the settlement Class;
- c. Approval of the application for Attorneys' Fees and Attorneys' Costs to Class Counsel;
- d. Approval of the application for Enhancement Payment to Plaintiff;
- e. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- f. Entering judgment in the Actions barring and enjoining all Participating Class Members from prosecuting the Released Claims against any of the Released Parties, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

37. Termination or Revocation of Settlement.

a. If five percent (5%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel within twenty-one (21) calendar days of the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date.

b. If the Court finds the Gross Settlement Amount to be insufficient to warrant Preliminary Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the

Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

38. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall have the following effects:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. Defendant shall have no obligation to make any payments to any Party, Class Member or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

d. The Settlement Agreement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

e. Neither this Settlement Agreement, nor any ancillary documents, actions, statements or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever; and

f. Any documents generated to bring the settlement into effect, will be null and void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

39. Escalator Clause. Defendant represents that, for the period of February 4, 2016 to November 1, 2020, there were approximately 30,704 Workweeks. If it is determined that the total number of Workweeks exceeds 30,704 by more than ten percent (10%) (i.e., if it is greater than 33,775 Workweeks) during the period between February 4, 2016 and November 1, 2020, then, the Gross Settlement Amount will be increased on a proportional basis by the same number of percentage points above 30,704.

40. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and section

664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement Agreement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

41. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the settlement.

42. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

43. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Consolidated Action (including with respect to California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

44. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

45. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement

will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

46. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Participating Class Member execute this Settlement Agreement. The Notice will advise all Class Members of the binding nature of the release as to the Participating Class Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member.

47. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

48. California Law Governs. All terms of this Settlement Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

49. Execution and Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

50. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

51. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

1 52. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement
2 Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein and cannot
3 submit a Request for Exclusion therefrom.

4 53. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
5 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
6 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies,
7 that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated
8 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
9 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
10 any other unlawful conduct with respect to its employees (current and former). Neither this Settlement
11 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
12 construed as an admission or concession by Defendant of any such violations or failures to comply with
13 any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
14 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as
15 evidence in any action or proceeding to establish any liability or admission on the part of Defendant or
16 to establish the existence of any condition constituting a violation of, or a non-compliance with state,
17 federal, local or other applicable law.

18 54. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted
19 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
20 provisions of this Settlement Agreement.

21 55. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
22 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
23 more strictly against one party than another merely by virtue of the fact that it may have been prepared
24 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
25 between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

26 56. Representation by Counsel. The Parties acknowledge that they have been represented by
27 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that
28 this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in

1 full.

2 57. All Terms Subject to Final Court Approval. All amounts and procedures described in
3 this Settlement Agreement herein will be subject to final Court approval.

4 58. Notices. All notices, demands, and other communications to be provided concerning this
5 Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below,
6 or such other addresses as either Party may designate in writing from time to time:

7 To Plaintiff and Class Counsel:

8 Edwin Aiwarzian, Esq.
9 **LAWYERS for JUSTICE, PC**
10 410 West Arden Avenue, Suite 203
11 Glendale, California 91203

To Defendant:

Kate S. Gold, Esq.
Philippe A. Lebel, Esq.
Danielle J. Moss, Esq.
PROSKAUER ROSE LLP
2029 Century Park East, Suite 2400
Los Angeles, California 90067

12 59. Final Judgment. The Parties shall provide the Settlement Administrator with a copy of
13 the Final Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final
14 Judgment on its website within three (3) business days of receipt. No individualized notice to the Class
15 will be required.

16 60. No Publicity. Class Counsel will do nothing to publicize the Settlement or use it for
17 marketing purposes, including but not limited to posting on Class Counsel's website, posting on any
18 social medial or making any statements (whether written or oral) to the media. Notwithstanding the
19 foregoing, nothing herein prohibits Class Counsel or Defendant's Counsel from doing anything to
20 encourage Class Members to participate in the Settlement. Notwithstanding the foregoing, nothing in
21 this Settlement Agreement shall restrict Class Counsel from disclosing and including all publicly available
22 information regarding this case and the settlement in any documents filed with any court and/or judicial
23 submissions (e.g., CVs, declarations regarding adequacy or experience, etc.).

24 61. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
25 cooperate with each other in good faith and use their best efforts to implement the settlement, including
26 and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of
27 this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any
28 document needed to implement the Settlement Agreement, or on any supplemental provisions that may

1 become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the
2 assistance of the Mediator and then the Court to resolve such disagreement.

3 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this
4 Stipulation of Class Action and PAGA Settlement between Plaintiff Meagan Hernandez and Defendant
5 Peloton Interactive, Inc.:

6 **IT IS SO AGREED.**

7 **PLAINTIFF MEAGAN HERNANDEZ**

8 Dated: _____, 2021

Meagan Hernandez, Plaintiff

10 **DEFENDANT PELOTON INTERACTIVE, INC.**

11 Dated: 8/6/2021
_____, 2021

DocuSigned by:
Kristine Huggins _____
B741071138A1408...
Full Name: Kristine Huggins

13 Title: Senior Legal Managing Director
14 On behalf of Peloton Interactive, Inc.

15 **APPROVED AS TO FORM**

16 **LAWYERS for JUSTICE, PC**

17 Dated: _____, 2021

Edwin Aiwasian
Attorneys for Plaintiff Meagan Hernandez and Proposed
Class Counsel

20 **PROSKAUER ROSE LLP**

21
22 Dated: August 6, 2021

Danielle J. Moss _____
Kate S. Gold
Philippe A. Lebel
Danielle J. Moss
Attorneys for Defendant Peloton Interactive, Inc.

become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Class Action and PAGA Settlement between Plaintiff Meagan Hernandez and Defendant Peloton Interactive, Inc.:

IT IS SO AGREED.

PLAINTIFF MEAGAN HERNANDEZ

Dated: 08/12/2021, 2021

Electronically Signed 2021-08-12 23:54:04 UTC - 47.32.155.95
Meagan Hernandez
AssureSign® fe488c18-7534-4776-bbfa-ad82015d7d31

Meagan Hernandez, Plaintiff

DEFENDANT PELOTON INTERACTIVE, INC.

Dated: _____, 2021

Full Name: _____

Title: _____

On behalf of Peloton Interactive, Inc.

APPROVED AS TO FORM

LAWYERS for JUSTICE, PC

Dated: 8/13/2021, 2021

Edwin Aiwazian

Edwin Aiwazian

Attorneys for Plaintiff Meagan Hernandez and Proposed Class Counsel

PROSKAUER ROSE LLP

Dated: _____, 2021

Kate S. Gold

Philippe A. Lebel

Danielle J. Moss

Attorneys for Defendant Peloton Interactive, Inc.

EXHIBIT A

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.
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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.**