

CLASS AND PAGA ACTION SETTLEMENT AGREEMENT AND
RELEASE

Kamela Woodings and Jodi Dormaier, on behalf of themselves and all members of each putative class and the “aggrieved employees” under the Private Attorney General Act (“PAGA”)

v.

FreedomRoads, LLC

IT IS HEREBY STIPULATED AND AGEED that the Parties to this settlement agreement (hereinafter, “Settlement Agreement”) are **(1)** defendant **FreedomRoads, LLC** (“FreedomRoads” or “Defendant”) and **(2)** plaintiffs **Kamala Woodings** (“Woodings”) and **Jodi Dormaier** (“Dormaier”) (collectively, “Named Plaintiffs”). Collectively, the Defendant and Named Plaintiffs are the “Parties” of the Lawsuits (as defined below).

This Settlement Agreement encompasses two pending lawsuits, *KAMELA WOODINGS and JODI DORMAIER, on behalf of themselves and all other members of the putative class v. FreedomRoads, LLC d/b/a CAMPING WORLD, a Minnesota Limited Liability Corporation*¹, Case No. 2:20-cv-07072-MCS-JEM (hereinafter known as the “Class Action”), and *Kamela Woodings, in her representative capacity under the Private Attorney General Act (“PAGA”) v. FreedomRoads, LLC d/b/a CAMPING WORLD, a Minnesota Limited Liability Corporation; and DOES 1 through 100, inclusive*, Case No. 20STCV20261 (hereinafter, the “PAGA Action”). The Class Action and the PAGA Action will hereinafter be referred to collectively as the “Lawsuits.”

This Settlement Agreement is subject to the approval of the Court, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, 28 U.S.C. § 1711 *et seq.* and California Labor Code section 2699, and is made for the sole purpose of attempting to consummate settlement of the Lawsuits on a class-wide and representative basis subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting approval of the PAGA Settlement, as defined below, final approval of the Class Settlement, as defined below, or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever.

¹ FreedomRoads, LLC was erroneously sued as “FreedomRoads, LLC d/b/a Camping World” in both Lawsuits.

Subject to the approval of the Court, the Settlement of the Lawsuits and Released Claims (as defined below) shall be effectuated upon and subject to the following terms and conditions in this Settlement Agreement. The Parties agree that the Lawsuits shall be, upon approval by the Court, ended, settled, resolved, and concluded without any admission of fault or liability, as set forth in this Settlement Agreement and for the consideration set forth herein, including but not limited to a release of claims by Settlement Plaintiffs (as defined below) as set forth herein.

1. FACTUAL BACKGROUND AND NATURE OF ACTION

1.1. FreedomRoads, through its subsidiaries, operates over 170 recreational vehicle (“RV”) dealerships engaged in the retail sale, financing, and servicing of recreational vehicles (“RVs”) in 38 states. FreedomRoads’s locations have been staffed by various categories of employees, which were comprised of hourly and non-exempt positions that were active during the applicable Settlement Period (as defined below). FreedomRoads classifies its hourly and non-exempt employees pursuant to state wage laws. Named Plaintiffs are former hourly and non-exempt employees who allege various wage and hour violations on behalf of themselves and the putative class for the states of California and Washington.

1.2. On May 28, 2020, plaintiff Woodings filed a PAGA complaint in the Superior Court of the State of California, for the County of Los Angeles, Case No. 20STCV20261, in which she alleged that she often performed off-the-clock work for which she was not adequately compensated, and alleged the following causes of actions: (1) Violation of California Labor Code sections 2698, *et seq.* (Private Attorney General Act of 2004), which includes allegations of (a) Failure to Pay Minimum Wage, (b) Failure to Pay Overtime, (c) Failure to Provide Meal Periods, (d) Failure to Provide Rest Breaks, (e) Failure to Timely Pay Wages Upon Termination, (f) Failure to Timely Pay Wages During Employment, (g) Failure to

Provide Complete and Accurate Wage Statements, and (h) Failure to Keep Accurate Business Records (hereinafter, “PAGA Complaint”).

1.3 On July 9, 2020, Defendant timely filed an answer that generally and specifically denied Woodings’ claims of wrongdoing as alleged in the PAGA Complaint (“PAGA Answer”), while asserting all applicable affirmative defenses, and continues to deny, each and every material allegation, dispute, and claim raised in the PAGA Complaint.

1.4. On June 25, 2020, plaintiff Woodings filed a class action complaint in the Superior Court of the State of California, for the County of Los Angeles, Case No. 20STCV24159, in which she alleged that she was not appropriately compensated for all wages earned in the form of commission, and that she often performed off-the-clock work for which she was not adequately compensated. Woodings also alleged the following causes of actions: (1) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (2) Violation of California Labor Code §§ 1198 (Unpaid Overtime); (3) Violation of California Labor Code § 226.7 (Unpaid Meal Period Premiums); (4) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (7) Fraud; (8) Negligent Misrepresentation; (9) Breach of Contract; (10) Accounting; and (11) Violation of California Business & Professions Code §§ 17200, *et seq.* for (a) Failure to Pay Overtime, (b) Failure to Provide Meal Periods, (c) Failure to Provide Rest Periods, (d) Failure to Pay Minimum Wages, (e) Failure to Timely Pay Wages Upon Termination, (f) Failure to Timely Pay Wages During Employment, (g) Failure to Keep Complete and Accurate Payroll Records, and (h) Failure to Pay Commissions (“Initial Class Complaint”).

1.5 On August 5, 2020, Defendant timely filed an answer that generally and specifically denied Woodings' claims of wrongdoing as alleged in the Initial Class Complaint, while asserting all applicable affirmative defenses, including a defense that Woodings' claims were subject to binding arbitration, and continues to deny, each and every material allegation, dispute, and claim raised in the Initial Class Complaint.

1.6. On August 6, 2020, the Class Action was removed to the United States District Court, Central District of California, Case No.: 2:20-cv-07072-FMo (JEMx). On August 27, 2020, the Named Plaintiffs amended their complaint to add plaintiff Dormaier, the Washington subclass, while alleging the following causes of actions: **(1)** Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); **(2)** Violation of California Labor Code §§ 1198 (Unpaid Overtime); **(3)** Violation of California Labor Code § 226.7 (Unpaid Meal Period Premiums); **(4)** Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); **(5)** Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); **(6)** Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); **(7)** Violation of California Business & Professions Code §§ 17200, *et seq.* for (a) Failure to Pay Overtime, (b) Failure to Provide Meal Periods, (c) Failure to Provide Rest Periods, (d) Failure to Pay Minimum Wages, (e) Failure to Timely Pay Wages Upon Termination, (f) Failure to Timely Pay Wages During Employment, (g) Failure to Keep Complete and Accurate Payroll Records, and (h) Failure to Pay Commissions; **(8)** Violation of Wash. Rev. Code §§ 49.46.090 and 49.46.090 (Failure to Pay Minimum Wage); **(9)** Violation of Wash. Rev. Code § 49.46.130 (Failure to Pay Overtime); **(10)** Violation of Wash. Rev. Code §§ 49.12.020 (Failure to Provide Meal Breaks); **(11)** Violation of Wash. Rev. Code §§ 49.12.020 (Failure to Provide Rest Breaks); **(12)** Violation of Wash. Rev. Code §§ 49.48.010 (Payment of Wages Upon Termination); **(13)** Violation of Wash. Rev.

Code §§ 49.52.050 (Willful Exemplary Damages); **(14)** Fraud; **(15)** Negligent Misrepresentation; **(16)** Breach of Contract; and **(17)** Accounting (hereinafter, “Class Complaint” or “First Amended Complaint”).

1.7. On or about September 10, 2020, to keep litigation costs to a minimum, the Parties agreed to attend mediation and to engage in an informal exchange of documents, and stipulated that Defendant would not file a Motion to Compel Arbitration or any other Rule 12(b) motion in response to Names Plaintiffs’ Class Complaint. Instead, the Parties agreed that Defendant would file an Answer asserting all appropriate defenses, including referencing the Parties’ agreement to preserve all of Defendant’s defenses and rights in advance of mediation. Shortly thereafter, the Parties entered into a joint stipulation memorializing the above-mentioned agreement (“Stipulation”), which was filed with the Court on September 30, 2020 (Dckt No. 14).

1.8. The Stipulation specified that Defendant preserves and does not waive its right to file a: (1) Motion to Compel Arbitration, (2) Motion to Transfer Venue, or (3) any other Rule 12(b) Motion, including a motion to dismiss based on personal jurisdiction grounds after an unsuccessful mediation.

1.9. On October 1, 2020, subject to the Parties’ Stipulation, Defendant timely filed an answer that generally and specifically denied Woodings’ and Dormaier’s claims of wrongdoing as alleged in the Class Complaint (“Class Answer”), while asserting all applicable affirmative defenses, including a defense that Woodings’ claims were subject to binding arbitration, that venue was improper, and that Court cannot exercise personal jurisdiction over the Washington class (Dckt No. 16). Defendant continues to deny, each and every material allegation, dispute, and claim raised in the Class Complaint.

1.10. Named Plaintiffs contended that common evidence would establish that all non-exempt and/or hourly employees were subjected to unlawful wage practices, rendering the Lawsuits amenable to a class and PAGA trial.

1.11. FreedomRoads categorically denies all of the above-mentioned assertions and allegations raised in and in support of the claims in the Lawsuits. To that end, FreedomRoads has denied and continues to deny each and all of the allegations, claims, and contentions alleged by the Named Plaintiffs in the Lawsuits. FreedomRoads has expressly denied and continues to deny all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts or omissions alleged in the Lawsuits. FreedomRoads contends that it complied in good faith with California and Washington wage and hour laws and has dealt legally and fairly with Named Plaintiffs and putative class members. FreedomRoads further denies that, for any purpose other than settling the Lawsuits, these claims are appropriate for class or representative treatment. Nonetheless, the Parties have concluded that further proceedings in the Lawsuits would be protracted and expensive and that it is desirable that the Lawsuit be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement in order to dispose of burdensome and protracted litigation, to permit the operation of FreedomRoads's business without further expensive litigation and the distraction and diversion of its personnel with respect to matters at issue in the Lawsuits. FreedomRoads has also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as the Lawsuits. FreedomRoads has, therefore, determined that it is desirable and beneficial to it that the Lawsuits be settled in the manner and upon the terms and conditions set forth in this Stipulation.

1.12. The Parties engaged in informal discovery and exchange of information based on electronic time and pay records for putative class members and documents in the Lawsuits about *inter alia*: the number of current and former putative class

members who worked during the relevant time period; the total number of workweeks at issue; the average hourly rate for the putative classes and aggrieved employees; Defendant's timekeeping, meal period and rest break policies; documents evidencing Defendant's handbooks, policies and procedures for managing payment for all hours worked, meal periods and rest breaks; and other relevant information, including Named Plaintiff's personnel and payroll file.

1.13. On January 18, 2021, after engaging in informal discovery, the Parties attended a full mediation session with Eve Wagner, an experienced wage and hour class action and PAGA-action mediator. On the day of the mediation, after an 11-hour day of arms-length negotiations, the Parties reached an agreement by way of a mediator's proposal.

1.14. The Parties accepted the mediator's proposal, reaching agreement on the terms of a class- and PAGA-wide settlement that, once approved by the Court, shall resolve the Lawsuits in their entirety, and shall settle all claims running through preliminary approval. The Parties intend this Settlement Agreement to bind all Settlement Plaintiffs, which necessarily include Named Plaintiffs and Settlement Class Members.

1.15 The Parties believe this settlement is a fair, adequate and reasonable settlement of the Lawsuits and have arrived at this settlement and Settlement Agreement after lengthy, extensive arms-length negotiations, facilitated by an experienced wage and hour class action mediator, taking into account all relevant factors, present and potential. This Settlement Agreement shall not be construed in favor of or against any of the Parties because of their participation in the drafting of this Settlement Agreement.

1.16. It is the desire and intention of the Parties that this Settlement Agreement shall, for each Named Plaintiff, fully, finally, and forever completely

settle, compromise, release, and discharge any and all Named Plaintiffs Released Claims (as defined below).

1.17. It is the desire and intention of the Parties that this Settlement Agreement shall, for each Settlement Class Member, fully, finally, and forever completely settle, compromise, release, and discharge any and all Settlement Class Members Released Claims (as defined below).

1.18. Class Counsel has conducted a thorough investigation of the claims that Named Plaintiffs asserted against Defendant in these Lawsuits and/or that relate to or could have arisen out of the same facts alleged in the Lawsuits or relating to the employment of the Named Plaintiffs and members of the Putative Class and aggrieved employees, including both asserted and unasserted claims. Based on their independent investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration of and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of Named Plaintiffs, and all Settlement Plaintiffs in light of all known facts and circumstances, including the risk of delay, defenses asserted by Defendant, and numerous potential certification and appellate issues.

1.19. Named Plaintiffs, each on behalf of herself and the Putative Class, along with Defendant, and subject to the approval of the Court, stipulate that the case will be compromised and settled pursuant to the terms and conditions set forth in this Settlement Agreement and that after the date of the Court's final approval of this Settlement Agreement, judgment shall be entered, subject to the continuing jurisdiction of the Court as set forth below, subject to the recitals set forth above which by this reference become an integral part of this Settlement Agreement, and subject to the following definitions, terms and conditions:

2. **DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings specified below. To the extent the terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

2.1. **“CAFA Notice”** refers to the notice to be sent by Defendant to appropriate federal and state officials pursuant to the requirements of the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1715(b).

