

CLASS, REPRESENTATIVE, AND COLLECTIVE ACTION

SETTLEMENT AGREEMENT AND RELEASE

This Class, Representative, and Collective Action Settlement Agreement and Release (“Settlement” or “Settlement Agreement”) involves the matter of *Kendall Prater v. On Courier 365, Inc., Web to Door Corp*, San Mateo Superior Court Case no. 20-CIV-02814. This Settlement Agreement is entered into between Plaintiffs KENDALL PRATER, TYLER KARLI, RUSSELL STEPHEN, SABRINA DENNIS, CAROL MARTINEZ and NATHAN BREDENBURG (“Plaintiffs”), on one hand, and defendants ON COURIER 365, INC. (“ONCI”), WEB TO DOOR CORP. (“WTD”), and AMAZON LOGISTICS, INC., and AMAZON.COM, INC. (“Amazon”), (collectively, “Defendants”), on the other hand.

This Settlement Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the “Released Claims” (as defined below) pertaining to the “Released Parties” (as defined below) upon and subject to the terms and conditions contained herein. This Settlement Agreement, which is contingent upon the Court granting final approval, contains the essential terms of the Parties’ agreement. The Representative Plaintiffs and Class Counsel believe, and the Parties have agreed, that the settlement set forth in this Settlement Agreement confers substantial benefits upon the Class Members.

I. DEFINITIONS

1. Action

“Action,” “Lawsuit,” or “Matter” mean the civil action filed by Plaintiffs entitled *Kendall Prater v. On Courier 365, Web to Door* (San Mateo Sup. Ct., 2020, Case no. 20-CIV-02814).

2. Class Counsel

“Class Counsel” means Lichten & Liss-Riordan, P.C., Bibiyan Law Group, P.C., Willig Williams and Davidson, Berger Montague P.C., and Justice Law Corporation who, subject to

Court approval, shall act as counsel for the California Collective and Class Action Members, PAGA Settlement Group Members, and Utah Collective Action Members.

3. Class Counsel Award

“Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and resolution of the Lawsuit, and Class Counsel’s expenses and legal costs incurred in connection with the Lawsuit.

4. Class Information or Class Data

“Class Information” or “Class Data” means information regarding Settlement Class Members that ONCI and WTD will compile from its records and provide to the Settlement Administrator and the Parties in a Microsoft Excel spreadsheet, including each Settlement Class Member’s full name; last known mailing address; e-mail address (if available); telephone numbers; social security number; all dates of employment with ONCI and WTD in California or Utah, including hire dates, termination dates (if applicable), and re-hire dates (if applicable); and the total number of California-based workweeks and Utah-based workweeks during which Settlement Class Members were employed during the relevant Class Period.

5. Class Members or Settlement Class Members

“Class Members” or “Settlement Class Members” means collectively:

a. “ONCI California Class Action Members” means all persons who are employed or have been employed as a non-exempt employee by ONCI in the State of California at any time during the ONCI Class Period.

b. “WTD California Class Action Members” means all persons who are employed or have been employed as a non-exempt employee by WTD in the State of California at any time during the WTD Class Period. (ONCI California Class Action Members and WTD California Class Action Members shall be, collectively, referred to as the “California Class Action

Members”)

c. “PAGA Settlement Group Members” means all California Class Action Members who are employed or were employed by ONCI and/or WTD in the State of California during the PAGA Settlement Group Period. PAGA Settlement Group Members will be paid an Individual PAGA Payment, regardless of whether they have filed a valid and timely Request for Exclusion.

d. “ONCI Utah Collective Action Members” means all persons who were employed as a non-exempt employee by ONCI in the State of Utah at any time during the ONCI Class Period.

e. “WTD Utah Collective Action Members” means all persons who are employed or have been employed as a non-exempt employee by WTD in the State of Utah at any time during the WTD Class Period.

f. “Collective Action Members” refers to Plaintiffs and all persons who are employed or have been employed as a W-2 hourly non-exempt employee by ONCI or WTD during the ONCI or WTD California Class Period or the ONCI or WTD Utah Collective Action Period.

6. Class Period

“Class Period” means collectively:

a. “On Courier 365, Inc. Class Period” (“ONCI Class Period”) means February 28, 2016 through January 1, 2020.

b. “Web to Door Corp. Class Period” (“WTD Class Period”) means February 20, 2019 through July 12, 2022.

c. “PAGA Settlement Group Period” means February 12, 2019 through July 12, 2022. The PAGA Settlement Group Period is included in the ONCI and WTD California Class Period.

7. Class Representatives

“Class Representatives” means Plaintiffs KENDALL PRATER, TYLER KARLI,

RUSSEL STEPHEN, SABRINA DENNIS, CAROL MARTINEZ and NATHAN BREDENBURG.

8. Class Representatives' Enhancement Award

“Class Representatives' Enhancement Award” means the amount that the Court authorizes to be paid to Plaintiffs, in addition to Plaintiffs' Individual Settlement Payments, in recognition of Plaintiffs' efforts and risks in assisting with the prosecution of the Lawsuits and in return for executing a broader release with Defendants. Class Counsel will seek up to \$10,000.00 as a service award for each Class Representative, for a total of \$60,000.00.

9. Class Representatives' Released Claims

“Class Representatives' Released Claims” means, all known and unknown claims against the Released Parties, including any Released Claims as well as all other claims under local, state, or federal law, including, but not limited to claims under California Business & Professions Code section 17200, claims under the California Labor Code (including, but not limited to, claims under the Private Attorneys General Act (“PAGA”)), claims under the Fair Labor Standards Act (“FLSA”), and all claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, meal and rest periods, itemized wage statements, final pay, accurate recordkeeping, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974, the California Family Rights Act, the California Fair Employment and Housing Act, the California Constitution, and all of their implementing regulations and interpretive guidelines, as well as the common law, including laws related to discrimination, harassment, or retaliation, whether known or unknown, and whether anticipated or unanticipated, arising from or relating to Class Representatives'

relationship, or termination of relationship, with any Released Party through the date of Final Approval for any type of relief. Class Representatives further covenant that they will not become a member of any other legal actions against the Releasees, as that term is defined, asserting any of Class Representatives' Released Claims, and will opt out of any such actions if necessary. For the avoidance of doubt, this is a complete and general release to the maximum extent permitted by law.

“Class Representatives' Released Claims” means, with respect to SABRINA DENNIS, the same definition, except that it only releases any claims she has or may have against the Released Parties in connection with her work for delivery service provider WTD.

With respect to Class Representatives' Released Claims, Class Representatives waive their rights under California Civil Code section 1542 which states:

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.

10. Complaint

“Operative Complaint” means the Second Amended Complaint filed by Plaintiffs in *Kendall Prater v. On Courier 365, Web to Door* (San Mateo Superior Court Case no. 20-CIV-02814) in connection with this Settlement Agreement.

11. Court

“Court” means the California Superior Court for the County of San Mateo.

12. Defendants

“Defendants” means Defendants ON COURIER 365, INC. (“ONCI”), WEB TO DOOR CORP. (“WTD”), and AMAZON LOGISTICS, INC. AMAZON.COM, LLC, AMAZON.COM SERVICES, INC., and AMAZON.COM, INC., AMAZON.COM SERVICES, LLC (“Amazon”).

13. Effective Date

“Effective Date” means the date on which the Court’s order granting Final Approval of this Settlement Agreement becomes final. Such order becomes final upon the following events: (i) thirty (30) days after the Court issues the Final Approval Order granting approval of this Settlement Agreement if no objections to the settlement are filed; or (ii) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes and no further review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (iv) if review is accepted, the day after the California Supreme Court affirms the judgment or order approving the Settlement.

14. Eligible Workweeks

“Eligible Workweeks” means collectively, the sum of the following:

- a. “ONCI Period Eligible Workweeks” means the aggregate count of all workweeks in which a non-exempt employee was employed by ONCI during the ONCI Period.
- b. “WTD Period Eligible Workweeks” means the aggregate count of all workweeks in which a non-exempt employee was employed by WTD during the WTD Period.

15. Final Approval Hearing

“Final Approval Hearing” means the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Settlement.

16. Final Judgment

“Final Judgment” means a judgment issued by the Court approving this Settlement Agreement as binding upon the Parties and the members of the ONCI California Class and

Collective, the ONCI Utah Collective, the WTD Class and Collective, and the WTD Utah Collective except as set forth below. The Final Judgment shall include a judgment on the PAGA claims for purposes of enforcing the rule announced in *Arias v. Superior Court*, 46 Cal. 4th 969 (2009).

17. Gross Settlement Amount

“Gross Settlement Amount” means the amount payable under the terms of this Settlement Agreement by Defendants, excluding the cost of settlement administration, which amounts to \$4,500,000.00, unless increased pursuant to paragraph II(22) of this Agreement, and includes, without limitation: the Net Settlement Amount; any Class Representatives’ Enhancement Awards to Plaintiffs as approved by the Court; a payment to Class Counsel of attorneys’ fees and reasonable litigation costs which shall be determined by motion with the Court; and the PAGA Payment (including the Individual PAGA Payments to the PAGA Settlement Group Members and the PAGA payment to the LWDA). Payment of the amount necessary to cover the employer’s portion of payroll taxes associated with the portion of the Individual Settlement Payments allocated to wages, as well as settlement administration costs shall be paid by Defendants in addition to the Gross Settlement Amount. The Settlement Administrator will make all required tax deductions and payments using a Qualified Settlement Fund. As set forth herein, the Settlement Administrator will issue all of the above-referenced payments from the Qualified Settlement Fund in accordance with the applicable provisions of this Settlement Agreement.