2.2 **“California Class”** means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the Settlement Period.

2.3. **“Class Counsel,”** means PARRIS Law Firm at 43364 10th St W Lancaster, CA 93534, and any attorney(s) associated with the law firm.

2.4. **“Class Notice”** means the Notice of Settlement as set forth in the form of **Exhibit A** attached hereto, or as otherwise approved by the Court, which is to be mailed to Settlement Class Members and PAGA Releasees.

2.5. **“Class Settlement”** means the non-PAGA portion of this Settlement and release of class claims for each Rule 23 class at issue, which includes the California Class and Washington Class and is subject to the Court’s preliminary and final approval.

2.6. **“Class Representatives”** means plaintiff Woodings for the state of California and plaintiff Dormaier for the state of Washington.

2.7. **“Complaints”** refers to the PAGA Complaint and Class Complaint, and any subsequently amended complaint filed in these Lawsuits, including the contemplated amended complaint to be filed in the Class Action to add a PAGA claim (the “Operative Complaint”).

2.8. **“Court”** means Honorable Mark C. Scarsi in Department 6D of the United States District Court, Southern District of California.

2.9. **“Defendant”** means FreedomRoads, LLC.

2.10. **“Defendant’s Counsel,” “Defense Counsel,”** or **“Counsel for Defendant,”** means Littler Mendelson, P.C, and any attorney(s) associated with the law firm.

2.11. **“Effective Date”** means the date by which all of the following have occurred: (a) the Settlement Agreement has been signed by the Parties and Class Counsel; (b) the Court has entered the Preliminary Approval Order and Order Approving PAGA Settlement and the Settlement Agreement; (c) the Class Notice has been mailed to the Putative Class Members as ordered by the Court in this Settlement Agreement; (d) the Court has entered a Final Approval Order and Judgment; (e) the time for appeal from the Court’s Final Approval Order and Judgment has expired (with no appeal having been filed); (f) in the event any appeal is filed, the date the appeal is disposed in the Parties’ favor and is no longer subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for review, or otherwise; and (g) the Settlement Administrator has provided Defense Counsel with written wire/bank transfer instructions, including the Settlement Administrator’s address, the bank name, bank address, account number, account name, ABA number, and SWIFT Cod. Should any appeal not result in approval of the Parties’ Settlement Agreement as described herein, the Settlement shall be void *ab initio* and of no further force or effect, and the Parties shall be returned in all respects to their respective positions. The effective date of the PAGA Settlement portion of this Settlement Agreement, including the release of the PAGA Claims, shall be the date the approving Court has approved the PAGA Payment and release of the PAGA Claims set forth in this Settlement Agreement.

2.12. **“Employee’s Taxes and Required Withholdings”** means the employee’s share of any and all applicable federal, state or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (“FICA”), FUTA and/or SUTA on the portion of the Individual Settlement Payment that constitutes wages. The Employee’s Taxes and Required Withholdings will be withheld from and paid out of the Net Settlement Fund.

2.13. **“Employer Taxes”** means and refers to the employer’s share of corporate federal, state and/or local payroll taxes, including Medicare taxes, Social Security taxes, federal unemployment taxes, state unemployment insurance taxes, and employment training taxes, that is owed on the Individual Settlement Payment that constitutes wages, and if applicable, any portion of the Service Awards that constitutes wages. The Employer Taxes shall be paid separate and apart from the Maximum Gross Settlement Amount.

2.14. **“Individual Settlement Payment”** means the amount which is ultimately distributed to each Settlement Class Member from the Net Settlement Amount, net of any Employee’s Taxes and Required Withholdings, separate and distinct from the Settlement Class Member’s share of the PAGA Payment.

2.15. **“Final Approval Hearing”** means the hearing held to determine whether the Court will enter a Final Approval Order finally approving this Settlement.

2.16. **“Final Approval Order”** means the entry of the final Court order in the Lawsuits in accordance with the terms herein, granting final approval of this Settlement Agreement (and the terms of Settlement described herein) and under the specific terms requested, and the Court retaining jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the Settlement Agreement.

2.17. **“Lawsuits”** means the Class Action and PAGA Action as defined above.

2.18. **“Mailing Date”** means the date that the Settlement Administrator initially mails by Regular United States Mail the Class Notice to the Putative Class Members and the PAGA Releasees.

2.19. **“Maximum Gross Settlement Amount”** means the agreed upon non-revisionary settlement amount totaling Three Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$3,950,000.00) subject to the terms and conditions herein. The Maximum Gross Settlement Amount is inclusive of (1) payments to the Settlement Plaintiffs; (2) the PAGA Payment; (3) Employee’s Taxes and Required Withholdings (4) Class Counsel’s attorneys’ fees; (5) Class Counsel’s costs and expenses related to these Lawsuits not to exceed \$15,000.00; (6) all fees, costs, and expenses associated with a mutually agreed upon Settlement Administrator to administer the settlement currently estimated at \$11,000.00; and (7) Service Awards to the Named Plaintiffs. Under no circumstances shall Defendant be obligated to pay any more than \$3,950,000.00, or the specific amounts agreed upon by the Parties as set forth in this Settlement Agreement. Defendant is required to pay Employer Taxes in addition to the Maximum Gross Settlement Amount, as set forth herein, related to payments to Settlement Plaintiffs. Any interest earned on the Maximum Gross Settlement Amount during the period of settlement administration under this Settlement Agreement will remain Defendant’s sole and exclusive property.

2.20. **“Named Plaintiffs”** means plaintiffs Kamela Woodings and Jodi Dormaier.

2.21. **“Named Plaintiffs Released Claims”** means the Named Plaintiffs’ release, remise, and forever discharge of Defendant and the Released Parties from any and all demands, damages, debts, liabilities, actions, causes of action, obligations, and claims of every kind and nature whatsoever, whether now known

or unknown, suspected or unsuspected, which they ever had or now have against the Defendant or the Released Parties arising or accruing at any time before the Effective Date. The Named Plaintiffs Released Claims include but are not limited to all the claims and causes of action asserted in the Complaints and Lawsuits, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. This Paragraph also includes, but is not limited to any applicable wage and hour state law claims and all other claims for unpaid wages, unpaid commissions, overtime compensation, liquidated damages, willful exemplary damages, interest, hours worked, minimum wages, unpaid meal or rest periods premiums, miscalculated wages, improper deduction(s), late payment of wages, frequency of pay, premium pay, incentives, bonuses, improper rounding of time records, non-compliant wage statements, failure to keep accurate and complete payroll records, and any other claims or relief of any kind under statute, tort, contract, quasi-contract, injunctive relief theories or claims, and claims for exemplary, punitive, or penalty damages, interest, and attorneys' fees and costs beyond those provided for or contemplated as part of this settlement, other damages, and/or any other form of relief, as permitted by law. Named Plaintiffs expressly acknowledge that this Settlement Agreement and the release contained herein extends to all claims that they have or might have against the Released Parties, including those which are presently unknown to them. Named Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true, but stipulate and agree that, upon the Effective Date, they fully, finally, and forever settle and release any and all claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity and without regard to the subsequent discovery or existence of such different or additional facts. Named Plaintiffs further release, release and forever

discharge the Released Parties from any and all manner of actions, causes of actions, suits, debts, accounts, contracts, agreements, torts, controversies, judgments, damages, claims, charges, liabilities, and demands of any kind or nature whatsoever, they ever had or now have, or may have, against Defendant or the Released Parties arising from the Named Plaintiff's employment with Defendant, and any act, transaction, practice or conduct arising or occurring prior to the date hereof, which is actionable, or claimed to be actionable, under any statutory or common law of the United States or any state thereof, including but not limited to any claim under Title VII of the Civil Rights Act of 1866, the Civil Rights Act of 1991, the Americans with Disabilities Act ("ADA"), the Family and Medical Leave Act ("FMLA"), the Equal Pay Act, the National Labor Relations Act and all state and local analogues of such statutes. Although this Settlement Agreement does not prevent Named Plaintiffs from filing a charge with the Equal Employment Opportunity Commission (or similar state agency) or participating in an investigation conducted by the Commission (or similar state agency), any claims for personal relief, including reinstatement or monetary damages, would be barred. Named Plaintiffs are deemed by operation of the Final Approval Order of the Settlement to have agreed not to sue or otherwise make a claim against any of the Released Parties for any claim arising out of their employment with Defendant. Named Plaintiffs acknowledge that they have had the opportunity to review, and have reviewed, California Civil Code section 1542, which provides:

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

Being fully informed of this provision of the Civil Code and understanding its provisions, Named Plaintiffs agree to waive any rights under that section and any rights and benefits each may have under laws of any state that are similar to California Civil Code section 1542, and any equivalent law in the state of Washington. The above-defined scope of Released Claims by each Named Plaintiff is meant to be as broad as possible. Named Plaintiffs also release claims against Released Parties for attorneys' fees, costs and expenses related to this litigation, beyond those provided for or contemplated as part of this settlement. In consideration for the release described herein, and subject to approval by the Court, the Named Plaintiffs will receive additional monetary compensation by way of the Service Awards (as defined below).

2.22. **“Net Settlement Amount”** means the portion of the Maximum Gross Settlement Amount remaining after deduction of the Service Awards to Named Plaintiffs, as approved by the Court; the Settlement Administration Costs to the Settlement Administrator, as approved by the Court; and Attorneys' Fees and Costs to Class Counsel, as approved by the Court; all Employees' Taxes and Required Withholdings which must be remitted on Individual Settlement Payments; and the PAGA Payment. To the extent that the Court approves and awards Service Payments to the Named Plaintiffs, settlement administration costs to the Settlement Administrator, the PAGA Payment, and/or an award to Class Counsel for attorneys' fees and costs that is less than the amount(s) requested by Named Plaintiffs, the difference shall be included in the Net Settlement Amount and distributed to the Settlement Class Members. The Net Settlement Amount is currently estimated at \$1,611,500.00. The Net Settlement Amount shall be allocated to the settlement of Settlement Class Members Released Claims, as set forth herein.

2.23. **“Notice of Objection”** means a written request by a Putative Class Member to object to this Settlement, which must be completed and filed or mailed in the manner set forth in this Settlement Agreement and the Class Notice.

2.24. **“Notice Period” or “Response Deadline”** means thirty (30) calendar days from the Mailing Date. An Objection must be filed with the Court during the Notice Period to be considered. A written notice disputing the number of Workweeks at Issue must be returned to the Settlement Administrator with a postmark dated during the Notice Period for the Putative Class Member to receive the Individual Settlement Payment.

2.25. **“Request for Exclusion,”** means a written request from a Putative Class Member requesting exclusion from the Class in accordance with the terms of the Settlement Agreement and the Class Notice.

2.26. **“PAGA Claims”** means all disputes, claims, and/or causes of action that are premised in whole or in part on any of the claims set forth in Paragraphs 1.2 and 8.1.3.

2.27. **“PAGA Payment”** means the payment to the State of California LWDA and the PAGA Releasees in settlement of all claims for PAGA penalties.

2.28. **“PAGA Payment Check”** means the check issued to each PAGA Releasee for his/her share of the PAGA Payment.

2.29. **“PAGA Releasee”** means an individual who was employed by Defendant within the State of California at any time as a non-exempt or hourly-paid employee from March 23, 2019, through and including the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed 106,211, whichever is earlier.

2.30. **“PAGA Settlement”** means the PAGA portion of the Net Settlement Amount embodied in this Settlement Agreement, which is subject to the Court’s approval.

2.31. **“PAGA Settlement Period”** means the period beginning on March 23, 2019, through and including the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed 106,211, whichever is earlier.

2.32. **“PAGA Pay Periods”** means the number of Pay Periods worked by PAGA Releasees between March 23, 2019 and to the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed 106,211, whichever is earlier.

2.33. **“Parties”** refers to the Named Plaintiffs and Defendant, and, in the singular, refers to any of them, as the context makes apparent.

2.34. **“Payout Calculation”** refers to the amounts calculated as the awards under this Settlement Agreement for the Named Plaintiffs and each Settlement Class Member.

2.35. **“Preliminary Approval Hearing”** means the hearing held to determine whether the Court will enter a Preliminary Approval Order preliminarily approving this Settlement.

2.36. **“Preliminary Approval Order and Order Approving PAGA Settlement”** means an entry of an order from the Court preliminarily approving: (1) the Settlement Agreement; (2) the Class Settlement; and (2) the PAGA Settlement.

2.37. **“Putative Class Member,” “Putative Class Members,” “Class,” or “Class Members,”** means any current and former hourly-paid or non-exempt employees employed by FreedomRoads, LLC within the states of California and Washington during the applicable Settlement Period. Putative Class Members who do not opt out are a “Settlement Class Member” and shall be bound by the terms of the Settlement Agreement.

2.38. **“Released Claims”** means all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, known or unknown, suspected or unsuspected, relating to the allegations that were asserted, or could have

been asserted, based on the facts alleged in the Lawsuits against the Released Parties, during the Settlement Period. The scope of the Released Claims by each Settlement Plaintiff is meant to be as broad as possible, with respect to claims that are asserted or could have been asserted based on the same factual predicate alleged in the Complaints. Such allegations include assertions that Settlement Plaintiffs were not properly or timely compensated for all hours worked, that they engaged in off-the-clock work, and were subject to wage and hour law violations, regardless of whether such claims arise under California or Washington law, common law, local law, federal, statute, ordinance, regulation, or applicable wage and hour law, through and including the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed **106,211 workweeks**, whichever is earlier. Such Released Claims include, but are not limited to, the causes of actions alleged in the Complaints, which are asserted as follows: **(1)** Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); **(2)** Violation of California Labor Code §§ 1198 (Unpaid Overtime); **(3)** Violation of California Labor Code § 226.7 (Unpaid Meal Period Premiums); **(4)** Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); **(5)** Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); **(6)** Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); **(7)** Violation of California Business & Professions Code §§ 17200, *et seq.* for (a) Failure to Pay Overtime, (b) Failure to Provide Meal Periods, (c) Failure to Provide Rest Periods, (d) Failure to Pay Minimum Wages, (e) Failure to Timely Pay Wages Upon Termination, (f) Failure to Timely Pay Wages During Employment, (g) Failure to Keep Complete and Accurate Payroll Records, and (h) Failure to Pay Commissions; **(8)** Violation of Wash. Rev. Code §§ 49.46.090 and 49.46.090 (Failure to Pay Minimum Wage); **(9)** Violation of Wash. Rev. Code § 49.46.130 (Failure to Pay Overtime); **(10)** Violation of Wash. Rev. Code §§ 49.12.020 (Failure to Provide Meal Breaks); **(11)** Violation of Wash. Rev. Code §§

49.12.020 (Failure to Provide Rest Breaks); **(12)** Violation of Wash. Rev. Code §§ 49.48.010 (Payment of Wages Upon Termination); **(13)** Violation of Wash. Rev. Code §§ 49.52.050 (Willful Exemplary Damages); **(14)** Fraud; **(15)** Negligent Misrepresentation; **(16)** Breach of Contract; **(17)** Accounting; and **(18)** Violation of California Labor Code sections 2698, *et seq.* (Private Attorney General Act of 2004), which includes allegations of (a) Failure to Pay Minimum Wage, (b) Failure to Pay Overtime, (c) Failure to Provide Meal Periods, (d) Failure to Provide Rest Breaks, (e) Failure to Timely Pay Wages Upon Termination, (f) Failure to Timely Pay Wages During Employment, (g) Failure to Provide Complete and Accurate Wage Statements, and (h) Failure to Keep Accurate Business Records, and any incorporated or related claims, which includes but are not limited to the claims asserted through the Lawsuits, the Complaints, or through any applicable California Industrial Welfare Commission Wage Orders, California Labor Codes (including but not limited to California Labor Code §§ 201-203, 204(a), 221-222, 226, 226.7, 226.7 (a)-(c), 510, 512(a), 515(a), 558, 1174(d), 1194, 1194(a), 1194.2, 1197, 1197.1, 1198), IWC Wage Orders, 4-2001(2)(K), 4-2001(7), 4-2001(12), PAGA (Labor Code §§ 2698-2699.5 *et seq.*), the California Business and Professions Code §§ 17200 *et seq.*, the Revised Code of Washington (including but not limited to 49.12.005, 49.12.010, 49.12.020, 49.12.110, 49.12.150, 49.46.020, 49.46.090, 49.46.130, 49.48.010, 49.48.030, 49.52.050, 49.52.70), the Washington Administrative Code, and any claims under the Fair Labor Standards Act (“FLSA”) for unpaid wages (including minimum wages, regular wages and overtime pay), improper itemized wage statements, improper payroll records maintenance and failure to pay all wages due at the time of termination, and all other applicable wage and hour laws. The above defined scope of Released Claims by each Settlement Plaintiff is meant to be as broad as possible based on the same factual predicate alleged in the Complaints, and further includes claims for unpaid wages, unpaid

commissions, off-the-clock work, liquidated damages, willful exemplary damages, interest, hours worked, minimum wages, unpaid overtime, miscalculated wages, improper deduction(s), late payment of wages, frequency of pay, premium pay, commissions, bonuses, improper rounding of time records, failure to include non-discretionary bonuses in regular rate of pay, failure to pay commissions, failure to maintain records, failure to provide suitable seating, breach of contract, implied contract, *quantum meruit*, unjust enrichment, promissory estoppel, equitable estoppel, fraud, negligent misrepresentation, conversion, failure to keep accurate and complete payroll records, and any other claims or relief of any kind under tort, contract, quasi-contract, injunctive relief theories or claims, or any other wage and hour law arising under state, common law, local law, statute, federal law, ordinance, regulation, or benefits based upon and within the above defined scope of claims released. Settlement Plaintiffs also release claims against Released Parties for attorneys' fees, costs and expenses related to this litigation, beyond those provided for or contemplated as part of this Settlement Agreement. Notwithstanding the foregoing, nothing in this Settlement Agreement releases any claims that may not be released as a matter of law.

2.39. **“Released Parties”** means FreedomRoads, LLC, and its present and former parent companies, present owners, former owners, subsidiaries, and each of their past and present shareholders, officers, directors, managers, employee benefit plans sponsored or maintained by any of the foregoing, employees, beneficiaries, agents, attorneys, representatives, accountants, insurers, reinsurers, carriers, guarantors, successors in interest, predecessors in interest, trustees, fiduciaries, administrators, and assigns, and any other individual or entity which could be jointly liable with FreedomRoads.

2.40. **“Releasing Persons”** means the Settlement Plaintiffs and their agents, heirs, beneficiaries, devisees, legatees, executors, administrators, trustees,

conservators, guardians, estates, personal representatives, successors-in-interest, and assigns.

2.41. **“Service Awards” or “Service Payments,”** which will be subject to approval by the Court, means any additional monetary payment made to the Named Plaintiffs in recognition of their efforts in prosecuting the Lawsuits on behalf of themselves, the Putative Class Members, the PAGA Releasees, and for the broader release of their claims (as defined above in “Named Plaintiffs Released Claims”).

2.42. **“Settlement”** means the settlement of the Lawsuits effectuated by this Settlement Agreement between the Parties (including the Class Settlement and PAGA Settlement).

2.43. **“Settlement Administrator”** means a third-party administrator mutually selected by the Parties’ counsel and appointed by the Court.

2.44. **“Settlement Agreement” or “Agreement”** means this Class and PAGA Action Settlement Agreement and Release, including any attached exhibits.

2.45. **“Settlement Class Members”** means all Putative Class Members who have not timely and properly opted out of the Class Settlement.

2.46. **“Settlement Plaintiffs”** refers to and means Named Plaintiffs, Settlement Class Members, and PAGA Releasees. In the singular referred to as “Settlement Plaintiff.”

2.47. **“Settlement Period”** means the following time periods: (a) for all California Putative Class Members, it will include June 25, 2016 through the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed 106,211 workweeks, whichever is earlier; and (b) for all Washington Putative Class Members, it will include June 25, 2017 through the Preliminary Approval hearing date or up to when the Workweeks at Issue exceed 106,211 workweeks, whichever is earlier.

2.48. **“Settlement Sum” or “Settlement Fund”** means the Maximum Gross Settlement Amount of Three Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$3,950,000.00) to be paid by Defendant as provided by this Settlement Agreement to fully and finally settle, resolve and conclude the Lawsuits as provided under this Agreement, without any admission of fault or liability.

2.49. **“Washington Class”** means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of Washington at any time during the Settlement Period.

2.50. **“Workweeks at Issue”** include all workweeks that each Settlement Plaintiff worked (excluding vacation and leaves of absence) during the Settlement Period as a non-exempt or hourly employee of FreedomRoads, which shall be calculated based on information that Defendant provides to the Settlement Administrator. Estimations and approximations may be used to the extent that there may be gaps in the information that Defendant provides to the Settlement Administrator. If needed, the Settlement Administrator will calculate the number of Workweeks at Issue by calculating the number of weeks in which each Settlement Plaintiff earned non-vacation wages from Defendant during the Settlement Period. Any Settlement Plaintiff with less than one complete week of employment will be credited with one workweek.

3. LIMITATIONS ON USE OF THIS SETTLEMENT AGREEMENT

3.1. **No Admission/Denial of Liability:** The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal

requirements; breached any contract, violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Plaintiff or any Class Member and/or PAGA Releasee. Nothing in this Settlement Agreement is intended as or may be construed as an admission or concession of liability, unlawful conduct, or wrongdoing by Defendant (and/or any of the Released Parties) in any way, shape or form. Defendant and the Released Parties deny any liability or wrongdoing of any kind associated with the claims alleged in this Lawsuits and litigation. Nothing in this Settlement Agreement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. The Parties to this Settlement Agreement agree that it reflects their good faith compromise of the claims raised in the Lawsuits, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel. Defendant further denies that it has engaged in any unlawful activity, denies that it has failed to comply with the law in any respect, denies it has any liability to anyone under the claims asserted in this matter, and contends that but for this Settlement, neither the Class Action or PAGA Action would be certified or permitted to proceed. This Settlement Agreement is entered into solely for the purpose of compromising highly disputed claims. This Settlement Agreement and the fact that the Named Plaintiffs and Defendant are willing to settle the Lawsuits shall have no bearing on, and shall not be admissible in connection with, any litigation (other than solely in connection with approval and enforcement of this Settlement Agreement).

3.2. Non-Evidentiary Use. Except for purposes of effectuating the settlement pursuant to this Settlement Agreement and/or for Defendant (and/or a Released Party) to establish that a Settlement Plaintiff has resolved any of his/her claims released through this Settlement Agreement, and regardless of whether the Final Approval Order is entered, neither this Agreement nor any of its terms

(including, but not limited to, the payment of the Gross Maximum Settlement Amount) nor the settlement itself shall be construed as, offered, or admitted in evidence as, received as, or deemed to be evidence, in any further proceeding in the Lawsuit, or any other civil, criminal, and/or administrative action or proceeding, for any purpose adverse to Defendant or any of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by Defendant or any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

3.3. Nullification. In the event (a) any government agency objects, intervenes, or otherwise interferes with the enforcement of the settlement embodied in this Settlement Agreement; (b) the Court should for any reason fail to approve this Settlement consistent with the specific terms agreed to by the Parties as set forth in this Settlement Agreement; (c) the Court should for any reason fail to enter the Preliminary Approval Order and Order Approving PAGA Settlement, and/or Final Approval Order; (d) the Final Approval Order is reversed, modified, or declared or rendered void; (e) the Settlement does not become final for any other reasons; (f) should the LWDA provide notice of intent to investigate the alleged violations set forth in Plaintiff's March 23, 2020 LWDA Letter; or (g) Judgment is not entered by the Court that binds the Named Plaintiffs, Settlement Class Members, and PAGA Releasees, then this Settlement Agreement shall automatically be considered null and void, and any order entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In that instance, (i) neither this Settlement Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (ii) all Parties to this Settlement Agreement and the pleadings in these Actions shall stand in the same litigation position they were prior to the mediation, without prejudice to either party; and (iii) Defendant shall not have any obligation to pay any portion of the Maximum Gross Settlement Amount to anyone under the

terms of this Settlement Agreement, and (iv) all previous disbursements (if any) from the Maximum Gross Settlement Amount shall immediately be paid back to Defendant. Invalidation of any material portion of this Settlement Agreement shall invalidate this Settlement Agreement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

3.4. Not Mere Recitals and Invalidation of Agreement for Failure to Satisfy Conditions. The terms and provisions of this Settlement Agreement are not recitals, but are deemed to constitute contractual terms. In the event that any of the material terms or conditions set forth in this Settlement Agreement are not fully and completely satisfied by Named Plaintiffs, this Settlement Agreement shall terminate and terms of the Settlement Agreement including, but not limited to, the conditional certification of the California Class and Washington Class, the payment of Individual Settlement Payments to Settlement Class Members, the payment of attorneys' fees and costs to Class Counsel, the Service Awards to the Named Plaintiffs, and the payment of the PAGA Payment shall be null and void. In such event, nothing in this Settlement Agreement shall be used, construed or admissible as evidence by or against any Party or Released Party as a determination, admission, or concession of any issue of law or fact in the Lawsuits, or in any other proceeding for any purpose; and the Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend the Lawsuits as if this Settlement Agreement never existed. In addition, notwithstanding the generality of the foregoing, if this Settlement Agreement is terminated for failure to satisfy any of the material terms or conditions of this Settlement Agreement, Defendant shall not be obligated to create or maintain any type of settlement fund, and shall not be obligated to pay any amount in the Maximum Gross Settlement Amount to any Class Member and/or PAGA Releasee, to Class Counsel, to the Settlement Administrator, to the

State of California or to the Plaintiff. In the event the Court has approved the PAGA Payment and release of the PAGA Claims set forth in this Agreement and Defendant has issued the PAGA Payment, the release of the PAGA Claims shall be binding.

4. **TERMS OF SETTLEMENT**

4.1. **Settlement.** The Parties agree this action and any claims, damages, or cause of action arising out of the dispute, which is the subject of the Lawsuits, or which could have been alleged in the Lawsuits, be settled subject to court approval and under the terms set forth in this Settlement Agreement.

4.2. **Scope of Settlement.** Subject to Court approval, the Settlement Agreement shall cover all eligible members of the following "Settlement Plaintiffs."