18. Individual Settlement Payment

“Individual Settlement Payment” means collectively:

a. “California Individual Settlement Payment” means the amount paid from the Net Settlement Amount to a Participating ONCI or WTD California Class Action Member (who may also be a Participating Collective Action Member), which is intended to provide compensation for

the release of claims under California state, local law or administrative order, as well as federal law, including the FLSA, as further described in the definitions of California Class Action Member Released Claims and Collective Action Member Released Claims. Any ONCI or WTD California Class Action Member who timely submits a Request for Exclusion pursuant to the procedures set forth herein is not a Participating ONCI or WTD California Class Action Member and is not eligible to receive a California Individual Settlement Payment. Additionally, only those Participating ONCI and WTD California Class Action Members who cash their California Individual Settlement Payment checks will be considered to have consented under the FLSA to opt into the collective action as proposed by the Second Amended Complaint and to have released all claims under the FLSA.

b. “Individual PAGA Payment” means the share of the \$25,000.00 amount allocated to the alleged aggrieved employees out of the total PAGA Payment that each ONCI and WTD California Class Action Member who worked during the PAGA Period will receive based on the number of pay periods they worked during the PAGA Period, without regard to whether the ONCI or WTD California Class Action Member submits a timely Request for Exclusion.

c. “Utah Individual Settlement Payment” means the amount paid from the Net Settlement Amount to a ONCI or WTD Utah Collective Action Member, which is intended to provide compensation for the release of claims under Utah state, local law or administrative order, as well as the FLSA, as further described in the definition of ONCI or WTD Collective Action Member Released Claims. Only those ONCI and WTD Utah Collective Action Members who cash their ONCI or WTD Utah Individual Settlement Payment checks will be considered to have consented under the FLSA to opt into the collective action as proposed by the Consolidated Complaint and to have released all claims under the FLSA.

19. LWDA

“LWDA” means the California Labor and Workforce Development Agency.

20. Net Settlement Amount

“Net Settlement Amount” means the Gross Settlement Amount less the Court-approved Class Counsel Award, Class Representatives’ Enhancement Award, and PAGA Payment (to the LWDA and PAGA Settlement Group Members). The Net Settlement Amount is the total amount that will be paid to Participating ONCI and WTD California Class and Collective Action Members and ONCI and WTD Utah Collective Action Members in the form of California and Utah Individual Settlement Payments.

21. Notice of Class and Representative Action Settlement

“Notice of Class and Representative Action Settlement” means the notice to be sent by the Settlement Administrator to the Settlement Class Members approved by the Parties and subject to Court approval, substantially in the form of Exhibit A hereto, explaining the terms of the class and representative action settlement in this Settlement Agreement and the settlement process.

22. PAGA

“PAGA” refers to the California Private Attorneys General Act of 2004, California Labor Code §§ 2699, *et seq.*

23. PAGA Payment

“PAGA Payment” means the payment in the amount of \$100,000.00, or other amount if ordered by the Court, to be paid for PAGA penalties under the Settlement. Of this amount, 75% shall be paid to the LWDA. The remaining 25% of the PAGA Payment shall be paid based on the number of pay periods worked during the PAGA Period to the PAGA Settlement Group Members as their collective 25% share of the PAGA penalties under the Settlement.

24. Participating California Class and Representative Action Members

“Participating California Class Action Members” means all ONCI and WTD California Class and Representative Action Members who do not file a valid and timely Request for

Exclusion.

25. Participating Collective Action Members

“Participating Collective Action Members” means all ONCI and WTD California Collective Action Members and ONCI and WTD Utah Collective Action Members who cash their California or Utah Individual Settlement Payment checks and thereby consent under the FLSA to opt into the collective and to release all Collective Action Member Released Claims.

26. Parties

“Parties” means Plaintiffs and Defendants, collectively.

27. Plaintiffs

“Plaintiffs” means Plaintiffs KENDALL PRATER, TYLER KARLI, RUSSEL STEPHEN, SABRINA DENNIS, CAROL MARTINEZ and NATHAN BREDENBURG.

28. Preliminary Approval Date

“Preliminary Approval Date” means the date on which the Court issues an order granting preliminary approval of the proposed Settlement.

29. Qualified Settlement Fund

“Qualified Settlement Fund” or “QSF” means the account established by the Settlement Administrator which the Parties agree will at all times be treated as a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1, *et seq.* The Parties agree the Settlement Administrator shall, in establishing the account, make any such elections as necessary or advisable to carry out the “relation back election” (as defined in Treas. Reg. §1.468B-1(j)(2)(i)) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Settlement Administrator to timely and properly prepare and deliver the necessary documentation for signature by all necessary Parties, and to cause the appropriate filing to occur. The Parties further agree and acknowledge that, for purposes of Section 468B of the Internal Revenue Code of 1986,

as amended (the “Code”) and the Treasury Regulations promulgated thereunder, only the Defendants shall be treated as a “transferor” (within the meaning of such term under Treasury Regulations §1.468B-1(d)(1)) with respect to the Qualified Settlement Fund.

30. Released Claims

“Released Claims” shall mean collectively:

a. “California Class Action Member Released Claims” means any and all claims and/or causes of action under any California state, local or federal law or administrative order by Settlement Class Members against Released Parties that were or could have been pled based on the facts alleged in the Operative Complaint including but not limited to, any claim for: (1) Failure To Pay Regular Pay/Min. Wages in Violation of Labor Code §§ 204, 210, 223, 1182.11, 1118.12, 1194, 1194.2, 1197, 1198, 1199 & IWC Wage Order 9-2001, § 4; (2) Failure To Pay Overtime Premium Pay (including, but not limited to, the failure to properly calculate the regular rate of pay) in Violation of Labor Code §§ 200, 204, 210, 510, 1194, 1194.2, 1198, 1199 & IWC Wage Order 9-2001, § 3; (3) Failure To Provide Meal Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 204, 223, 218.5, 218.6, 226.7, 512, and IWC Wage Order 9-2001, § 11; (4) Failure to Provide Rest Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 204, 223, 218.5, 218.6, 226.7, and IWC Wage Order 9-2001, § 12; (5) Failure To Reimburse For Necessary Expenditures in Violation of Labor Code §§ 510, 2802 and IWC Wage Order 9-2001, §§ 8-9; (6) Failure to Provide Accurate Itemized Wage Statements and Failure to Maintain Records in Violation of Labor Code §§ 226, 1174, § 7; (7) Failure to Timely Pay Wages in Violation of Labor Code §§ 201-204, 210, 2926, 2927; (8) Failure to Provide a Right to A Copy Of Signed Documents in Violation of Labor Code § 432; (9) Failure to Maintain Accurate Records in Violation of Labor Code §§ 226(a), 1174, and IWC Wage Order 9-2001; and (10) Unlawful and Deceptive Business Practices in Violation of Business & Professions Code §§ 17200, *et seq* based

on such alleged violations, or any related claims under the California Industrial Welfare Commission Wage Orders. The release shall be limited to, as to former employees of On Courier 365, Inc., February 28, 2016 through January 1, 2020 and, as to former employees of Web to Door Corp., between February 20, 2019 and July 12, 2022.

b. “PAGA Release” means any and all claims and/or causes of action for civil penalties pursuant to PAGA by the PAGA Settlement Members against Released Parties that were or could have been pled based on any and all of the facts alleged in the Operative Complaint and the LWDA notices for civil penalties under Labor Code sections 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 226.8, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802. Regardless of whether any ONCI or WTD California Class Action Member submits a timely Request for Exclusion, they will still be bound by the PAGA Release if they are members of the PAGA Settlement Group. The period of the PAGA release will encompass the period from February 12, 2019 through July 12, 2022.

c. “Collective Action Member Released Claims” means any and all claims and/or causes of action under the FLSA (as to the ONCI and WTD California Class and Collective Action Members and the ONCI and WTD Utah Collective Action Members) or any Utah state or local law or administrative order (as to the ONCI and WTD Utah Collective Action Members), by Settlement Class Members against Released Parties that were or could have been pled based on the allegations in the Operative Complaint, including, without limitation, failure to pay minimum wage or overtime premium pay (including, but not limited to, the failure to properly calculate the regular rate of pay) in violation of the FLSA, derivative recordkeeping or other claims under the FLSA, related claims that could have been brought under Utah state or local law or administrative order, including but not limited to the Utah Payment of Wages Act, Utah Minimum Wage Act, the Utah Administrative Code and Rules; related common law claims for conversion, other alleged

tortious conduct, breach of contract, and misrepresentation; and any other derivative claims under the FLSA or Utah law including claims for statutory or civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. Each Settlement Class Member who cashes their California or Utah Individual Settlement Payment check will become a Participating Collective Action Member who will be considered to have consented to opt into the collective action and to have released all Collective Action Member Released Claims up to the relevant ONCI and WTD Class Period

31. Released Parties

“Released Parties” or “Releasees” means Defendants and any of their former, present and/or future, direct and/or indirect, parents, companies, subsidiaries, affiliates, divisions, officers, directors, managers, owners, members, heirs, employees, partners, shareholders, attorneys, agents, fiduciaries, insurers, investors, predecessors, successors, assigns, executors, administrators, beneficiaries, legal representatives, or trustees.

32. Request for Exclusion

“Request for Exclusion” means a letter setting forth a ONCI or WTD California Class Action Member’s full name, present mailing address, telephone number, email address (if applicable), last four digits of social security number, and a statement electing to be excluded from the Settlement. However, such ONCI and WTD California Class Action Members will still be bound by the terms of the PAGA Release if they are members of the PAGA Settlement Group. Specific details of how to submit a “Request for Exclusion” will be provided by the Notice of Class, Representative, and Collective Action Settlement.

33. Response Deadline

“Response Deadline” means the date forty-five (45) days after the Settlement Administrator mails the Notice of Class, Representative, and Collective Action Settlement to

California Class Action Members, which is the last date on which California Class Action Members may: (a) submit a Request for Exclusion; (b) file and serve objections to the Settlement; or (c) dispute the information contained in the Notice of Class, Representative, and Collective Action Settlement.

34. Settlement

“Settlement” or “Settlement Agreement” means this Class, Representative, and Collective Action Settlement Agreement and Release.

35. Settlement Administrator

“Settlement Administrator” means a third-party Settlement Administrator mutually selected by the parties, and subject to an RFP process, and appointed by the Court upon granting Class Counsel’s motion for preliminary approval of this Settlement.

36. Settlement Administrator Costs

“Settlement Administrator Costs” means the amount to be paid to the Settlement Administrator by Defendants in addition to the Gross Settlement Amount for administration of this Settlement. References herein to actions and responsibilities of the Settlement Administrator shall be to those actions and responsibilities it shall take as set forth in the Settlement Agreement.

II. RECITALS

1. Class and Collective Certification

The Parties stipulate to certification of the Second Amended Complaint’s proposed ONCI and WTD California Class and Collective, and the ONCI and WTD Utah Collective, for purposes of settlement only. If the Court does not grant either preliminary or final approval of this Settlement, the Parties agree that this stipulation regarding class and collective certification will become null and void.

2. Defendants

ONCI and WTD, both delivery services companies, entered into delivery services contracts with Amazon Logistics, Inc. to deliver packages in California and Utah. ONCI and WTD, pursuant to their contracts, employed Delivery Associates in California and Utah to deliver packages to Amazon customers in those states.

3. Procedural History

On February 28, 2019, Plaintiffs Stephen and Karli, through counsel, notified the Amazon Defendants of alleged wage-related claims they intended to file against Defendants on behalf of themselves and a class and collective of similarly situated individuals against the Amazon Defendants and ONCI, and invited Defendants to explore the potential for pre-litigation resolution of those alleged claims. The Parties continued to meet and confer, and on October 28, 2019, Plaintiffs Stephen and Karli and the Amazon Defendants entered into a Tolling and Mediation Agreement, to allow them an opportunity to explore potential pre-litigation resolution of the claims alleged. Plaintiffs Stephen and Karli and ONCI entered into a Tolling and Mediation Agreement executed between November and December 2019, to allow them an opportunity to explore pre-litigation resolution of the claims alleged. The Term of both Tolling Agreements was effective as of February 28, 2019.

On or around June 10, 2020, Plaintiff Prater filed with the LWDA and served on ONCI and WTD a notice letter under Labor Code section 2699.3 stating an intention to seek PAGA penalties for all non-exempt, hourly-paid employees of ONCI and WTD's employees during the relevant time period. On or around February 12, 2020, Plaintiff Martinez filed with the LWDA and served on ONCI and WTD a notice letter under Labor Code section 2699.3 stating an intention to seek PAGA penalties for all non-exempt, hourly-paid employees of ONCI and WTD's employees during the relevant time period.

On July 10, 2020, Kendall Prater filed a class action complaint in San Mateo Superior Court, Case No. 20-CIV-02814, for alleged Labor Code violations and an unfair competition claim against ONCI, WTD, and South East Employee Leasing Services, Inc. and a notice letter under Labor Code section 2699.3 stating an intention to seek civil penalties on behalf of all non-exempt, hourly-paid employees of ONCI and WTD (whether employed directly, through a staffing agency, or professional employer organization) during the relevant time period. The Complaint was later amended to add Plaintiff's request for civil penalties under PAGA as set forth in Ms. Prater's PAGA Notice.

The Parties engaged in an extensive alternative dispute resolution ("ADR") process in connection with these claims. This process consisted of extensive ADR-related discovery and three in-person mediation sessions overseen by an experienced wage and hour mediator, Dennis Clifford, Esq. Throughout this ADR process, the Parties, by and through their counsel, engaged in dozens of telephonic and video discussions, as well as written correspondence and negotiations overseen by Mr. Clifford. At the March 14, 2022 mediation session, the Parties reached an agreement in principle to resolve the alleged claims on a collective and class-wide basis. On August 23, 2022, Plaintiffs filed a Second Amended Complaint, incorporating all the Parties to the Settlement.

The Settlement terms were reduced to writing in a Memorandum of Understanding, which was executed by the Parties. Before the mediation and negotiations, Defendants produced documentation including time and pay data sampling, policy documents, class size and workweek information, and information regarding hourly rates. Defendants provided discovery sufficient to enable the Representative Plaintiffs and Class Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the potential damages arising from the claims made in this case.

Defendants deny any and all liability or wrongdoing of any kind associated with the claims asserted in the Lawsuits, dispute the damages and penalties claimed by Plaintiffs, and further contend that, for any purpose other than settlement, Plaintiffs' claims are not appropriate for class, collective action, or representative treatment. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall be construed or used as an admission by or against Defendants as to the merits or lack thereof of the claims asserted in the Lawsuits. Defendants contend, among other things, that, at all times, they have complied with all applicable state, federal and local laws related to the Settlement Class Members' employment. Amazon specifically denies that it employed any of the Settlement Class Members at issue. Amazon further denies any joint employer relationship with ONCI and WTD or that it employed any of the Settlement Class Members for any purposes. Nevertheless, Defendants have entered into this Settlement to avoid the cost, risk and inconvenience of further litigation. Nothing contained in this Settlement, nor the fact of this Settlement itself, shall be construed or deemed as an admission of liability, or wrongdoing on the part of any of the Defendants collectively or individually, or an admission that class, collective, or representative action treatment would be allowed outside the settlement context. Pursuant to California Evidence Code sections 1152 and 1154, this Settlement shall be inadmissible in evidence in any proceeding; except that the Settlement may be filed and used in this litigation or any other litigation or agency or arbitration proceeding as necessary to approve, interpret, or enforce this Settlement, or to support a stay of such litigation or proceeding, or to establish a defense of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

The Class Representatives are represented by Class Counsel. Class Counsel investigated

the facts relevant to the Lawsuits, including reviewing documents and information provided by Defendants. Based on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendants is fair, reasonable and adequate, and in the best interest of the Settlement Class Members in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding a class trial, and numerous potential appellate issues. Although Defendants deny any and all liability, Defendants are agreeing to this Settlement to avoid the cost, distraction, and risks of further litigation. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Lawsuits on the terms set forth herein.

4. Benefits of Settlement to Class Members

Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Plaintiffs have taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in litigation. Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Lawsuits, both generally and in response to Defendants' defenses thereto, and the difficulties in establishing damages for the Settlement Class Members. Plaintiffs and Class Counsel have considered Defendants' agreement to enter into a settlement that confers substantial relief upon the Settlement Class Members. Based on the foregoing, Class Counsel have concluded that settlement for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the putative class in light of all known facts and circumstances, including the risk of delay, defenses asserted by Defendants, numerous potential appellate issues, and other risks inherent in litigation.

5. Defendants' Reasons for Settlement

Defendants have concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendants' time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiffs and Settlement Class Members. Defendants have also taken into account the risks of further litigation in reaching their decision to enter into this Settlement. Even though Defendants continue to contend that they are not liable or jointly and severally liable for any of the claims set forth by Plaintiffs in the Lawsuits, Defendants have agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims in the Lawsuits. Defendants contend that they have complied with all applicable state, federal, and local laws and administrative orders.

6. Settlement of Disputed Claims

This Settlement Agreement is a compromise of disputed claims. Defendants have claimed and continue to claim that the Released Claims have no merit and do not give rise to liability. Settlement Class Members have claimed and continue to claim that the Released Claims have merit and give rise to liability on the part of Defendants. Nothing contained in this Settlement Agreement, no documents referred to herein, and no action taken to carry out this Settlement Agreement, may be construed or used as an admission by or against the Settlement Class Members or Class Counsel as to the merits or lack thereof of the claims asserted in the Lawsuits.

III. TERMS OF AGREEMENT

1. Release as To All Participating ONCI and WTD California Class Action Members

As of the Effective Date, the Participating California Class Action Members, including Plaintiffs, release the Released Parties from the California Class Action Member Released Claims. These releases will take effect whether or not a Participating ONCI or WTD California Class

Action Member receives their Individual Settlement Payment or cashes and deposits any check for the Individual Settlement Payment.

2. PAGA Release as to PAGA Settlement Group Members

As of the Effective Date, the PAGA Settlement Group Members will be deemed to have released all of the Released Parties of the PAGA Release claims.

3. Release as To All ONCI and WTD California and Utah Collective Action Members

Upon cashing or depositing a settlement check, all Participating ONCI and WTD California and Utah Collective Action Members will be deemed to have released all of their Collective Action Member Released Claims.

4. Release of Claims by Plaintiffs

As of the Effective Date, Plaintiffs release the Released Parties from all of the Class Representatives' Released Claims. Plaintiffs' releases set forth herein include a waiver of all rights under California Civil Code §1542, which provides:

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.

Plaintiffs may hereafter discover claims or facts in addition to, or different from, those which they now know or believe to exist, but Plaintiffs expressly agree to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Settlement Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiffs' employment with ONCI and/or WTD and alleged employment with the other Defendants.

5. Tax Treatment

Twenty-five percent (25%) of the California Individual Settlement Payments, and fifty percent (50%) of the Utah Individual Settlement Payments shall be deemed payment for settlement of claims for wages and expenses and will be subject to appropriate deductions and withholdings calculated and made by the Settlement Administrator. The Settlement Administrator shall calculate the payroll taxes to be paid by ONCI and WTD based on the amount designated for the settlement of claims for wages. Seventy-five percent (75%) of the California Individual Settlement Payments, and fifty percent (50%) of the Utah Individual Settlement Payments, shall be deemed payment for settlement of non-wage claims (*i.e.*, for penalties, liquidated damages, and interest under California law and the FLSA) and not subject to withholdings. One hundred percent (100%) of the Individual PAGA Payments shall be deemed payment for settlement of claims for penalties and not subject to withholdings. The portion of Settlement Payments deemed payment for settlement of claims for wages and expenses shall be reported on Form W-2 (and such other state or local tax reporting forms as may be required by law) with respect to the year of payment as wage income to the Settlement Class Member by the Settlement Administrator on behalf of the Qualified Settlement Fund. The Settlement Administrator shall issue I.R.S. Form 1099 if required for the remaining payments. Plaintiffs and any Settlement Class Member who receives any Individual Settlement Payment should consult with their tax advisors concerning the tax consequences of the Individual Settlement Payments they receive under the Settlement.