4.2.1. **Settlement of California Class Action:** The Settlement Agreement shall bind all current and former non-exempt and hourly-paid employees of FreedomRoads that have worked, or are presently working, in Defendant's establishments throughout the State of California during the Settlement Period.

4.2.2. **Settlement of Washington Class Action:** The Settlement Agreement shall bind all current and former non-exempt and hourly-paid employees of FreedomRoads that have worked, or are presently working, in Defendant's establishments throughout the State of Washington during the Settlement Period.

4.2.3. **Settlement of Individual Claims:** The Settlement Agreement shall bind all Named Plaintiffs to the extent of the Named Plaintiffs Released Claims.

4.2.4. **Settlement of PAGA Action:** The Settlement Agreement shall bind all current and former non-exempt and hourly-paid employees of FreedomRoads that have worked, or are presently

working, in Defendant's retail establishments throughout the State of California during the PAGA Settlement Period.

4.3. Filing of Amended Complaint: In an effort to preserve judicial resources, prevent unnecessary expense and cost, while avoiding conflicting judgments, the Parties agree that as a condition precedent to Settlement, Class Counsel shall seek leave to amend the Class Complaint pursuant to Federal Rule of Civil Procedure 15(a)(2) to add the PAGA Claims asserted in the PAGA Complaint while requesting a stay of the PAGA Action during the settlement approval process. Class Counsel will dismiss the PAGA Action in its entirety after the Final Approval Order is entered by the Court in the Class Action. To effectuate the amending of the Class Complaint, Defendant shall stipulate to the filing of the amended Complaint. The final amended Class Complaint ("Operative Complaint") shall be subject to reasonable review and approval by Defendant prior to filing. Defendant shall not be required to file a new answer or other responsive pleading to the Operative Complaint. The Parties agree that Defendant's PAGA Answer, Class Answer, and the Parties' Stipulation will apply to the Operative Complaint. It is the understanding of the Parties that this Settlement Agreement shall cover the claims in the Lawsuits as alleged in the PAGA Complaint and Class Complaint, and the subsequently filed Operative Complaint subject to this paragraph.

4.4. Settlement Sum. In exchange for the releases, obligations, and promises set forth in this Settlement Agreement (and subject to the terms and conditions contained in this Settlement Agreement), Defendant agrees to pay the Maximum Gross Settlement Amount of Three Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$3,950,000.00) which is the total and all-inclusive amount Defendant shall be obligated to pay under the Settlement embodied by this Settlement Agreement (except that Defendant shall pay the Employer Taxes and withholdings with respect to the wages portion of Individual Settlement Payment

separately and in addition to the Maximum Gross Settlement Amount), for the full resolution of the Lawsuits and Released Claims. The Maximum Gross Settlement Amount includes amounts appropriated to the Settlement Plaintiffs, the PAGA Payment, Settlement administration costs to the Settlement Administrator, Attorney's Fees and Costs to Class Counsel, and Service Awards.

4.5. Distribution of Net Settlement Amount. The Net Settlement Amount shall be allocated between the Class Settlement and PAGA Settlement based on the percentage of Workweeks at Issue between the Settlement Period and PAGA Settlement Period, broken down as follows: 75% to the Class Net Settlement Amount and 25% to the PAGA Net Settlement Amount. The Class Net Settlement Amount shall be further allocated based on the percentage of Workweeks at Issue between the California Class and Washington Class as follows: 75% to Settlement Class Members in the Putative California Class ("the California Class Net Settlement Amount"), and 25% to Settlement Class Members in the Putative Washington Class ("the Washington Class Net Settlement Amount"). The allocations to the Class Net Settlement Amount, the PAGA Net Settlement Amount, and the respective Putative State Classes is based on Workweeks at Issue within each allocation group and the applicable statute of limitations periods. The initial calculation prior to the mailing of the Class Notice shall estimate (1) the gross Individual Settlement Payment that each Settlement Class Member may be eligible to receive, assuming that no Putative Class Members opt out of the Class Settlement and that all Settlement Class Members negotiate their Individual Settlement Payment checks; and (2) the gross PAGA Payment that each PAGA Releasee may be eligible to receive. To the extent that individuals are both Settlement Class Members and PAGA Releasees, they shall be eligible to receive both an Individual Class Settlement Share and a PAGA Payment. Separate check payments may be issued for Individual Class Settlement Share checks and PAGA Payment checks; thus,

individuals that are both Settlement Class Members and PAGA Releasees may be issued two separate check payments. The Net Settlement Amount shall be fully distributed, as follows:

4.5.1. Putative Class Members who do not opt out of the Class Settlement (i.e., Settlement Class Members) will receive a *pro rata* share of the Class Net Settlement Amount, as follows:

a. Settlement Class Members that worked in California will receive a *pro rata* share of the California Class Net Settlement Amount, based on their respective number of California Workweeks at Issue in the Settlement Period as compared to the total California Workweeks of all Settlement Class Members in the Settlement Period;

b. Settlement Class Members that worked in Washington will receive a *pro rata* share of the Washington Class Net Settlement Amount, based on their respective number of Washington Workweeks at Issue in the Settlement Period as compared to the total Washington Workweeks of all Settlement Class Members in the Settlement Period; and

c. Settlement Class Members shall have sixty (60) calendar days from the date of mailing of their Individual Settlement Payment check to cash their Individual Settlement Payment check. Any failure of a Settlement Plaintiff to deposit a check shall not affect the enforceability of the release of all wage and hour claims, as the Parties jointly agree that valid consideration for same is the offer of monetary consideration by means of the offer of settlement and mailing of settlement checks. In the event that any Individual Settlement Payment

checks are not deposited, cashed, or otherwise negotiated within the 60-day period, shall be void. Any funds not distributed after the expiration of the California portion of the Individual Settlement Payment checks shall escheat to the State of California Controller's Office to be held in the name of the Settlement Class Member who is the payee of the check.

4.5.2. Any individual who worked for Defendant during the FLSA period from June 25, 2017 through the Preliminary Approval Hearing date, and that cashes, deposits, or otherwise negotiates the Individual Settlement Payment check shall be deemed to have opted into *KAMELA WOODINGS and JODI DORMAIER, on behalf of themselves and all other members of the putative class v. FreedomRoads, LLC d/b/a CAMPING WORLD, a Minnesota Limited Liability Corporation*, Case No. 2:20-cv-07072-MCS-JEM for purposes of fully and finally releasing all FLSA claims that they may have against Defendant and/or the Released Parties.

4.5.3. No settlement check shall be issued until final approval of the Individual Settlement Payment is provided by counsel for all Parties, which they shall confirm or object to within **no more than five (5) business days**.

4.6. **PAGA Payment.** Subject to Court approval, an amount of \$675,000.00 shall be paid to the State of California LWDA. This amount is 75% of the \$900,000.00 PAGA Payment that the Parties have agreed is to be paid in settlement of all claims for civil penalties under the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.* ("PAGA"). The remaining 25% of the \$900,000.00 PAGA payment, which amounts to \$225,000.00 of the PAGA Payment shall be distributed *pro rata* to all PAGA Releasees, based on the number of PAGA Pay Periods worked by a PAGA Releasee, as a fraction of the total PAGA Pay Periods worked of all PAGA Releasees. The portion of the PAGA payment to the

PAGA Releasees shall be treated entirely as penalties. PAGA Releasees will not have the opportunity to opt out or object to the PAGA Payment and/or release of PAGA Claims set forth in this Agreement although the PAGA Settlement will be subject to Court approval. In the event the LWDA or the Court rejects this allocation, the Parties will meet and confer with the Court and the LWDA to reach a penalty allocation acceptable to all parties that does not materially alter the terms of Settlement, nor require Defendant to pay more than the Maximum Gross Settlement Amount. At the same time that Named Plaintiffs files their Motion for Preliminary Approval, the Named Plaintiffs shall send a copy of the Settlement Agreement to the LWDA pursuant to the 2016 amendments to PAGA. The PAGA Payment shall be paid from the Maximum Gross Settlement Amount. There are approximately 20,000 PAGA Pay Periods.

4.7. Attorneys' Fees, Costs, and Expenses. Class Counsel will receive 35% of the Maximum Gross Settlement Amount plus their reasonable out-of-pocket costs and expenses, representing attorneys' fees, costs and expenses, not to exceed \$15,000.00 ("Attorneys' Fees and Costs"). Class Counsel agrees not to seek from FreedomRoads any additional attorneys' fees, costs and expenses stemming from their involvement in the Lawsuits. Class Counsel will apply to the Court for payment of Class Counsel's request for Attorneys' Fees and Costs. Defendant will not oppose such application provided that Class Counsel does not seek to recover more than the maximum amounts as stated in this Paragraph. To the extent the Court does not approve payment of Attorneys' Fees and Costs in the amount set forth herein, the amount that is not awarded to Class Counsel shall remain a part of the Net Settlement Amount for distribution to the Settlement Class Members on a *pro rata* basis. Except as provided in this Paragraph, upon final approval, each Party shall bear his or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, and settlement of the Lawsuits. The outcome of the Court's ruling on the application for

Attorneys' Fees and Costs shall not terminate this Settlement Agreement or otherwise affect the Court's ruling on the Final Approval Order. Attorneys' Fees and Costs shall be paid without withholding, and an IRS Form 1099 will be issued for such payments. Class Counsel will provide Defendant with IRS Forms W-9, so that an IRS Forms 1099 Misc. may be issued.

4.8. Service Payments to Named Plaintiffs. In return for services rendered to Putative Class Members and PAGA Releasees, Named Plaintiffs will request that the Court approve a Service Award of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) to each Named Plaintiff from the Maximum Gross Settlement Amount. Defendant will not oppose such an application. The outcome of the Court's ruling on the application for a Service Payment shall not terminate this Settlement Agreement or otherwise affect the Court's ruling on the Final Approval Order. Any amount not approved by the Court shall become part of the Net Settlement Amount for distribution to the Settlement Class Members on a *pro rata* basis. In return for the Service Awards, the Named Plaintiffs release the Named Plaintiffs Released Claims on the Effective Date (as defined above). The Service Award payable to the Named Plaintiffs shall be in addition to any Individual Settlement Payments they may receive. Notwithstanding the foregoing, nothing in this Settlement Agreement releases any claims that may not be released as a matter of law.

4.9. Settlement Administration Costs. The reasonable costs of settlement administration through and beyond the Final Approval Hearing, which are estimated not to exceed Eleven Thousand Dollars (\$11,000.00) (the "Settlement Administration Costs"), shall be paid from the Maximum Gross Settlement Amount subject to Court approval. To the extent the Court does not approve Settlement Administration Costs, the unawarded amount shall remain a part of the Net Settlement Amount.

4.10. Taxes & No Benefits. Each Settlement Class Member's payment shall be treated 33.33% as wages and will be reported as such to each Settlement Class Member on an IRS Form W-2; 33.33% as civil penalties or liquidated damages and will be reported as such to each Settlement Class Member on an IRS Form 1099 misc., if applicable; and 33.33% as interest and will be reported as such to each Settlement Class Member on an IRS Form 1099 misc., if applicable. The wage portion shall be paid net of all Employee's Taxes and Required Withholdings, including federal, state, and local income tax, FICA taxes, and federal and state unemployment taxes. The Parties further agree that the PAGA payment distributed to each PAGA Releasee will be treated entirely as civil penalties, and will be reported as such to each PAGA Releasee on an IRS Form 1099 misc., if applicable. All Parties represent that they have not received, and shall not rely on, advice or representations from the other Party or her/its agents regarding the tax treatment of payments under federal, state or local law.

4.10.1. FreedomRoads shall transmit to the Settlement Administrator for payment of the employer share of all payroll taxes imposed by law separately and in addition to the Maximum Gross Settlement Amount ("Employer Taxes"). All Employer Taxes withheld and paid by the Settlement Administrator shall be reported by the Settlement Administrator to the appropriate taxing authorities under the payee's name and social security number.

4.10.2. The attorneys' fees, costs and expenses shall be paid without withholding and shall be reported to the IRS on an IRS Form 1099 to Class Counsel. Class Counsel will transmit to the Settlement Administrator by e-mail a signed IRS W-9 form, with all corresponding taxpayer identification entered.

4.10.3. All Settlement Plaintiffs are obligated to pay their respective share of any taxes, local, state or federal, which may become due and owing on the monies received under this Settlement Agreement.

4.10.4. In the event that any taxing body determines that different amounts should have been withheld from the payments (or any portion thereof) provided for in this Paragraph, the Settlement Plaintiffs shall be liable for the payment of any such employee's share of taxes and agree to defend, indemnify and hold the Released Parties harmless for the payment of such taxes, the failure to withhold, and any interest and penalties imposed thereon. In the event that any taxing body determines that different amounts should have been withheld from the payments (or any portion thereof) provided for in this paragraph, Defendant shall be accountable for the payment of any such employer's share of taxes.

4.10.5. None of the payments provided under the Settlement shall be taken into account for purposes of determining benefits under any qualified or non-qualified plans of FreedomRoads or their affiliated companies.

4.10.6. The Parties agree that the Maximum Gross Settlement Amount will qualify as a settlement fund pursuant to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section 1.468B-1. *et seq.* of the income tax regulations. Furthermore, the Settlement Administrator is hereby designated as the "Administrator" of the qualified settlement funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the gross income of the Maximum Gross

Settlement Amount and any tax-related expenses arising from any income tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Maximum Gross Settlement Amount.