6. Circular 230 Disclaimer

Each Party to this Settlement Agreement (for purposes of this section, the “acknowledging party” and each Party to this Settlement Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that (1) no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other

advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

7. Preliminary Approval of Settlement

Plaintiffs will move the Court to grant preliminary approval of this Settlement, certifying the proposed classes for settlement purposes only and setting a date for a Final Approval Hearing. Class Counsel shall be responsible for preparing the Motion for Preliminary Approval, supporting declarations, and exhibits thereto, for preliminary approval by the Court. Plaintiffs shall obtain a Court hearing on a date agreed upon by all counsel, to request the preliminary approval of the Settlement, and the entry of a preliminary approval Order: (i) preliminarily approving the proposed Settlement; (ii) certifying the Complaint's proposed ONCI and WTD California Class and Collective and the proposed ONCI and WTD Utah Collective for settlement purposes only; and (iii) setting a date for the Final Approval Hearing. Class Counsel agree to provide Counsel for Defendants with drafts of the Motion for Preliminary Approval, supporting declarations, and any

other documents they intend to submit in support of their Motion for Preliminary Approval at least fourteen (14) days before filing the Motion to allow Counsel for Defendants a reasonable time to review and comment on such papers and further agree to reasonably incorporate the comments from Counsel for Defendants. The Parties shall jointly prepare and file a proposed preliminary approval order. All Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval.

8. Class Action Fairness Act

To the extent required by applicable law, ONCI and WTD shall serve upon the appropriate State official of each State in which a class member resides and the appropriate Federal official, a notice of the proposed settlement not later than ten (10) days after a proposed settlement of a class action is filed in court, to the extent necessary under the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1715.

10. Submissions to the LWDA

At or around the same time as they submit this Settlement Agreement to the Court for preliminary approval, Class Counsel shall submit a copy of this Settlement Agreement to the LWDA, as required by California Labor Code § 2699(1)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Final Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(1)(3).

11. Settlement Administrator

Within fourteen (14) days of the Court granting preliminary approval of this Settlement Agreement, ONCI and WTD shall provide the Settlement Administrator and the Parties with the Class Information for purposes of mailing the Notice of Class, Representative, and Collective Action Settlement to the Settlement Class Members, except that ONCI and WTD will not provide the contact information of Settlement Class Members to Class Counsel. The Settlement

Administrator shall maintain the Class Information as private and confidential and shall not disclose such data to any persons or entities other than Counsel for Defendants, except that relevant information can be provided to Class Counsel for the purpose of effectuating this Settlement Agreement, including, but not limited to, allowing Class Counsel to respond to inquiries or requests from Settlement Class Members. The Class Information is being supplied solely for purposes of the administration of the Settlement set forth in this Settlement Agreement and cannot be used by the Settlement Administrator or Class Counsel for any other purpose. The Parties agree that the Class Information will not be used to solicit Settlement Class Members to file any claim, charge or complaint of any kind whatsoever against any of the Defendants and will only be used to administer the Settlement under the terms provided herein.

No later than three (3) days after receipt of the Class Information, the Settlement Administrator shall notify counsel for the Parties that the list has been received.

The Settlement Administrator shall maintain a website, the content and URL of which shall be subject to approval by the Parties, that has links to the notice, motions for approval and any other documents in the case, the date of approval hearing (if applicable), as well as the ability to submit a change of address/contact information.

a. Notice by First Class U.S. Mail and Email

Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within thirty (30) days of preliminary approval of this Settlement, the Settlement Administrator will mail copies of the Notice of Class, Representative, and Collective Action Settlement to all Settlement Class Members via regular First-Class U.S. Mail and email (if applicable). The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Settlement Class Member, including performing a skip-trace to identify any updated mailing addresses. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. The form of the proposed Notice of Class, Representative, and Collective Action Settlement is attached as Exhibit A, and is subject to Court approval and modification as necessary to fulfill the Parties' desire to resolve the case.

b. Undeliverable Notices

Any Notice of Class, Representative, and Collective Action Settlement returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address affixed thereto. If no forwarding address is affixed, the Settlement Administrator shall promptly attempt to determine a correct mailing address by use of skip-tracing, or other search using the name, address and/or social security number of the Settlement Class Member whose notice was undeliverable, and shall then re-mail all returned, undelivered mail within ten (10) days of receiving notice that a notice was undeliverable. Settlement Class Members who receive a re-mailed Notice of Class, Representative, and Collective Action Settlement shall have their Response Deadline extended twenty (20) days from the original Response Deadline.

c. Disputes Regarding Individual Settlement Payments

Settlement Class Members who disagree with the number of workweeks stated on their applicable Notice of Class, Representative, and Collective Action Settlement derived from the Class Information may provide documentation and/or an explanation to show contrary information by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine a California Class Action Member's or Utah Collective Action Member's eligibility for, and the amounts of, any Individual Settlement Payment under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment will be binding upon the Settlement Class Members and the Parties. In the absence of circumstances indicating fraud, manipulation or destruction, ONCI and WTD's records will be given a rebuttable presumption of accuracy.

d. Disputes Regarding Administration of Settlement

Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to attempt to resolve the dispute without involving the Court.

e. Exclusions

The Notice of Class, Representative, and Collective Action Settlement shall state that ONCI and WTD California Class Action Members who wish to exclude themselves from the Settlement must submit a valid Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name and present mailing address of the Settlement Class Member requesting exclusion; (2) contain a statement expressing that the Settlement Class Member elects to be excluded from the Settlement; (3) be signed by the Settlement Class Member, and; (4) be

postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. The date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any California Class Action Member who validly and timely requests to be excluded from the Settlement Class will not be entitled to any non-PAGA recovery under the Settlement and will not be bound by the terms of release in paragraph III.1 above or have any right to object to or appeal the Settlement. California Class Action Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Judgment entered in this Action. The releases in paragraph III.2 above will take effect whether or not a California Class Action Member or PAGA Settlement Group Member receives their individual settlement payment(s) or cashes and deposits any check for the California Individual Settlement Payment or Individual PAGA Payment. Because the settlement of PAGA claims is not a class action settlement subject to class action procedures, no California Class Action Members or PAGA Settlement Group Members can exclude themselves from being included in the settlement of PAGA claims and being subject to the PAGA Release if the Court approves the Settlement. PAGA Settlement Group Members will be sent their Individual PAGA Payments regardless of whether they have filed a valid and timely Request for Exclusion and will be bound by the PAGA Release. California Class Action Members who validly and timely exclude themselves from the Settlement will not be bound by the release of any claims that are not PAGA claims.

No later than seven (7) days after the Response Deadline, the Settlement Administrator will provide counsel for the Parties with a complete list of all California Class Action Members who have timely submitted a valid Request for Exclusion. If a California Class Action Member submits both a timely dispute as to workweeks and a timely Request for Exclusion, the Settlement

Administrator will not deem such California Class Action Member to be excluded from the Settlement Class (including for purposes of computing the Individual Settlement Payments in paragraph III.14.b), but will instead attempt to resolve the dispute and work with the Parties as necessary to resolve the dispute. In the event the dispute cannot be resolved within twenty (20) days after the Response Deadline, the Settlement Administrator will confer with the Parties before honoring the Request for Exclusion.

f. Objections

The Notice of Class, Representative, and Collective Action Settlement shall state that California Class Action Members who wish to object to the Settlement may do so in person at the Final Approval Hearing and/or in writing. Any written objection (“Notice of Objection”) must be mailed to the Settlement Administrator by the Response Deadline. The date of postmark on the mailing envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received. The Notice of Objection must be signed by the California Class Action Member and state: (1) the full name, present mailing address, telephone number, and email address (if applicable) of the objecting Class Member; (2) the basis for the objection; and (3) whether the Class Member intends to appear at the Final Approval Hearing. Class Counsel will ensure that any Notice of Objection received by the Settlement Administrator by the Response Deadline is filed with the Court along with the Motion for Final Approval. Any of the Parties may file a response to any objection before the Final Approval Hearing. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendants with this notice no later than the Response Deadline. Any Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement

whether by appeal or otherwise.

g. Opt-In and Release

Opt-in and release language regarding the release of the Collective Action Member Released Claims will be printed on each California and Utah Individual Settlement Payment check, with the advisement that cashing such check constitutes consent under the FLSA to opt into the collective action as proposed by the Complaint and to release all Collective Action Member Released Claims. The language to be included will be substantially similar to the following:

By endorsing, cashing, or depositing this check, I affirm my release of On Courier 365 Inc, Web to Door Corp., Amazon Logistics, Inc., and the Released Parties of all Collective Action Member Released Claims as defined in the Settlement Agreement approved by the Court in the lawsuit entitled *Kendall Prater v. On Courier 365, Web to Door Corp.*, (San Mateo Sup. Ct., 2020, Case No. 20-CIV-02814). I affirm that I will not sue under or assert any of the Collective Action Member Released Claims, including FLSA claims, against any of the Released Parties.

12. No Solicitation of Settlement Objections or Exclusions

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel, or counsel's respective law firms seek to solicit or otherwise encourage California Class Action Members to submit either written objections to the Settlement or Requests for Exclusion, or to appeal from the Court's Final Judgment, nor will the Parties or their counsel, or counsel's respective law firms, seek to solicit not to or otherwise discourage California Class Action Members or Utah Collective Action Members from cashing their Individual Settlement Payments.

13. Funding of the Qualified Settlement Fund

No later than fourteen (14) calendar days after the Effective Date, the Settlement Administrator shall send Defendants' Counsel electronic wiring instructions for paying the Gross Settlement Amount (\$4,500,000.00) into the QSF, and the Settlement Administrator will also at the same time inform Defendants of the amount to be sent to the QSF to pay for the employer's

share of payroll taxes and administration fees. No later than twenty-one (21) business days after receipt of the wiring instructions, ONCI and WTD shall provide to the Settlement Administrator all information required by the Settlement Administrator to calculate and pay the amount of the employer payroll taxes, including but not limited to ONCI's and WTD's eight-digit employer payroll tax account number (i.e., State Employer Identification Number) to be used in issuing the Class Representatives' Enhancement Awards and Individual Settlement Payments, and Defendants shall fund the QSF, including the amount required to cover the employer's share of payroll taxes.

Defendants shall pay the Gross Settlement Amount to the Settlement Administrator within forty-five (45) days after a Court order granting final approval of the Settlement becomes final and the Settlement Administrator has provided all necessary documentation and wire transfer instructions to Defendants for the settlement account, including final calculations containing the amount due for employer payroll taxes.

14. Settlement Amount

a. Net Settlement Amount: The Net Settlement Amount will be determined by the Settlement Administrator by subtracting the Class Counsel Award, Class Representatives' Enhancement Awards, PAGA Payment, and Settlement Administrator Costs from the Gross Settlement Amount. The anticipated Net Settlement Amount is \$2,760,000.00. The Parties estimate the amount of the Net Settlement Amount to be calculated as follows:

Gross Settlement Amount:	\$4,500,000.00
Requested Class Rep. Enhancement Award:	\$60,000.00
Requested Class Counsel Fees:	\$1,500,000.00
Requested Class Counsel Costs (not to exceed):	\$50,000.00
Payment to the to LWDA:	\$75,000.00

Payment to the PAGA Settlement Group Members

\$25,000.00

Net Settlement Amount

\$2,760,000.00

The Net Settlement Amount allocated for the California Class Action Members is non-reversionary, and no part of this portion of the Net Settlement Amount will revert to Defendants. However, as discussed in paragraph III.15.b below, the Settlement Administrator will return to Defendants the value of any settlement checks that the Utah Collective Action Members do not timely cash in recognition of the fact that that Defendants do not obtain any release as to those individuals. If the Court approves less than the amounts requested for enhancements, administrative costs, litigation costs, or attorneys' fees, any such amounts will be included in the Net Settlement Amount for distribution to the Participating California Class Action Members and California and Utah Collective Action Members.

b. California and Utah Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula as follows: (i) first, the Settlement Administrator will allocate to each Settlement Class Member who does not file a valid and timely Request for Exclusion the amount of \$50.00 so that each of these individuals is sent a settlement payment of at least \$50.00; (ii) second, using the Class Information, the Settlement Administrator will compute the total number of Eligible Workweeks for each Settlement Class Member who does not file a valid and timely Request for Exclusion, where each California Eligible Workweek will be equal to six (6) settlement shares and each Utah Eligible Workweek will be equal to one (1) settlement share to reflect the higher potential value of the California Class Action Member Released Claims relative to the Collective Action Member Released Claims of the Utah Collective Action Members; (iii) third, the Settlement Administrator will divide the Net Settlement

Amount by the sum of all settlement shares, as calculated using the formula provided for in (ii) above, to determine the value for each settlement share (“Settlement Share Value”); and (iv) fourth, for each Settlement Class Member who does not file a valid and timely Request for Exclusion, the Settlement Administrator will multiply the number of that Settlement Class Member’s individual settlement shares by the Settlement Share Value to determine that Settlement Class Member’s California or Utah Individual Settlement Payment.

c. Individual PAGA Payments will be paid from the PAGA Payment and will be an equal payment to all PAGA Settlement Group Members calculated as follows: 25% of the PAGA Payment divided by the number of PAGA Settlement Group Members.

d. Settlement Payment Timing

California and Utah Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to each Participating California Class Action Member or Utah Collective Action Member’s last known mailing address within fifteen (15) days after Defendants fully fund the QSF. Individual PAGA Payments shall be mailed by regular First-Class U.S. Mail to each PAGA Settlement Group Member’s last known mailing address within fifteen (15) days after Defendants fully fund the QSF.

15. Unclaimed Settlement Payment(s)

As part of the administration, sixty (60) days before the Individual Settlement Payment checks expire, the Settlement Administrator shall mail reminder postcards to those Settlement Class Members whose settlement checks were not returned undeliverable and who have not cashed their checks, and shall also send a reminder email to those individuals whose email addresses were provided to the Settlement Administrator by ONCI or WTD. Additionally, during the last sixty (60) days of the check cashing period, a telephone call will be placed to those that have still not cashed their check to remind them to do so, to the extent their telephone numbers were provided

to the Settlement Administrator by ONCI or WTD.

a. California Individual Settlement Payments and Individual PAGA Payments: After one hundred and eighty (180) days of the mailing of the California Individual Settlement Payment checks and Individual PAGA Payment checks, the uncashed checks shall be cancelled and the funds attributable to these uncashed California Individual Settlement Payment checks and/or Individual PAGA Payment checks (“Unclaimed Settlement Payments”) shall be deposited to the State of California Unclaimed Property Fund in the name of each Participating California Class Action Member or PAGA Settlement Group Member who did not cash his, her or their check(s).

b. Utah Individual Settlement Payments: After one hundred and eighty (180) days of the mailing of the Utah Individual Settlement Payment checks for the Utah Collective Action Members, the uncashed checks shall be cancelled and the Settlement Administrator shall issue a check in the amount of the funds attributable to these uncashed Utah Individual Settlement Payment checks (“Unclaimed Utah Settlement Payments”) payable to the Defendants. The Settlement Administrator shall also notify the Parties of any Unclaimed Utah Settlement Payments.

16. Class Representative Enhancement Awards

Defendants agree not to oppose or object to Plaintiffs’ application to the Court for Class Representatives’ Enhancement Awards of up to \$10,000.00 each. The Class Representatives’ Enhancement Awards shall be paid to Plaintiffs from the Gross Settlement Amount no later than fifteen (15) days after Defendants fully fund the QSF. The Class Representatives’ Enhancement Awards shall be in addition to the Plaintiffs’ Individual Settlement Payments as Settlement Class Members. Any amount requested by Plaintiffs for the Class Representatives’ Enhancement Awards and not granted by the Court shall return to the Net Settlement Fund and be distributed to Participating California Class Action Members and Utah Collective Action Members as provided

in paragraph III.14.a above.

17. Class Counsel Award

Defendants agree not to oppose or object to any application or motion by Class Counsel for attorneys' fees in the amount of up to thirty-three and one-third percent (33.33%) of the Gross Settlement Amount. Defendants further agree not to oppose any application or motion by Class Counsel for the reimbursement of reasonable litigation costs and expenses associated with Class Counsel's prosecution of the Lawsuits, to be paid from the Gross Settlement Amount, not to exceed \$50,000. Class Counsel shall be paid the Class Counsel Award no later than seven (7) days after Defendants fully fund the QSF. Any amount requested by Class Counsel for the Class Counsel Award and not granted by the Court shall return to the Net Settlement Fund and be distributed to Participating California Class Action Members and Utah Collective Action Members as provided in paragraph III.14.a above.

18. Settlement Administrator Costs

The Settlement Administrator shall have the authority and obligation to make payments, credits and disbursements to Settlement Class Members in the manner set forth herein, calculated in accordance with the methodology set out in this Settlement Agreement and orders of the Court. The Parties agree to cooperate in the Settlement administration process and to make reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement. The Settlement Administrator shall be paid the Settlement Administrator Costs by the Defendants no later than seven (7) days after Defendants fully fund the QSF.

In the event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, but any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Judgment or any other appellate review, shall be paid to the Settlement Administrator by Defendants within thirty (30) days of said

notification.

a. Responsibilities of the Settlement Administrator

In addition to establishing the QSF, the Settlement Administrator shall be responsible for the following: creating a plan of settlement administration and settlement fund distribution; using the data provided by ONCI and WTD to calculate each Settlement Class Member's approximate Individual Settlement Payment; ascertaining the identity and whereabouts of the Settlement Class Members; communicating with Settlement Class Members as necessary, including the maintenance of a website as described in III.11 above; printing and mailing the Notice of Class, Representative, and Collective Action Settlement to the Settlement Class Members as directed by the Court; receiving and reporting Requests for Exclusion and objections; processing and mailing payments to Plaintiffs, Class Counsel, Participating California Class Action Members, and California and Utah Collective Action Members; notifying the Parties of, and resolving any disputes regarding, the calculation of California and Utah Individual Settlement Payments; informing Defendants of the amount to be sent to the QSF to pay for the employer's share of payroll taxes and any employer identification information needed from ONCI and WTD to pay such payroll taxes; complying with all tax reporting notice and filing requirements; providing Defendants with wiring instructions; carrying out all other duties related to the QSF's documentation and filing; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; providing status reports as needed, among other administrative duties; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

19. LWDA and Individual PAGA Payments

A total amount of \$100,000.00 from the Gross Settlement Amount will requested to be

approved by the Court to be allocated as the PAGA Payment to be paid as penalties under PAGA. Seventy-five percent (75%) of this amount will be the PAGA Payment to be paid to the LWDA and the remaining twenty-five (25%) shall be payable to the PAGA Settlement Group members as their Individual PAGA Payment, calculated as set forth in paragraph III.14.c. Any additional amount ordered by the Court to be paid as the PAGA Payment shall be paid from the Gross Settlement Amount; in no event shall Defendants be required to pay in excess of the Gross Settlement Amount.

20. Final Approval Hearing and Entry of Final Judgment

Upon expiration of the Response Deadline, with the Court's permission, a Final Approval Hearing shall be conducted to determine final approval of the Settlement along with the amounts properly payable for: (i) the Class Counsel Award; (ii) the Class Representatives' Enhancement Awards; (iii) California and Utah Individual Settlement Payments; (iv) PAGA Payment; and (v) Settlement Administrator Costs.