4.11. Conditional Nature of Stipulation for Certification of the Rule 23 State Law Claims: Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and solely for purposes of this Settlement, the Parties shall stipulate to the certification of the Rule 23 classes for the California Class and Washington Class. Defendant does not waive, and instead expressly reserves its rights to challenge the propriety of the Rule 23 class certification for any purpose as if this Settlement Agreement had not been entered into by the Parties should the Court not approve the Settlement Agreement or should counsel for either Party exercise their rights to terminate the Settlement as permitted by the Settlement Agreement. Should for whatever reason the Settlement not become effective, the fact that the Parties were willing to stipulate to certification of the Class Action as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether the Class Action, or any claim or class, should be certified in a non-Settlement context in this Class Action or in any other lawsuit. Defendant expressly reserves its right to oppose class certification in this or any other action should this Settlement not become effective. The Parties are not certifying any PAGA Claims. In support of this Agreement, Plaintiff shall request that the Court certify for settlement purposes the Class as to all non-PAGA claims that have been asserted, which Defendant shall not oppose or object to.

4.11.1. Appointment Of Class Representative. Solely for the purposes of this Settlement, the Parties stipulate and agree that Named Plaintiffs Woodings and Dormaier shall be appointed as representatives for the California Class and Washington Class Action, respectively.

4.11.2. **Appointment Of Class Counsel.** Solely for the purposes of this Settlement, the Parties stipulate and agree that PARRIS Law Firm shall be appointed as Class Counsel for the California Class and Washington Class.

4.12. **No Additional Contribution by Defendant.** Defendant's monetary obligation under this Settlement Agreement is limited to the Maximum Gross Settlement Amount and Employer Taxes. Defendant shall not be obligated to make any payments contemplated by this Settlement Agreement until the conditions set forth in this Agreement occur. Defendant shall not be required to pay more than the Maximum Gross settlement Amount and Employer Taxes to obtain the relief (including, but not limited to, enforcement of the Settlement Agreement, releases of all claims, and issuance of the Final Approval Order) provided in this Settlement Agreement or to fully and finally settle and resolve the Released Claims or the Named Plaintiffs Released Claims. Notwithstanding the above, in the event that this Settlement Agreement is voided or nullified, in whole or in part, however that may occur, or the settlement of the Lawsuits is barred by operation of law, or invalidated, or ordered not to be carried out by a Court of competent jurisdiction, Defendant shall cease to have any obligation to pay any portion of the Maximum Gross settlement Amount to anyone under the terms of this Settlement Agreement.

5. **SETTLEMENT ADMINISTRATION**

5.1. **Appointment of Settlement Administrator.** Class Counsel has selected Simpluris, Inc. ("Settlement Administrator") as the Settlement Administrator for this Settlement. Defendant has approved the selection of Simpluris, Inc. as the Settlement Administrator.

5.2. **Settlement Administrator's Duties.** Settlement Administrator shall coordinate and undertake all duties related to the administration of the Settlement Agreement.

5.2.1 The duties of the Settlement Administrator shall include, but are not limited to: (i) compile and send via U.S. Mail to the Putative Class Members and PAGA Releasees the Class Notice; (ii) confirm the accuracy of the addresses of Putative Class Members and PAGA Releasees through the United States Post Office's National Change of Address database before mailing; (iii) perform one skip trace on any Class Notice returned as undeliverable; (iv) re-mail Class Notice one time only by First Class Mail if the Class Notice was returned undeliverable and a new address is located or upon a Putative Class Member's or PAGA Releasees request; (v) send deficiency letters as needed; (vi) the allocation duties described below; (vii) process Workweek Disputes, Requests for Exclusion, and Objections; (viii) calculate and distribute all payments due under the Settlement Agreement; (ix) undertake tax reporting, withholding, remittances, and calculation of Employer Taxes; and (x) create and operate the settlement website and toll-free call center. The Settlement Administrator shall also provide a declaration under penalty of perjury ("Administrator's Declaration") which summarizes its findings and the results of the notice process, including and not limited to, stating: the number of individuals and Workweeks at Issues reflected in the data provided by Defendant; the number of mailings; the number of Workweeks Disputes, Objections, and Requests for Exclusion received; and other information as is required to obtain Final Approval of the Settlement and the Settlement Agreement.

5.2.2. Class Counsel and Defendant's Counsel may review and approve any documents contemplated by the Settlement Agreement before they are mailed or sent. The Settlement Administrator may mail no documents without first receiving written approval to do so from Class Counsel and Defendant's Counsel. The Settlement Administrator must have in place an effective information and data security protocols and/or program capable of protecting the personal information of the Putative Class Members and PAGA Releasees. In addition, the Settlement

Administrator must contractually obligate itself to maintain reasonable physical, administrative, and technical controls to protect such information. Class Counsel and Defense Counsel may object to the selection of a Settlement Administrator that does not pass the assessment process or that shall not agree to reasonable contractual commitments regarding the security of Putative Class Members and PAGA Releasees' contact information.

5.2.3. Based on the information in the Class List, and any pay and time data forwarded by Defendant (if needed), and the formula set forth in Paragraph 7 below, the Settlement Administrator shall promptly calculate the share of PAGA Payment to every PAGA Releasee and an estimated Individual Settlement Payment for every Class Member, to be included in the individualized Class Notice to be sent to that Class Member, and shall prepare and mail a spreadsheet setting forth those calculations to Defense Counsel no fewer than seven (7) days before mailing of the Class Notice to the Putative Class Members and PAGA Releasees. The Class Notice will inform each Putative Class Member of his/her right to do nothing, dispute the number of Workweeks at Issue worked, opt out of the non-PAGA payment and release of non-PAGA claims or to object to the non-PAGA payment and release of non-PAGA claims.

5.2.4. Every seven (7) calendar days after mailing of the Class Notice, the Settlement Administrator shall provide regular, periodic updates to the Parties regarding the administration process. The report will list the amount of all Individual Settlement Payments to be made to the Settlement Class Members, a list by name of all Putative Class Members who timely opted out, and a list by name of all Settlement Class Members who timely objected.

5.3. Production of Class List to the Settlement Administrator: Subject to a Stipulated Protective Order entered into between the Parties, within twenty-one (21) business days following the date on which the Court enters the Preliminary

Approval Order and Order Approving PAGA Settlement, Defendant will provide the Settlement Administrator with the following information for all Settlement Plaintiffs and PAGA Releasees: (a) full names, last known mailing addresses, social security number, and last known telephone numbers (if known) for each Putative Class Member and PAGA Releasee; (b) the start date and end of employment date for each Settlement Plaintiff that worked as a non-exempt or hourly-paid employee for FreedomRoads during the applicable Settlement Period; (c) the following workweek information for each Settlement Plaintiff: 1) the number of California Workweeks at Issue in the Settlement Period; 2) the number of Washington Workweeks at Issue in the Settlement Period; (d) the total number of PAGA Pay Periods worked by each PAGA Releasee; and (e) any additional agreed-upon information necessary to perform payout calculations or identify Putative Class Members or PAGA Releasees as provided in this Settlement Agreement (“Class List”). If timing is an issue, Defendant reserves the right to provide the Settlement Administrator the pay and time data for each Settlement Plaintiff, or the start and end date for each Settlement Plaintiff and permit the Settlement Administrator to calculate the number of Workweeks at Issue for each Putative Class Member or the total PAGA Pay Periods for each PAGA Releasee pursuant to the instructions provided above. The information provided to the Settlement Administrator shall be marked and considered “Confidential,” shall not be disclosed to anyone other than Defendant’s counsel and the Settlement Administrator. The Settlement Administrator will keep the list confidential, use it only for the purposes described herein, and return it to Defendant and/or destroy it upon completion of the settlement administration process.

5.4. Notice to Putative Class Members and PAGA Releasees. The Parties agree for settlement purposes only that, because the Putative Class Members are so numerous, it is impossible or impracticable to have each Putative Class Member

execute this Settlement Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of the release of claims and such notices shall have the same force and effect as if the Settlement Agreement were executed by each Putative Class Member.

5.4.1. **Timing.** Within ten (10) calendar days after receiving the Class List from Defendant, the Settlement Administrator shall send the Court-approved Class Notice, in substantially the form attached hereto as **Exhibit A**, to all the Putative Class Members and PAGA Releasees (as applicable) via first class mail, using the Class List. Prior to the mailing of the Class Notice, the Settlement Administrator shall search the National Change of Address Database for more recent mailing addresses for each Putative Class Member and update the addresses on file in the Class List accordingly. The Class Notice shall notify Putative Class Members of their options to dispute the workweeks credited to them, request exclusion, or object to the Settlement Agreement, and notify them that the deadline to exercise these options is the Response Deadline. The Class Notice shall also state the number of Workweeks at Issue credited to each Putative Class Member and Named Plaintiff as a Settlement Class Member; and his or her estimated gross Individual Settlement Plaintiff based thereon. The “Response Deadline” will be the date that is **thirty (30) calendar days** from the date of initial mailing of the Class Notice. In the case a Class Notice is re-mailed via U.S. Mail, the Response Deadline shall be extended by fifteen (15) calendar days. For any Class Notice that is returned by the postal service with a forwarding address, the Settlement Administrator will, within three (3) business days of receipt of the returned notice, re-mail the Class Notice to the forwarding address. For notices that are returned as undeliverable and/or with no forwarding address, the Settlement Administrator will, within three (3) business days of receipt of the returned notice, conduct a skip-trace and, if a new address is found, re-mail the Class Notice to the new address promptly. A Putative Class Member

who opts out of the settlement may not object to the Settlement Agreement. All Objections to the settlement must be in writing and must be received by the Settlement Administrator by the Response Deadline. The Class Notice will also inform the Putative Class Members that if they first request exclusion from, and opt out of, the Class Settlement and then object, the objections would not be considered valid and that if the Putative Class Members objects and then request exclusion from, and opts out of the Class Settlement, the Putative Class Member would be deemed to have waived their objection. The Parties intend that reasonable means be used to maximize the probability that all Putative Class Members shall receive the Class Notice.

5.5. Resolution of Disputes. In the event of a dispute regarding the validity of a Putative Class Member, of their number of Workweeks at Issue, the Parties will meet and confer in an effort to reach a resolution. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. The Parties' decision will resolve the challenge and will constitute a final and binding determination without hearing or right of appeal. All disputes relating to Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if necessary, which shall have continuing jurisdiction over the Settlement Agreement until all obligations contemplated have been fully carried out.

5.6. Calculation of Employer Taxes. Within seven (7) calendar days after the Effective Date, Settlement Administrator shall calculate all Employer Taxes and advise Defendant of the total amount that is due for Employer Taxes separate and apart from the Maximum Gross Settlement Amount. The Settlement Administrator will issue appropriate tax forms to each Settlement Class Member and PAGA Releasee consistent with the foregoing breakdown.

5.7. Calculation of Employee's Taxes and Required Withholdings: The Settlement Administrator shall calculate, withhold from each Individual Settlement

Payment and the Service Awards, and remit to applicable governmental agencies sufficient amounts as may be owed by the Settlement Class Members and Named Plaintiff for applicable employee taxes. The Settlement Administrator will issue appropriate tax forms to each Settlement Class Members, Named Plaintiffs, and PAGA Releasee consistent with the foregoing breakdown. All Individual Settlement Payments paid to Settlement Class Members, and Named Plaintiffs shall be paid in a net amount after applicable state and federal withholdings, including payroll taxes, have been deducted.

6. PUTATIVE CLASS MEMBERS' OPTIONS IN RESPONSE TO THE CLASS NOTICE

6.1. Request Exclusion from the Class Settlement. Any Putative Class Member who wishes to be excluded from the Class Settlement may seek exclusion under this Paragraph. However, no PAGA Releasee can seek exclusion from the PAGA portion of the settlement. In order to opt out and not participate in the Class Settlement, a Putative Class Member must submit a written request to exclude him or herself from the Class Settlement (“Request for Exclusion” or “Opt Out”) containing: (1) the Putative Class Member’s full name, mailing address, last four digits of his or her Social Security number, and signature; (2) the case name and case number of the Operative Complaint (i.e., Case No. 2:20-CV-07072-MCS-JEM); (3) and a statement indicating that the Putative Class Member seeks to exclude him or herself from the Class Settlement; and (4) the Rule 23 state that the Putative Class Member is trying to Opt Out of. The Request for Exclusion must be completed by the Putative Class Member seeking exclusion from the Class Settlement. The Request for Exclusion must be submitted to the Settlement Administrator, by U.S. mail, postmarked on or before the Response Deadline. Upon receipt of any Request for Exclusion within the Notice Period, the Settlement Administrator shall review

the request to verify the information contained therein, and to confirm that the request complies with the requirements of this Settlement Agreement.

6.1.1. Opting Out of the Class Settlement. Any Putative Class Member who properly submits a timely, complete and valid Request for Exclusion using this procedure will not be entitled to an Individual Settlement Payment and will not be bound by the Settlement or have any right to object, appeal or comment thereon, except that a Putative Class Member that is also a PAGA Releasee will be bound by the release of PAGA Claims set forth in this Agreement and will be issued the PAGA Releasee's share of the PAGA Payment.