21. Final Approval Order

Plaintiffs will request, and Defendants will concur in said request, that the Court enter, after the Final Approval Hearing, a Final Approval Order and a Final Judgment. Plaintiffs will request that the Final Approval Order certify the proposed ONCI and WTD California Class and proposed ONCI and WTD California and Utah Collective for settlement purposes only; find that this Settlement Agreement is fair, just, adequate, and in the best interests of the Settlement Class Members; and require the Parties to carry out the provisions of this Settlement Agreement. The Parties shall jointly prepare the proposed Final Approval Order. Plaintiffs shall be responsible for preparing the Motion for Final Approval, and any Motion Requesting Attorneys' Fees, Costs, and Class Representatives' Enhancement Awards, supporting declarations, and exhibits thereto, for final approval by the Court. Class Counsel agrees to provide Counsel for Defendants with

drafts of all documents they intend to submit in support of their Motion for Final Approval at least ten (10) court days in advance of filing to allow Counsel for Defendants a reasonable time to review and comment on such papers, and further agrees to reasonably incorporate the comments from Counsel for Defendants. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Settlement Agreement that will result in entry of the Final Approval Order.

22. Increase in Workweeks

The Parties exchanged data and information prior to the mediation, identifying a total of 2,605 employees and 49,073 ONCI Period Eligible Workweeks during the ONCI Class Period and 3,411 employees and 66,757 WTD Period Eligible Workweeks during the WTD Class Period. Plaintiffs relied on these numbers in negotiating the settlement. In the event that the Eligible Workweeks increases by more than 15%, or 115,830 Eligible Workweeks, through the date of the mediation (*i.e.* March 14, 2022), then the Gross Settlement Amount shall be increased by the percentage in excess of 15% (*i.e.*, if the Eligible Workweeks increase by 16% then the Gross Settlement Amount shall be increased by 1%). Thus, for example, should there be 134,363 $((115,830 + (115,830 \times 0.16))$ Eligible Workweeks during the Class Period, then the Gross Settlement Amount shall be increased by \$45,000 $(\$4,500,000.00 \times 0.01)$, for an increased Gross Settlement Amount of \$4,545,000.00.

In the event that the Gross Settlement Amount increases under this escalator clause, then any consideration paid pursuant to this term shall entirely become part of the Net Settlement Amount and will not increase the attorneys' fees sought by Plaintiffs' Counsel.

23. Nullification of Settlement Agreement

In the event: (i) the Court denies preliminary approval of the Settlement; (ii) the Court denies final approval of the Settlement; (iii) the Court refuses to enter a Final Judgment as provided

herein; or (iv) the Settlement does not become final for any other reason, the Parties agree to engage in follow up negotiations with the intent of resolving the Court's concerns that precluded approval, and if feasible, to resubmit the Settlement for approval within thirty (30) days. If the Settlement is not approved as resubmitted or if the Parties are not able to reach another agreement, then any Party may void this Settlement Agreement, and the Parties will be restored to their respective positions as if they had not entered into the Settlement Agreement.

If, within thirty (30) days after receipt of all requests for exclusion, more than 5% of the California Settlement Class have timely submitted otherwise valid requests for exclusion, any of the Defendants may have the option to terminate the Settlement Agreement. Plaintiffs cannot opt out of or object to the Settlement Agreement. No party or counsel to any party may solicit Settlement Class members to opt-out of the Settlement. If any of the Defendants exercise their option to revoke the Settlement for this reason, they shall be responsible for all costs of administration incurred up to the date of such revocation, and the litigation shall immediately resume as against those Defendant(s) who elect to terminate the Settlement Agreement as if there had been no settlement.

24. Class and Collective Certification

The Parties are agreeing to class and collective certification for settlement purposes only. This Settlement Agreement shall not constitute, in this or any other proceeding, an admission of any kind by Defendants, including without limitation, that certification of a class or collective action for trial or any other purpose is appropriate or proper or that Plaintiffs can establish any of the requisite elements for class, collective, or representative treatment of any of the claims in the Lawsuit.

The Parties further agree that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or not decertified,

or that this matter may proceed as a class, collective, and/or representative action; or (ii) Defendants are liable to Plaintiffs or any Settlement Class Member other than according to the Settlement's terms. In the event that the Settlement is not approved or otherwise voided, Defendants expressly reserve all rights to challenge certification of a class and/or collective, or Plaintiffs' ability to maintain a representative action, for all purposes, and in the event the Settlement is not approved or otherwise voided, the Second Amended Complaint shall be withdrawn and the prior complaint, the First Amended Complaint, shall again be the operative complaint in the *Prater* matter.

25. Public Comment

Prior to the filing of an initial motion for approval with the Court, the Parties agree not to disclose the terms of this settlement except in court papers filed to seek approval except for any disclosures agreed to by the Parties and as necessary to effectuate the Settlement. Before or after approval, Plaintiffs and Class Counsel shall not issue a press release, hold a press conference, publish information about the settlement on any website (other than information directed to Settlement Class Members regarding the approval and the settlement website established by the Settlement Administrator), or otherwise publicize the settlement. However, nothing about this paragraph shall restrict Class Counsel from citing to or referencing the settlement in court filings, as necessary, including for purposes of seeking approval of the settlement. Plaintiffs and Class Counsel agree not to respond to any media inquiries except to refer reporters to the papers filed with the court. Nothing in this provision will affect the ability of Class Counsel to carry out their duties consistent with and as required by any other provision in this Agreement or by the Court or affect Class Counsel's attorney-client communications.

26. No Effect on Employee Benefits

Amounts paid to Plaintiffs or other Settlement Class Members pursuant to this Settlement Agreement shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiffs or Settlement Class Members.

27. No Admission by Defendants

Defendants deny any and all claims alleged in these Lawsuits and deny any and all liability or wrongdoing whatsoever. This Settlement Agreement is not a concession or admission and shall not be used against Defendants as an admission or indication with respect to any claim of any fault, concession, or omission by Defendants. Amazon further specifically denies that it was an employer or joint employer of any Settlement Class Member, each of whom was employed by ONCI and/or WTD.

28. Representation

All of the Parties have been represented by counsel throughout all negotiations which preceded the execution of this Settlement, and all Parties have been advised by counsel prior to entering into this Settlement.

Class Counsel represent that they do not currently represent any current or former delivery drivers who worked for ONCI or WTD in connection with any other filed or anticipated claims, charges, grievances, or complaints against any of the Defendants. Class Counsel also represent that Class Counsel have not used any information obtained in the Lawsuit to solicit or assist any other persons or attorneys to commence a claim or proceeding against any of the Defendants.

29. Exhibits and Headings

The terms of this Settlement Agreement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this

Settlement Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

30. Interim Stay of Proceedings

Upon full execution of this Settlement Agreement, the Parties agree that based upon California Code of Civil Procedure §583.310 (“the 5-year rule”), the Lawsuit shall be stayed in their entirety except for the proceedings necessary to implement and complete the Settlement.

31. Amendment or Modification

This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

32. Entire Agreement

This Settlement Agreement and any attached exhibits constitute the entire agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or its exhibits other than the representations, warranties, and covenants contained and memorialized in the Settlement Agreement and its exhibits. The Parties are entering into this Settlement Agreement based solely on the representations and warranties herein and not based on any promises, representation, and/or warranties not found herein.

33. Authorization to Enter into Settlement Agreement

Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their

best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The persons signing this Settlement Agreement on behalf of each Defendant represent and warrant that they are authorized to sign this Settlement Agreement on behalf of that Defendant. Plaintiffs represent and warrant that they are authorized to sign this Settlement Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

34. Binding on Successors and Assigns

This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

35. California Law Governs

All terms of this Settlement Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

36. Counterparts

This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

37. Jurisdiction of the Court

Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

38. Arbitration

This Settlement Agreement shall not supersede any enforceable arbitration agreements applicable to a Settlement Class Member, except that Settlement Class Members can be Participating California Class Action Members and Participating Collective Action Members notwithstanding any arbitration agreement. Defendants reserve the ability to compel arbitration as to Settlement Class Members subject to an enforceable arbitration agreement should the Settlement not be finally approved, and as to any claims not released by the Settlement.

39. Invalidity of Any Provision

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

[REMAINDER OF PAGE INTENTIONALLY BLANK]

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members, and Defendants have executed this Settlement Agreement as of the dates set forth below.

IT IS SO AGREED:

Dated: Sep 22, 2022

By: 
Kendall prater (Sep 22, 2022 18:38 PDT)
KENDALL PRATER

Dated: _____

By: _____
TYLER KARLI

Dated: _____

By: _____
RUSSEL STEPHEN

Dated: _____

By: _____
SABRINA DENNIS

Dated: _____

By: _____
CAROL MARTINEZ

Dated: _____

By: _____
NATHAN BREDENBURG

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members, and Defendants have executed this Settlement Agreement as of the dates set forth below.

IT IS SO AGREED:

Dated: _____

By: _____
KENDALL PRATER

Dated: 09/22/2022

By:  _____
TYLER KARLI

Dated: _____

By: _____
RUSSEL STEPHEN

Dated: _____

By: _____
SABRINA DENNIS

Dated: _____

By: _____
CAROL MARTINEZ

Dated: _____

By: _____
NATHAN BREDENBURG

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members, and Defendants have executed this Settlement Agreement as of the dates set forth below.

IT IS SO AGREED:

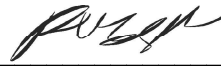
Dated: _____

By: _____
KENDALL PRATER

Dated: _____

By: _____
TYLER KARLI

Dated: 10/04/2022

By:  _____
RUSSELL STEPHEN

Dated: _____

By: _____
SABRINA DENNIS

Dated: _____

By: _____
CAROL MARTINEZ

Dated: _____

By: _____
NATHAN BREDENBURG

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members, and Defendants have executed this Settlement Agreement as of the dates set forth below.

IT IS SO AGREED:

Dated: _____

By: _____
KENDALL PRATER

Dated: _____

By: _____
TYLER KARLI

Dated: _____

By: _____
RUSSEL STEPHEN

Dated: 09/21/2022 _____

By: Sabrina Dennis
SABRINA DENNIS

Dated: _____

By: _____
CAROL MARTINEZ

Dated: _____

By: _____
NATHAN BREDENBURG

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members, and Defendants have executed this Settlement Agreement as of the dates set forth below.

IT IS SO AGREED:

Dated: _____

By: _____
KENDALL PRATER

Dated: _____

By: _____
TYLER KARLI

Dated: _____

By: _____
RUSSEL STEPHEN

Dated: _____

By: _____
SABRINA DENNIS

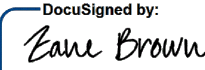
Dated: 09/22/2022

By: *Carol Martinez*
CAROL MARTINEZ

Dated: 09/22/2022

By: *Nathan Bredenburg*
NATHAN BREDENBURG

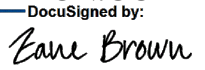
Dated: September 27, 2022 | 1:42 PM PDT **AMAZON LOGISTICS, INC.**

By: 
DocuSigned by:
DDF214FDD377494...

Print Name: Zane Brown

Title: Vice President and Associate General Counsel

Dated: September 27, 2022 | 1:42 PM PDT **AMAZON.COM INC.**

By: 
DocuSigned by:
DDF214FDD377494...

Print Name: Zane Brown

Title: Vice President and Associate General Counsel

Dated: September 27, 2022 | 1:42 PM PDT **ON COURIER 365, INC**

By: _____

Print Name: _____

Title: _____

Dated: _____

WEB TO DOOR CORP

By: _____

Print Name: _____

Title: _____

Dated: _____

AMAZON LOGISTICS, INC.

By: _____

Print Name: _____

Title: _____

Dated: _____

AMAZON.COM INC.

By: _____

Print Name: _____

Title: _____

Dated: Sep 21, 2022

ON COURIER 365, INC

By: 
David Khateeb . (Sep 21, 2022 10:35 PDT)

Print Name: Safie (David) Khateeb

Title: Corp. Secretary

Dated: Sep 21, 2022

_ WEB TO DOOR CORP

By: 
David Khateeb . (Sep 21, 2022 10:35 PDT)

Print Name: Safie (David) Khateeb

Title: Chief Executive Officer

APPROVED AS TO FORM AND CONTENT: Counsel for Plaintiffs Lichten & Liss Riordan P.C., Willig, Williams & Davidson, the Bibiyan Law Group, Berger Montague PC and Counsel for Counsel Defendants Morgan, Lewis & Bockius and Arabian-Lee Law Corporation.

Dated: 9/23/2022

Bibiyan Law Group, P.C.

By: David B. Bibiyan
David Bibiyan
Attorney for Plaintiffs

Dated: _____

Lichten & Liss-Riordan, P.C.

By: _____
Sarah R. Schalman-Bergen
Krysten Connon
Attorney for Plaintiffs

9/23/2022 | 3:03 PM EDT

Dated: _____

Willig Williams & Davidson

By: DocuSigned by:
Ryan Allen Hancock, Esq.
B0F3CBE613E0417...
Ryan Allen Hancock
Attorney for Plaintiffs

Dated: _____

Berger Montague P.C.

By: _____
Alexandra Piazza
Michaela Wallin
Attorney for Plaintiffs

Dated: _____

Justice Law Corporation

By: _____
Jason Rothman
Attorney for Plaintiffs

APPROVED AS TO FORM AND CONTENT: Counsel for Plaintiffs Lichten & Liss Riordan P.C., Willig, Williams & Davidson, the Bibiyan Law Group, Berger Montage PC and Counsel for Counsel Defendants Morgan, Lewis & Bockius and Arabian-Lee Law Corporation.

Dated: _____

Bibiyan Law Group, P.C.

By: _____
David Bibiyan
Attorney for Plaintiffs

Dated: 9/21/22

Lichten & Liss-Riordan, P.C.

By:  _____
Sarah R. Schalman-Bergen
Krysten Connon
Attorney for Plaintiffs

Dated: _____

Willig Williams & Davidson

By: _____
Ryan Allen Hancock
Attorney for Plaintiffs

Dated: 09/21/2022

Berger Montague P.C.

By:  _____
Alexandra Piazza
Michaela Wallin
Attorney for Plaintiffs

Dated: _____

Justice Law Corporation

By: _____
Jason Rothman
Attorney for Plaintiffs

APPROVED AS TO FORM AND CONTENT: Counsel for Plaintiffs Lichten & Liss Riordan P.C., Willig, Williams & Davidson, the Bibiyan Law Group, Berger Montage PC and Counsel for Counsel Defendants Morgan, Lewis & Bockius and Arabian-Lee Law Corporation.

Dated: _____

Bibiyan Law Group, P.C.

By: _____

David Bibiyan
Attorney for Plaintiffs

Dated: _____

Lichten & Liss-Riordan, P.C.

By: _____

Sarah R. Schalman-Bergen
Krysten Connon
Attorney for Plaintiffs

Dated: _____

Willig Williams & Davidson

By: _____

Ryan Allen Hancock
Attorney for Plaintiffs

Dated: _____

Berger Montague P.C.

By: _____

Alexandra Piazza
Michaela Wallin
Attorney for Plaintiffs

Dated: September 22, 2022

Justice Law Corporation

By: _____

Jason Rothman
Attorney for Plaintiffs

Dated: September 30, 2022

Morgan, Lewis & Bockius LLP

By: 

Stephanie Sweitzer
Sarah Zenewicz
Brian D. Fahy
Attorney for Amazon Logistics, Inc., and
Amazon.com, Inc.

Dated: _____

Arabian-Lee Law Corporation

By: _____
Ellen Arabian-Lee
Attorney for On Courier 365, Inc. and Web to
Door Corp

Dated: _____

Morgan, Lewis & Bockius LLP

By: _____

Stephanie Sweitzer

Sarah Zenewicz

Brian D. Fahy

Attorney for Amazon Logistics, Inc., and
Amazon.com, Inc.

Dated: 09-21-22

Arabian-Lee Law Corporation

By: *Ellen Arabian-Lee*

Ellen Arabian-Lee

Attorney for On Courier 365, Inc. and Web to
Door Corp

EXHIBIT A

**NOTICE OF CLASS, REPRESENTATIVE, AND COLLECTIVE ACTION
SETTLEMENT**

Kendall Prater v. On Courier 365, Web to Door, and Amazon Logistics, Inc. et al.
Superior Court of the State of California – County of San Mateo, Case No. 20-CIV-02814

The Court authorized this Notice of Class, Representative, and Collective Action Settlement.
This is not a solicitation. This is not a lawsuit against you, and you are not being sued.

**PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS MAY BE
AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

1. Why Should You Read This Notice?

This Notice of Class, Representative, and Collective Action Settlement (“Notice”) explains your right to share in the monetary proceeds of this Settlement, or if you want, to exclude yourself from or object to the Settlement (if applicable). The Superior Court of the State of California, County of San Mateo has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on **xxxxxxx**, before the Honorable Raymond Swope in **xxxxxxx**. You received this Notice because the records of On Courier 365, Inc. (“ONCI”) and Web to Door Corp. (“WTD”) show that you were employed as an hourly non-exempt employee by ONCI and/or WTD between February 28, 2016 and July 12, 2022. All of these non-exempt employees that worked for ONCI or WTD during the applicable time periods are referred to collectively as “Settlement Class Members”.

2. What is this Lawsuit About?

The Second Amended Complaint asserts claims against ONCI, WTD as well as Amazon Logistics, Inc., and Amazon.com, Inc. (“Amazon”) (collectively, “Defendants”), and alleges the following claims on behalf of the California Class Action Members: (1) failure to pay regular pay/minimum wages; (2) failure to pay overtime premium pay (including, but not limited to, the failure to properly calculate the regular rate of pay); (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to reimburse for necessary business expenditures; (6) failure to provide accurate itemized wage statements and failure to maintain records; (7) failure to timely pay wages; (8) failure to provide a copy of signed documents; (9) retaliation; (10) failure to maintain accurate records; (11) failure to provide paid sick days/written notice; and (12) unlawful and deceptive practices in violation of California’s Unfair Competition Law.

The Second Amended Complaint also alleges on behalf of the PAGA Settlement Group Members that the Defendants are liable for civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor sections 2698 *et seq.* (“PAGA”).

The Second Amended Complaint additionally alleges that both the California Class Action Members and Utah Collective Action Members are entitled to wages and liquidated damages pursuant to the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* (“FLSA”).

Defendants deny all of the claims in the Consolidated Complaint, and deny any and all liability or wrongdoing with respect to the allegations made in the Consolidated Complaint. Defendants additionally contend that, for any purpose other than this Settlement, none of the claims in the Consolidated Complaint are appropriate for class, collective action, and/or representative treatment. Amazon further specifically denies that it was an employer or joint employer of any Settlement Class Member, each of whom was employed by ONCI or WTD. However, Defendants have agreed to the Settlement to avoid continued litigation.

3. What Are the Terms of the Settlement?

Under the terms of the Settlement Agreement, Defendants have agreed to pay a maximum of Four Million Five Hundred Thousand Dollars (\$4,500,000.00) to settle all claims (“Gross Settlement Amount”).

Deductions from the Gross Settlement Amount shall be made for: (1) attorneys’ fees and costs for Class Counsel (see Section 9 below); (2) service awards in the amount of \$10,000.00 each to Plaintiffs Kendall Prater, Tyler Karli, Stephen Russel, Sabrina Dennis, Carol Martinez, and Nathan Bredenburg for their service to the Settlement Class Members and broader release of claims in favor of Defendants; (3) PAGA Payment in the amount of \$100,000.00, 75% of which shall be paid to the Labor & Workforce Development Agency (“LWDA”) and 25% of which shall be paid to the PAGA Settlement Group Members; and (4) settlement administration costs. After deductions of these amounts, what remains (“Net Settlement Amount”) shall be divided into Individual Settlement Payments to the Settlement Class Members calculated under the formula provided in Section 4 below. Under the terms of the Settlement Agreement, you do not need to do anything to receive a monetary settlement award, and check(s) will be sent to you if the Court grants final approval of the Settlement and you do not file a valid and timely Request for Exclusion.