6.1.2. Not Opting Out of the Class Settlement. A Putative Class Member who does not submit a timely and valid Request for Exclusion in the manner and by the deadline specified above shall be deemed to have waived his or her right to be excluded from the Class Settlement, and shall be bound by all the terms and conditions of this Settlement Agreement, and shall also be bound by the Court's Order enjoining all Settlement Class Members from pursuing, or seeking to reopen, any of the Released Claims against the Released Parties.

6.1.3. Until Submission of Request for Exclusion. Any Putative Class Member who fails to submit a timely, complete and valid Request for Exclusion shall be barred from opting out of this Settlement Agreement or the Settlement. The Settlement Administrator shall not review or consider any Request for Exclusion postmarked after the end of the Notice Period. It shall be conclusively presumed that, if any Request for Exclusion is not postmarked on or before the end of the Notice Period, or is not received by the Settlement Administrator, the Putative Class Member did not make the request in a timely or valid manner. Under no circumstances shall the Settlement Administrator

have the authority to extend the deadline for Putative Class Members to submit an Request for Exclusion.

6.1.4. **Weekly Updates.** The Settlement Administrator shall give Class Counsel and Defense Counsel a weekly update on the number of Request for Exclusions it receives that week.

6.2. **Objection to the Class Settlement.** A Putative Class Member who does not submit a timely and valid Request for Exclusion (a “Settlement Class Member”) will have the right to object to the Class Settlement. Settlement Class Members who wish to object to the Class Settlement must submit a written statement objecting to the Class Settlement (“Objection”), containing: (1) the objector’s full name and mailing address, last four digits of his or her Social Security number, and signature; (2) the case name and case number of the Operative Complaint (i.e., Case No. 2:20-CV-07072-MCS-JEM) (3) a statement indicating that the Settlement Class Member objects to the Class Settlement; (4) the specific ground(s) for the objection(s); (5) whether or not they are represented by counsel (if so, the statement shall state the name and contact information of said counsel); and (6) the Rule 23 state at issue. The Objection must be submitted to the Settlement Administrator, by U.S. mail, postmarked on or before the Response Deadline. The Settlement Administrator shall then promptly forward any Objections that it receives to Class Counsel and Defense Counsel. A Settlement Class Member who does not submit an objection in the manner and by the deadline specified above shall be deemed to have waived all objections and shall be foreclosed from making any objections to the Class Settlement, whether by appeal or otherwise. PAGA Releasees will not have the opportunity to opt out or object to the PAGA Payment and/or release of PAGA Claims although the PAGA Payment will be subject to Court approval. Settlement Class Members who fail to timely file and serve such a written statement of objection shall be foreclosed from making any objection to this Settlement. Only Settlement

Class Members may object to the Class Settlement. If an objector intends to appear at the Final Approval Hearing, either in person or through an attorney of his/her choice, he or she must also serve and file with his or her objection, a Notice of Intention to Appear. This Paragraph shall be strictly applied and enforced. Failure to comply with its terms shall render an objection ineffective and waived.

6.3. Workweek Disputes. A Settlement Class Member must submit a written dispute to the Settlement Administrator in order to dispute the number of Workweeks at Issue credited to him or her (“Workweek Dispute”) which must: (1) contain the Settlement Class Member’s full name, mailing address, last four digits of his or her Social Security number, and signature; (2) contain the case name and case number of the Operative Complaint (i.e., Case No. 2:20-CV-07072-MCS-JEM); (3) contain a statement indicating that the Settlement Class Member disputes the Workweeks at Issue credited to him or her and indicating what number of Workweeks he or she contends is correct or incorrect; (4) the Rule 23 state at issue; and (5) attach documentation and information supporting his or her contention about the correct number of Workweeks that should be credited to him or her. The Workweek Dispute must be submitted to the Settlement Administrator, by U.S. mail, postmarked on or before the Response Deadline. The Settlement Administrator shall refer all disputes to the Parties. The Parties will meet and confer in an effort to reach a resolution. If the Parties cannot reach a resolution, they will refer the dispute to the Court for a final resolution.

6.4. No Retaliation. Defendant shall not retaliate against any Putative Class Member for participating in or opting out of the Class Settlement.

7. FUNDING AND DISTRIBUTION OF THE SETTLEMENT

7.1. Funding of Settlement. Within thirty (30) business days after the Effective Date, Defendant shall pay the Settlement Sum (i.e., \$3,950,000.00) and the

amount that the Settlement Administrator advises is due for Employer Taxes, by transferring these amounts to a settlement account established by the Settlement Administrator for administration of the Settlement. The delivery of the Maximum Gross Settlement Amount to the Settlement Administrator plus its share of Employer's Taxes shall constitute full and complete discharge of the entire obligation of Defendant under this Agreement. Once Defendant has made such payments, it shall be deemed to have satisfied all the terms and conditions under this Settlement Agreement, shall be entitled to all protections afforded to Defendant under this Agreement, and shall have no further obligations under the terms of the Agreement regardless of what occurs with respect to those sums. Additionally, no Released Parties shall have any further obligation or liability to the Named Plaintiffs, PAGA Releases or Settlement Class Members under this Agreement.

7.2. Distribution of the Settlement Funds. The Settlement Administrator shall distribute the Individual Settlement Payments and PAGA Payments to Settlement Plaintiffs, Service Awards to Named Plaintiffs, Settlement Administration Costs to the Settlement Administrator, and Attorneys' Fees and Costs to Class Counsel, within five (5) calendar days of receipt of funds from Defendant.

7.3. No Claims Resulting from Payments. No person shall have any claim of any kind whatsoever against any of the Named Plaintiffs, FreedomRoads, Released Parties, Defense Counsel, and/or Class Counsel, or any other agent designated by the Named Plaintiffs or Defendant based upon distribution of the Individual Settlement Payments and the PAGA Payments (including, without limitation, the Attorneys' Fees and Costs, Service Awards, etc.) made substantially in accordance with this Settlement Agreement or further orders of the Court. The Settlement Administrator shall be deemed to have timely distributed all such payments to the Settlement Class Member if it places in the mail Individual

Settlement Payments for all Plaintiff Class Members and the PAGA Payments to the PAGA Releasees and the State of California LWDA by the applicable deadlines set forth in this Settlement Agreement or by the deadlines set by the Court. No person shall have any claim against the Named Plaintiffs, the Settlement Administrator, Defendant, Class Counsel, Defense Counsel, or any other agent designated by the Plaintiff or Defendant based upon the distribution of Individual Settlement Payments and the PAGA Payments made substantially in accordance with this Agreement or further orders of the Court.

7.4. PAGA Payment Check. Payment to the PAGA Releasees of their portion of the PAGA Payment shall be paid to each of them by way of a single check (“PAGA Payment Check”). The PAGA Payment Check represents the portion of the civil penalties awarded directly under PAGA.

7.5. Class Settlement Payment. Any Putative Class Member who wishes to become a Settlement Class Member and receive an Individual Settlement Payment must not opt out of the Class Action.

7.6 Language on Settlement Check. Each Individual Settlement Payment check will contain language in substantially the following form: “I understand that by cashing, depositing, or otherwise negotiating this check I will be deemed to have opted into *KAMELA WOODINGS and JODI DORMAIER, on behalf of themselves and all other members of the putative class v. FreedomRoads, LLC d/b/a CAMPING WORLD, a Minnesota Limited Liability Corporation*, Case No. 2:20-cv-07072-MCS-JEM for purposes of the federal Fair Labor Standards Act (FLSA) release to the extent required to do so under applicable law for purposes of the court-approved settlement therein.”

7.7. No Credit Toward Benefit Plans. Except as otherwise required by applicable plan documents, the Individual Settlement Payments, Service Awards, and PAGA Payment made to Named Plaintiffs, Settlement Class Members and

PAGA Releasees under this Settlement Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Plaintiff may be eligible including, but not limited to: retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, pension plans, or any other benefit plan. It is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which Settlement Plaintiffs may be entitled under any benefit plans.

8. RELEASE BY SETTLEMENT PLAINTIFFS

8.1. Release of Settlement Plaintiffs' Claims. After FreedomRoads funds the Settlement Sum, each Settlement Plaintiff will be deemed to have released, waived, and discharged the Released Parties from his or her Released Claims as defined in the Settlement Agreement, which any Settlement Plaintiff has or might have, known or unknown, asserted or unasserted, of any kind whatsoever, even if presently unknown and/or un-asserted, based on the same factual predicate alleged in the Complaint, that occurred at any time during the Settlement Period and/or PAGA Settlement Period. Settlement Plaintiffs further acknowledge and agree that they are enjoined from pursuing any Released Claims settled as part of this settlement and will not file, cause to be filed, or affirmatively join or opt in, as a collective member, beneficiary or other participant in any Lawsuits or any other claim released under the Released Claims and will not seek to obtain recovery based on the facts giving rise to the claims pled of which could have pled in the Lawsuits and, if involuntarily joined in any Lawsuits against Released Parties regarding claims released under the Released Claims, Settlement Plaintiffs agree to waive their rights to any recovery that may result from such Lawsuits or proceeding, and not to pursue claims on their own behalf.

8.1.1. Settlement Class Release: Each Settlement Class Member who is a participating Settlement Plaintiff and has received a settlement check for their Individual Settlement Payment shall hereby knowingly, voluntarily and completely release the Released Parties, as defined in this Settlement Agreement, from/for all the Released Claims they have against the Released Parties during the Settlement Period and/or PAGA Settlement Period.

8.1.2. Release by Named Plaintiffs: For the purpose of implementing a full and complete release and discharge, each of the Named Plaintiffs expressly acknowledges that the release given in the Settlement Agreement is intended to include in their effect, without limitation, that with respect to the Named Plaintiffs' Released Claims, all claims that they alleged in the Complaints or could have alleged in the Complaints against Defendant or the Released Parties, that they did not know or suspect at the time of execution hereof, regardless of whether the knowledge of such claims, or the facts upon which they might be based, would materially have affected the settlement of this Lawsuits, and that the consideration given under this Settlement Agreement is also for the release of those claims and contemplates the extinguishment of any such claims against the Released Parties. Each Named Plaintiff who receives a Service Award shall hereby knowingly, voluntarily and completely release the Released Parties as defined in this Settlement Agreement from/for all the Named Plaintiffs' Released Claims. Other than the Lawsuits, Named Plaintiff represents that they do not have any pending other lawsuits, administrative complaints or charges against the Released Parties in any local, state or federal court or administrative agency. Named Plaintiff further acknowledges that

all claims raised therein, if any, shall be fully and finally extinguished by virtue of this Settlement Agreement and the Court's Final Approval Order. Named Plaintiffs further represent that they will not bring any action in the future in which he seeks to recover any damages from Defendant or the Released Parties relating to or arising from Named Plaintiffs' employment with Defendant, other than an action to enforce their rights under this Settlement Agreement.

8.1.3. Release of PAGA Claims. Upon the Court's approval of the PAGA Payment and this release of PAGA Claims, Named Plaintiff and the PAGA Releasees and all persons purporting to act on the PAGA Releasees' behalf or purporting to assert a claim under or through them, hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all PAGA Claims premised in whole or in part on any of the claims set forth in Paragraph 1.2 above that arose at any time during the PAGA Settlement Period. The PAGA Releasees will be issued a check for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The PAGA Releasees are bound by the release of the PAGA Claims regardless of whether they cash their PAGA Payment Check.

8.2. 1542 Waiver and Additional Release. In addition to the above, as of the Effective Date, the Named Plaintiffs hereby waive and release any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, or by any other similar, comparable or equivalent laws of the states of Washington, or any other state, territory, or province of the United States or other jurisdiction, or principle of common law, that are similar, comparable or equivalent to §1542 of the

California Civil Code to the fullest extent that they may lawfully waive such rights or benefits with respect to the Released Claims. Section 1542 of the California Civil Code provides as follows:

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

Each of the Named Plaintiffs expressly acknowledge, and the Named Plaintiff shall be deemed by operation of the Final Approval Order to have acknowledged, that the foregoing waiver was separately bargained for and is a material element of the Settlement Agreement and that they been advised by their attorney(s) of the contents and effect of Section 1542. Each of the Named Plaintiffs may hereafter discover facts other than or different from those which he/she knows to be true with respect to the Released Claims, but each Named Plaintiff hereby expressly fully, finally, and forever settles and releases any known or unknown, suspected or unsuspected, contingent or non-contingent claim that would otherwise fall within the definition of Released Claims, without regard to subsequent discovery or existence of such different or additional facts.

8.3. **No Additional Attorneys' Fees or Costs.** The Parties agree to bear its/their own attorneys' fees and costs related to the Lawsuits except as specifically provided above with respect to the Attorneys' Fees and Costs, and Class Counsel waives any and all rights to further attorneys' fees and costs in connection with the Lawsuits.

8.4. **Labor Code Sections Do Not Apply To Releases.** The Parties agree that California Labor Code sections 206.5 and 2804 do not invalidate any provision of this Agreement, because among other things, the claims, Named Plaintiffs' Released Claims, Released Claims, and PAGA Claims are disputed and contested, and the Settlement was bargained for at arms' length and approved by the Court.

8.5. **Binding Effect of Settlement Agreement on Settlement Plaintiffs.** Upon the Court's entry of its Final Approval Order, all Settlement Plaintiffs shall be bound by this Settlement Agreement, and the Released Claims shall be released as against the Released Parties to the greatest extent permitted by law. In addition, unless a Class Member effectively opts out of the Settlement, he or she shall be bound by the Court's Order enjoining all Settlement Class Members from pursuing or seeking to reopen Released Claims against the Released Parties to the greatest extent permitted by law. Upon the Court's entry of its Final Approval Order and Judgment regarding the PAGA Payment and the release of the PAGA Claims, all PAGA Releasees shall be bound by the release of the PAGA Claims and the PAGA Claims shall be released as against all the Released Parties to the greatest extent permitted by law.

9. **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

9.1. **Cooperation Clause.** The Parties agree to cooperate fully, completely, and promptly with each other to accomplish the terms of the Settlement Agreement, including, but not limited to, execution of documents and taking such actions as may be reasonably necessary to implement the terms of the Settlement Agreement. The Parties agree to use reasonable efforts, including all efforts contemplated by this Settlement Agreement and any other reasonable efforts that may become necessary by order of the Court, or otherwise, to effect the Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement,

Class Counsel and Named Plaintiffs will, with the assistance and cooperation of FreedomRoads and FreedomRoads's counsel, take all necessary steps to secure the Court's Final Approval of the Settlement Agreement, which may include promptly filing stipulations, declaration, or requests that the Court deems necessary, and making such appearances as the Court may deem necessary to secure the total and complete approval of this Settlement Agreement and the terms set forth herein.

9.2. **Confidentiality and Non-Disparagement.** Prior to filing of the Motion for Preliminary Approval, Class Counsel shall not discuss the terms of the Settlement Agreement or the negotiations leading to settlement with any person other than the Named Plaintiffs, except that Class Counsel may discuss the general terms of the Settlement with the Putative Class Members. Additionally, the Parties agree that prior to the filing of a Motion for Preliminary Approval of this settlement, the only permitted disclosures of this Settlement Agreement are those mutually agreed to by the Parties and as requested by the Court. This provision shall not preclude Defendant from making any necessary corporate disclosures.

9.2.1. The Named Plaintiffs agree that they shall not promote, or publicize the filing of this Lawsuits, the Parties' Settlement, this Settlement Agreement and its terms, or the negotiations leading to this Settlement Agreement with anyone other than the Court. Notwithstanding the foregoing, the Named Plaintiffs may disclose the terms of this Agreement to their spouse, and to those persons to whom disclosure is necessary for the preparation of tax returns and other financial reports, and to persons to whom disclosure is ordered by a court of competent jurisdiction or otherwise required by law without specific reference to Defendant by name or any other descriptive information that could lead to the identification of Defendant. Named Plaintiffs agree that they may disclose the terms of the Settlement to their spouse, but only so long as they first obtain their spouse's express agreement

to maintain that information in confidence without specific reference to Defendant by name or any other descriptive information that could lead to the identification of Defendant.

9.2.2. The Parties and their counsel agree that they will not issue any press releases, engage in any communications, or take any other action that would directly or indirectly provide the press or media or any litigation reporting service with information about the Lawsuits, this Settlement Agreement, or the Parties' Settlement or would otherwise enable or allow the press or other media or any litigation reporting service to learn or obtain such information. The Named Plaintiffs and Class Counsel also agree not to post any information concerning this Settlement on the internet or social media, including Facebook, Twitter, Instagram and Snapchat. The Parties and their counsel further agree that they will not post any information regarding this Agreement or the Settlement on their internet websites or take any such action that would cause or allow such information to be posted on any other internet website or on the web. Notwithstanding the above, Class Counsel shall be permitted to include the Maximum Gross Settlement Amount without specific reference by name to the Lawsuits or Defendant in any publication regarding Class Counsel's verdicts and settlements, without any specific reference to Defendant by name or any other descriptive information that could lead to the identification of Defendant.

9.2.3. Notwithstanding the foregoing, FreedomRoads and its counsel shall not be precluded from making any disclosures required by law or in connection with an SEC filing, under generally accepted accounting principles, or in Defendant's judgment are required under the ordinary course of business, and Defendant shall also have the right to respond in reasonably general terms to inquiries from the media and the investment-related entities.

9.3. **Communication by Counsel.** The Parties and their counsel agree that they shall not seek to solicit or otherwise encourage Putative Class Members to submit a Request for Exclusion or an objection to the Settlement or to appeal from the Preliminary Approval Order and Order Approving PAGA Settlement, Final Approval Order or Final Judgment. Class Counsel agrees that it shall not initiate or contact or have any communications with the Putative Class Members during the settlement approval process. Nothing shall prevent Class Counsel from responding to inquiries from Putative Class Members and PAGA Releasees. For its part, Defendant agrees that it shall not discourage Putative Class Members from participating in the settlement and shall refer any questions to the Settlement Administrator.

9.4. **Preparation of Approval Documents.** Class Counsel shall draft and file a motion seeking preliminary approval of the Settlement Agreement (“Motion for Preliminary Approval”), and if the Settlement is granted preliminary approval, a motion seeking final approval of the Settlement (“Motion for Final Approval”). Class Counsel may bring a separate motion for approval of Class Counsel’s Attorneys’ Fees and Costs and for approval of the Service Awards. At least ten (10) business days prior to filing the Motion for Preliminary Approval and Motion for Final Approval, respectively, Class Counsel will provide Defense Counsel with drafts for review and approval. Class Counsel need not provide Defense Counsel with drafts of the separate motion for approval of Class Counsel’s Attorneys’ Fees and Costs and for approval of the Service Awards. The Parties will jointly agree on the contents and form of the contemplated proposed orders, which will be submitted to the Court in conjunction with the aforementioned motions. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, including responding to challenges by any third parties, and shall take all steps that may be requested by the

Court relating to the approval and implementation of the Settlement described in this Settlement Agreement.

9.4.1. Declaration from Settlement Administrator: Class Counsel shall provide to the Court, at or before the Final Approval Hearing, a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Putative Class Members and PAGA Releasees as required by this Settlement Agreement, as well as any additional information Class Counsel and Defense Counsel both deem appropriate to provide to the Court.

9.5. Resolution of Disputes Related to Drafting: In the event of a dispute between Class Counsel and Defense Counsel regarding the content or form of the above-mentioned motions, the contemplated proposed orders, and/or any drafting issues related to this Settlement Agreement, the Parties will submit the dispute to mediator Eve Wagner, who will assist the Parties to resolve the dispute.

9.5.1. Motion for Preliminary Approval. Upon execution of this Settlement Agreement, Class Counsel shall submit this fully executed Settlement Agreement to the Court and shall file a motion in the Action requesting that the Court enter a Preliminary Approval Order and Order Approving PAGA Settlement, which:

- a) Approves the PAGA Settlement, including the PAGA Payment, distribution plan of the PAGA Payment, and the release of the PAGA Claims set forth in this Agreement and preliminarily approving for settlement purposes only the remaining portions of the proposed Settlement;
- b) Permanently enjoining all PAGA Releasees from pursuing or seeking to reopen the PAGA Claims against the Released Parties;

c) Schedules a hearing on whether the proposed Settlement Agreement should be preliminarily approved as fair, reasonable and adequate to the members of the class;

d) Schedules the Final Approval Hearing for consideration of class certification for settlement purposes and final approval of this Settlement Agreement;

e) Preliminary approves the law firm of *PARRIS Law Firm* to serve as Class Counsel and Named Plaintiffs Kamela Woodings and Jodi Dormaier to serve as the Class Representatives for settlement purpose only;

f) Preliminarily approves the Settlement Agreement and Settlement;

g) Provisionally certifies the Rule 23 classes for the states of California and Washington for purposes of settlement only;

h) Preliminarily approves the allocation and distribution of the Settlement Sum as stated in this Settlement Agreement;

i) Approves as to form and content the proposed Class Notice;

j) Directs the delivery of the Class Notice to Putative Class Members and PAGA Releasees; and

k) Appoints and approves the Settlement Administrator as chosen by the Parties and approved by the Court, to administer the claims and settlement payment procedures required by this Settlement Agreement.

9.5.2. Motion for Final Approval: Class Counsel shall file a Motion for Final Approval of the settlement per the deadline to be set by the Court, and will submit a Proposed Final Approval Order and Judgment for entry by the Court if Final Approval is granted, which:

a) Finally approves the Settlement Agreement and Settlement, determining the terms thereof to be fair, reasonable, just and adequate and

directing implementation of its terms and provisions, and in the best interests of the Putative Class Members;

b) Finally approves Class Counsel's application for an award of Attorney's Fees and Litigation Costs, as set forth herein;

c) Enters judgment in the Class Action, forever and permanently enjoining and barring Settlement Plaintiffs from prosecuting any and all claims related to the Lawsuits, and from prosecuting any and all of the Released Claims and the Named Plaintiffs' Released Claims against any of the Released Parties, on satisfaction of all payments and obligations hereunder;

d) Enters judgment permanently enjoining all Settlement Plaintiffs from pursuing or seeking to reopen Released Claims against the Released Parties; and require the Parties to carry out the provisions of this Settlement Agreement; and

e) Named Plaintiff agree to provide this motion for final approval of the class settlement to Defendant for review no later than seven (7) days before the filing date.

9.5.3. Entry of Final Judgment: The Named Plaintiffs (or the Named Plaintiffs jointly with Defendant) will request that the Court enter, after the Final Approval Hearing, a Final Approval Order and Judgment as agreed to by the Parties.

10. VOIDING THE SETTLEMENT AGREEMENT

10.1. Right of Revocation. If 5% or more of Putative Class Members who received a Class Notice validly exclude themselves from this Settlement, FreedomRoads shall have the sole and absolute discretion and the right to rescind, void, or otherwise cancel the Settlement Agreement within fifteen (15) business days after the Notice Period closes and the Settlement Administrator has provided

Defendant with the final list of opt-outs indicating the number of Putative Class Members that have excluded themselves or otherwise opted out of the Settlement. The Settlement Administrator shall report to the Parties' respective counsel after the mailing of the Class Notice regarding the percentage of Putative Class Members who have opted out. The 5% can be calculated one of two ways: (1) On a class-by-class basis, which will be calculated by taking the total number of Putative Class Members who have validly excluded themselves from the settlement of their respective Rule 23 class (i.e., California or Washington) and dividing that number by the total number of Putative Class Members in that Rule 23 class; or (2) As a percentage of total Putative Class Members, which will be calculated by taking the total number of Putative Class Members that have validly excluded themselves from the settlement and dividing that amount by the total number of Putative Class Members who received a Class Notice. Defendant agrees to meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement. In the event that Defendant elects to rescind/void the Settlement, they shall provide written notice of such rescission to Class Counsel. Such rescission shall have the same effect as a termination of this Settlement Agreement for failure to satisfy a condition of settlement, and the Agreement shall become null and void and have no further force or effect, and the California Class and Washington Class certified pursuant to this Settlement Agreement will be decertified for all purposes. If Defendant chooses to terminate the Settlement Agreement under this provision, the Parties may re-negotiate settlement terms with mediator Eve Wagner.

10.2. Material Conditions. A failure of the Court to approve any material condition of this Settlement Agreement that affects a fundamental change to the Parties' Settlement Agreement, excluding the proposed Attorneys' Fees and Costs and Named Plaintiffs' Service Awards, shall render the entire Settlement Agreement voidable and unenforceable as to all Parties at the option of any of the

Parties, by giving written notice to all Parties within **thirty (30) calendar days** of learning of that failure. If any of the Parties exercise their option to terminate the Settlement Agreement, the certification of the Rule 23 classes provided for herein shall be vacated and the litigation shall proceed without prejudice to any Party's position on the issue of class certification, adequacy of representation, standing, or any other issue. No Party or his, her, their, or its counsel shall encourage any Putative Class Member to opt out of the Class Settlement.

11. MISCELLANEOUS PROVISIONS

11.1. **CAFA Notice.** The Court's subject matter jurisdiction over the Class Action and the Operative Complaint is based on CAFA. Pursuant to the requirements of the CAFA, within ten calendar (10) days after this Settlement Agreement and the Motion for Preliminary Approval is filed in Court, Defendant will serve the United States Attorney General and appropriate state officials and authorities with a notice of the Settlement. The notice shall comply with the requirements of the CAFA.

11.2. **Voluntariness.** This Settlement Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

11.3. **No Prior Assignment.** None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Named Plaintiffs Plaintiff, the State of California, Class Counsel, or Defense Counsel without the express written consent of each Party. Named Plaintiffs expressly warrant that they have not transferred to any person or entity any right or cause of action, or claim released by this Settlement Agreement.

11.4. **Representation and Warranties.** Class Counsel and Named Plaintiffs jointly and severally represent and warrant to Defendant that there are no attorneys beyond those named as Class Counsel who have claims for fees arising out of the Lawsuits or the Settlement contemplated hereby. With respect to themselves, each

of the Parties to this Settlement Agreement and or their agent or counsel represents, covenants and warrants that (a) they have full power and authority to enter into and consummate all transactions contemplated by this Settlement Agreement and have duly authorized the execution, delivery and performance of this Settlement Agreement; and (b) the persons executing this Settlement Agreement have the full right, power and authority to enter into this Settlement Agreement on behalf of the party for whom he/she has executed this Settlement Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such party to the terms and obligations of this Settlement Agreement.

11.5. **Service or Written Notice.** Whenever, under this Settlement Agreement, a person must provide service or written notice to FreedomRoads, Defendant's Counsel, or Class Counsel, such service or notice shall be directed to the individuals and addresses specified below, unless those individuals or their successors give notice to the other Parties in writing. As to Class Counsel: R. Rex Parris or Kitty Szeto, **PARRIS Law Firm** at 43364 10th St W Lancaster, CA 93534 (e-mail: kszeto@parrislawyers.com). As to Counsel for FreedomRoads: Rebecca Aragon or Hovannes Nalbandyan, **Littler Mendelson, P.C.**, 633 W. Fifth Street, 63rd Floor, Los Angeles, CA 90071 (e-mail: RAragon@littler.com or Hnalbandyan@littler.com).

11.6. **Severability.** If any portion of this Settlement Agreement is held legally invalid or unenforceable, such event will not render invalid or unenforceable any other portion of this Settlement Agreement, and the remainder of this Settlement Agreement will be read as though the invalid or unenforceable portion were omitted; provided, however, that such reading will not materially frustrate the intent of the Parties as evidenced in this Settlement Agreement. The Parties to this Settlement Agreement agree, covenant, and represent that each and every provision of this

Agreement shall be deemed to be contractual, and that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the Parties further agree, covenant, and represent that each and every provision of this Settlement Agreement shall be considered severable, except any of the “Released Claims” or “Named Plaintiffs’ Released Claims” definitions and/or the release provisions of Paragraph 8 of this Settlement Agreement. If a court of competent jurisdiction finds any provision, other than the “Released Claims” or “Named Plaintiffs’ Released Claims” definitions and/or the release provisions of Paragraph 8 of this Settlement Agreement, or part thereof to be invalid or unenforceable for any reason, that provision, or part thereof, shall be severed from the Settlement Agreement, and all of the remaining provisions of this Settlement Agreement shall remain in full force and effect. If a court of competent jurisdiction finds the release definitions and provisions of this Settlement Agreement to be unenforceable or invalid as against a specific Settlement Class Member, then this Settlement Agreement shall become voidable as to that specific Settlement Class Member and the payments to be made pursuant to this Settlement Agreement to that Settlement Class Member shall be added back to the Net Settlement Amount to be distributed pro rata to the remaining Settlement Class Members.

11.7. Continuing Jurisdiction. The Court that approves the Settlement Agreement shall retain continuing and exclusive jurisdiction over the Parties to this Settlement Agreement, and all Settlement Plaintiffs, for the administration and enforcement of this Settlement Agreement.

11.8. Choice of Law. The enforcement of this Settlement Agreement shall be governed and interpreted by and under the laws of California, without regard to otherwise applicable principles of conflicts of laws, whether or not any Party is or may hereafter be a citizen or resident of, or may have been employed by FreedomRoads in, another state.

11.9. **Entire Agreement.** This Settlement Agreement, and the Exhibits attached hereto, contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Settlement Agreement other than those expressly set forth or referred to herein. Unless expressly indicated otherwise in this Settlement Agreement, this agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof. The Settlement Agreement also supersedes the Mediator's Proposal/Memorandum of Understanding signed by the Parties on January 18, 2021.

11.10. **Amendments/Modifications/Extensions of Time.** This Settlement Agreement constitutes the entire agreement of the Parties concerning the subjects contained herein. This Settlement Agreement may not be changed or altered except in writing signed by or on behalf of all Parties and upon approval by the Court, except that the Parties, acting through counsel, may agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement. No waiver, modification or amendment of this Settlement Agreement shall be valid or binding unless in writing, signed by or on behalf of all Parties and then only to the extent in such written waiver, modification or amendment, subject to any required Court approval. To the extent any non-substantive amendments or modifications are needed to enforce the Settlement Agreement, and the Parties' counsel agree that the amendments are non-substantive, this Settlement Agreement may be amended or modified only by a written instrument signed by both Defense Counsel and Class Counsel or their successors-in-interest.

11.11. **Waiver of Compliance.** Any failure by any Party to insist upon the strict performance by the other party of any of the provisions of this Settlement Agreement shall not be deemed or operate as a waiver of, or estoppel with respect

to, any subsequent or other failure of any of the other provisions of this Settlement Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any of the provisions of this Settlement Agreement.

11.12. **Binding Agreement.** This Settlement Agreement shall be binding upon, and inure to the benefit of, the Parties and their affiliates, agents, employees, beneficiaries, heirs, executors, administrators, successors, predecessors and assigns.

11.13. **Construction.** The Parties have had a full opportunity to negotiate the terms and condition of this Settlement Agreement, have both contributed to the preparation of this Agreement, and have engaged in arms-length negotiations with each other. Accordingly, this Settlement Agreement shall not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Settlement Agreement.

11.14. **Fair Settlement.** Named Plaintiffs, FreedomRoads, Class Counsel, and Defense Counsel believe that this Settlement Agreement reflects a fair, reasonable, and adequate settlement of the Lawsuits and have arrived at this Agreement through arms' length negotiation, taking into account all relevant factors, current and potential, and is consistent with public policy, and fully complies with applicable provisions of law.

11.15. **Captions, Headings, and Exhibits.** The captions and section numbers in this Settlement Agreement are inserted for the reader's convenience or reference, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement. The captions or headings shall not affect the construction or interpretation of any part of this Settlement Agreement. The terms of this Settlement Agreement include the terms set forth in the **Exhibit A** attached, which are incorporated by this reference as though fully set forth herein. **Exhibit A** to this Settlement Agreement are an integral part of the Settlement.

11.16. **No Reliance on Representations.** The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Settlement Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Settlement Agreement, or with respect to any such matters. Other than the contents of this Settlement Agreement, no representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement.

11.17. **Destruction and/or Return of Evidence.** Upon distribution of the Settlement Funds to the Settlement Administrator and within the requirements under the California Rules of Professional Conduct, the Parties and their counsel shall destroy all documents produced during formal or informal discovery, which necessarily include all confidential documents related to the Lawsuits, the litigation, and this Settlement.

11.18. **Acknowledgement of Future Legislation.** Each Party recognizes that legislation, could affect the outcome of the Lawsuits. The Parties, nevertheless, enter into this Settlement to avoid risk of loss and to avoid uncertainty with the interpretation, nature, and applicability of future legislation.

11.19. **Signatures/Authority to Execute and Sign.** The person or persons signing this Settlement Agreement on behalf of Defendant represents and warrants that he/she/they are authorized to sign this Settlement Agreement on behalf of Defendant. The Named Plaintiffs represent and warrant that they are authorized to sign this Settlement Agreement and that they have not assigned any claim covered by this Settlement Agreement to a third-party. Named Plaintiffs, by signing this Settlement Agreement, are bound by the terms herein and further agrees not to

submit any Request for Exclusion from or Notice of Objection to the Settlement. Any such Request for Exclusion or Notice of Objection shall therefore be void and of no force or effect. The Parties further represent and warrant that they are competent to enter into this Settlement Agreement and have the full right, power, and authority to enter into and perform the obligations herein.

11.20. **Handwritten Signature/Electronic Signature.** The Parties shall execute and sign this Settlement Agreement with a handwritten signature. The Parties are required to acquire a “wet signature” for purposes of executing the Settlement Agreement. If Plaintiff is unable to provide a handwritten or “wet signature,” then the following conditions apply for any electronic signatures:

- i. The electronic signature system and processes Counsel for Settlement Plaintiffs used to obtain the Named Plaintiffs signature must comply with the federal ESIGN Act and any state laws regarding the use or adoption of electronic signatures;
- ii. Named Plaintiffs consents, and hereby acknowledges such consent, to using electronic signatures for this purpose (a requirement under both the federal and state laws);
- iii. Class Counsel have selected and implemented a method in their electronic signature system to authenticate each Named Plaintiffs’ identity and to ensure that their submitted electronic signature is in fact the Named Plaintiffs’ signatures;
- iv. Class Counsel has and will maintain records of the system and the process used to present the Settlement Agreement to the Named Plaintiffs and obtain and record Named Plaintiffs’ signatures, and they will maintain and provide such records to Defense counsel and Defendant if needed to allow them to lay the foundation for the admission of the Settlement Agreement into evidence;

- v. Named Plaintiffs waive any objections to the admission of the Settlement Agreement in any later action to enforce the terms of the agreement based on the electronic signature process; and
- vi. Named Plaintiffs and Class Counsel agree to indemnify and hold Defendant and Defense counsel harmless from any loss, cost, damage or expense (including attorneys' fees) resulting from Defendant's inability to enforce the Settlement Agreement and the release contained in herein based on fraudulent signatures of Named Plaintiffs, or any other issues that result from Named Plaintiffs providing an electronic signature.

11.21. **Execution of Agreement/Counterparts.** This Settlement Agreement shall become effective immediately upon its execution subject to subsequent Court approval. The Parties or authorized signatories may execute this Settlement Agreement in counterparts, and execution in counterparts shall have the same force and effect as if Class Counsel, Defense Counsel, Named Plaintiffs, and FreedomRoads had signed the same instrument. Any signature made and transmitted by facsimile, or other electronic means, for the purpose of executing this Settlement Agreement shall be deemed an original signature for purposes of this Settlement Agreement and will be binding upon the Party whose counsel transmits the signature page by facsimile, or other electronic means. Each counsel or other person executing this Settlement Agreement or any of its exhibits on behalf of any Party warrants, and promises that such person has the authority to do so. Any person executing this Settlement Agreement or any such related documents on behalf of a corporate signatory warrants and promises for the benefit of all Parties hereto that such person has been duly authorized by such corporation to execute this Settlement Agreement or any such related documents.

11.22. Signature of all Settlement Plaintiffs Unnecessary to be Binding.

The Parties agree that because the Putative Class Members are so numerous, it is impossible or impractical to have each Settlement Plaintiff execute this Settlement Agreement. More, it is not practical to have each Settlement Plaintiff sign this Settlement Agreement. The Class Notice will advise all Putative Class Members of the binding nature of the release provided herein as to the Settlement Plaintiffs and shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Plaintiff. The only Putative Class Members who will not be bound by the terms of this Agreement are those who submit a timely and valid Request for Exclusion.

11.23. Action to Enforce Agreement. In any suit or court action to enforce the terms of this Settlement Agreement, the prevailing party shall be entitled to recover her or its attorneys' fees and costs.

11.24. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Named Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement, and that Defendant may distribute funds to the Settlement Administrator, who in turn will distribute funds to the Settlement Plaintiffs, PAGA Releasees, Class Counsel, and the Named Plaintiffs as provided by this Settlement Agreement.

11.25. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Class Action, except such proceedings necessary to implement and complete the Settlement and Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

IN WITNESS WHEREOF: the undersigned duly executed this Settlement Agreement as of the date(s) indicated below:

APPROVED AND ACCEPTED.

BY: PLAINTIFF KAMELA WOODINGS

Dated: 7-23-2021


KAMELA WOODINGS

BY: PLAINTIFF JODI DORMAIER

Dated: _____

JODI DORMAIER

BY: DEFENDANT FREEDOMROADS, LLC

On behalf of FreedomRoads, LLC and the Released Parties

Dated: _____

Signature

Print Name

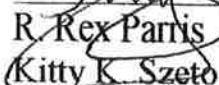
Title

APPROVED AS TO FORM AND CONTENT:

Dated: July 26, 2021

PARRIS LAW FIRM


R. Rex Parris


Kitty K. Szeto

John M. Bickford

Attorneys for Named Plaintiffs,
Putative Class Members, and PAGA
Releasees

APPROVED AND ACCEPTED.

BY: PLAINTIFF KAMELA WOODINGS

Dated: _____

KAMELA WOODINGS

BY: PLAINTIFF JODI DORMAIER

Dated: 7.21.2021

Jodi Dormaier
JODI DORMAIER

BY: DEFENDANT FREEDOMROADS, LLC

On behalf of FreedomRoads, LLC and the Released Parties

Dated: _____

Signature

Print Name

Title

APPROVED AS TO FORM AND CONTENT:

Dated: _____, 2021

PARRIS LAW FIRM

R. Rex Parris
Kitty K. Szeto
John M. Bickford
Attorneys for Named Plaintiffs,
Putative Class Members, and PAGA
Releasees

APPROVED AND ACCEPTED.

BY: PLAINTIFF KAMELA WOODINGS

Dated: _____

KAMELA WOODINGS

BY: PLAINTIFF JODI DORMAIER

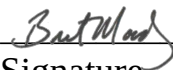
Dated: _____

JODI DORMAIER

BY: DEFENDANT FREEDOMROADS, LLC

On behalf of FreedomRoads, LLC and the Released Parties

Dated: July 21, 2021


Signature

Brent Moody
Print Name

President
Title

APPROVED AS TO FORM AND CONTENT:

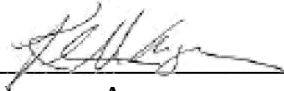
Dated: _____, 2021

PARRIS LAW FIRM

R. Rex Parris
Kitty K. Szeto
John M. Bickford
Attorneys for Named Plaintiffs,
Putative Class Members, and PAGA
Releasees

Dated: July 21, 2021

LITTLER MENDELSON, P.C.



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Attorneys for Defendant