4. How Much Can I Expect to Receive if the Settlement is Approved?

If you do not file a valid and timely Request for Exclusion (per Section 6 below), your Individual Settlement Payment shall be calculated based on the records submitted by ONCI and WTD, as follows:

The Settlement Administrator will allocate the amount of \$50.00 to each Settlement Class Member who does not file a valid and timely Request for Exclusion, so that each such individual is sent a settlement payment of at least \$50.00.

In addition to the \$50.00, the Settlement Administrator will compute the total number of Eligible Workweeks for each Settlement Class Member who does not file a valid and timely Request for Exclusion, where each California Eligible Workweek will be equal to six (6) settlement shares and each Utah Eligible Workweek will be equal to one (1) settlement share to reflect the higher potential value of the claims of ONCI and WTD’s California delivery

drivers relative to the claims of ONCI and WTD's Utah delivery drivers. The Settlement Administrator will then divide the Net Settlement Amount by the sum of all settlement shares to determine the value of each settlement share ("Settlement Share Value") and multiply each applicable Settlement Class Member's individual settlement shares by the Settlement Share Value to determine that individual's California or Utah Individual Settlement Payment.

Individual PAGA Payments will be paid from the total PAGA Payment and will be an equal payment to all PAGA Settlement Group Members calculated as follows: 25% of the PAGA Payment (*i.e.*, \$25,000.00) divided by the number of PAGA Settlement Group Members.

Your total estimated Individual Settlement Payment will be based on <<SettlementShares>> number of settlement shares, as shown in ONCI and WTD's records, in addition to the Individual PAGA Payment of \$<<PAGAAmt>> if you are a PAGA Settlement Group Member. If you have questions about the number of Eligible Workweeks of your Individual Settlement Payment, you may contact the Settlement Administrator at the contact information below and must submit any disputes by the Response Deadline of xxxxxxxx.

Twenty-five percent (25%) of the California Individual Settlement Payments, and fifty percent (50%) of the Utah Individual Settlement Payments shall be deemed payment for settlement of claims for wages and expenses, and will be subject to appropriate deductions and withholdings calculated and made by the Settlement Administrator. Seventy-five percent (75%) of the California Individual Settlement Payments, and fifty percent (50%) of the Utah Individual Settlement Payments, shall be deemed payment for settlement of non-wage claims (*i.e.*, for penalties, liquidated damages, and interest under California law and the FLSA) and not subject to withholdings. One hundred percent (100%) of the Individual PAGA Payments shall be deemed payment for settlement of claims for penalties and not subject to withholdings. Defendants will pay the employer payroll taxes separately from the Individual Settlement Payments. Neither the Settlement Administrator nor the Plaintiffs or Defendants or their counsel can provide you with any tax advice. You should contact your accountant or tax-related advisors for any questions about taxes you may owe on these amounts.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Individual Settlement Payment. If you fail to keep your address current, you may not receive your Individual Settlement Payment.

5. What are the Releases?

If the Court grants final approval of the Settlement, this lawsuit, as pleaded in the Second Amended Complaint, will be dismissed with prejudice against Defendants, and all Settlement Class Members will release Defendants and all Releasees (as defined in the Settlement Agreement) from any and all claims and/or causes of action that were or could have been pled based on the allegations of the original, amended and/or Complaints and/or LWDA notices in this action, including, but not limited to, any claim for the alleged violations discussed in Section 2 above, or any claim for other compensation or relief arising under California and/or Utah wage and hour laws and PAGA civil penalties beginning from the longest applicable statute of limitations period through July 12, 2022.

However, with the exception of the named Plaintiffs, only Settlement Class Members who cash or deposit their Individual Settlement Payment check will release their FLSA and (if applicable) Utah law claims against Defendants for the applicable time period.

The full text of the Releases is contained in the Settlement Agreement and may be obtained from XXXXXXXXXX.

6. What Are My Rights?

- **Do Nothing:**

If you do nothing and the Court grants final approval of the Settlement, you will receive an Individual Settlement Payment. You will release your FLSA claims and (if applicable) your claims under Utah law if you cash or deposit your Individual Settlement Payment. You will also release your claims under California law (if applicable) as provided for in Section 5 above, regardless of whether you receive, cash and/or deposit your Individual Settlement Payment.

- **Opt-Out: *(For California Class Action Members Only)***

If you do not wish to be bound by the Settlement, you must submit a written exclusion from the Settlement (“Request for Exclusion”) by mail to the Settlement Administrator, postmarked by the Response Deadline of XXXXXXXXXX, where the postmark date shall be the exclusive means for determining whether a Request for Exclusion is timely mailed. The Request for Exclusion must contain your full name, present mailing address, telephone number, email address (if applicable), last four digits of your social security number, and a statement expressing that you elect to be excluded from the Settlement, and must be signed individually by you. No Request for Exclusion may be made on behalf of a group.

Any person who submits a valid and timely Request for Exclusion (*i.e.*, opts out of the Settlement) will not be entitled to any settlement payment and will not be bound by the Settlement Agreement or have any right to object, appeal or comment thereon.

EXCEPT that a Settlement Class Member who submits a valid and timely Request for Exclusion (opts out) will still be bound by the terms of the PAGA Release if they are a PAGA Settlement Group Member, regardless of whether they receive, cash, and/or deposit any Individual Settlement Payment check.

- **Object: (For California Class Action Members Only)**

If you wish to object to the Settlement, you may do so in person at the Final Approval Hearing and/or in writing. Objections, whether written or in person, shall only be considered if the Settlement Class Member has not submitted a Request for Exclusion (*i.e.*, has not opted out of the Settlement). Any written objection must be signed by you and must state your full name and present mailing address as well as your telephone number and email address (if applicable), the factual and legal grounds for your objection, and whether you intend to appear at the Final Approval Hearing. Any written objection must be mailed to the Settlement Administrator and postmarked by the Response Deadline of **xxxxxxx**, where the postmark date shall be the exclusive means for determining whether a written objection is timely mailed.

Regardless of whether you submit a written objection, you may also appear at the Final Approval Hearing to discuss your objection with the Court, the Plaintiffs, and the Defendants. However, if an attorney will represent you in objecting to this Settlement, you must either timely file a written objection or your attorney must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendants (addresses below) with this notice no later than the Response Deadline of **xxxxxxx**.

Sarah Zenewicz
MORGAN, LEWIS & BOCKIUS LLP
One Market, Spear Street Tower
San Francisco, CA 94105
Tel: (415) 442-1790
sarah.zenewicz@morganlewis.com

Brian D. Fahy
MORGAN, LEWIS & BOCKIUS LLP
300 South Grand Ave., 22nd Floor
Los Angeles, CA 90071-3132
Tel: (213) 612-2500
brian.fahy@morganlewis.com

Stephanie L. Sweitzer
Elizabeth Johnson
MORGAN, LEWIS & BOCKIUS LLP
110 North Wacker Drive, Suite 2800
Chicago, IL 60606-1511
Tel: (312) 324-1000
stephanie.sweitzer@morganlewis.com

Ellen Arabian-Lee
ARABIAN-LEE LAW CORP.
2999 Douglass Blvd., Suite 180
Roseville, CA 95661
Tel: (916) 242-8662
ellen@arabian-leelaw.com

If you fail to submit a valid and timely written objection and also fail to present an objection in person at the Final Approval Hearing, you shall be deemed to have waived any objection and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement.

7. Can Defendants Retaliate Against Me for Participating in this Settlement?

No. It is unlawful for Defendants to take any adverse action against you as a result of your participation (or non-participation) in this Settlement.

8. Who Are the Attorneys Representing Plaintiffs and the Settlement Class?

Plaintiffs and the Settlement Class Members are represented by the following attorneys (collectively, “Class Counsel”):

David D. Bibiyan
Joshua Shirian
BIBIYAN LAW GROUP, P.C.
8484 Wilshire Boulevard, Suite 500
Beverly Hills, California 90211
Tel: (310) 438-5555
david@tomorrowlaw.com
josh@tomorrowlaw.com

Sarah R. Schalman-Bergen
Krysten Connon
LICHTEN & LISS-RIORDAN, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
Tel: (267) 256-9973
ssb@llrlaw.com
kconnon@llrlaw.com

Alexandra Piazza
Michaela Wallin
BERGER MONTAGUE PC
1818 Market St., Suite 3600
Philadelphia, PA 19103
Tel: (215) 875-3033
apiazza@bm.net
mwallin@bm.net

Ryan Allen Hancock
WILLIG, WILLIAMS, & DAVIDSON
1845 Walnut Street 24th Floor
Philadelphia, PA 19103
Tel. (215) 656-3679
rhancock@wwdlaw.com

Douglas Han
Jason Rothman
JUSTICE LAW CORPORATION
751 N. Fair Oaks Ave, Suite 204
Pasadena, CA 91103
Tel: (818) 230-7502
dhan@justicelawcorp.com
jrothman@justicelawcorp.com

9. How Will the Attorneys for the Settlement Class Be Paid?

Class Counsel’s attorneys’ fees and costs will be paid from the Gross Settlement Amount. You do not have to pay Class Counsel. The Settlement Agreement provides that Class Counsel will receive attorneys’ fees of up to 33.33% of the Gross Settlement Amount plus their reasonable out-of-pocket costs, not to exceed \$_____. Class Counsel will file a Motion for Attorneys’ Fees and Costs with the Court. The amount of attorneys’ fees and costs awarded will be determined by the Court at the Final Approval Hearing.

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///
///

10. Who May I Contact If I Have Further Questions?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number or email address listed below or Class Counsel listed above. Please refer to the On Courier 365/Web to Door/Amazon Settlement in such communications.

XXXXXXXXXX

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is available through the Settlement Administrator and publicly accessible and on file with the Court.

PLEASE DO NOT WRITE OR TELEPHONE THE COURT, ON COURIER 365, INC., WEB TO DOOR CORP., OR AMAZON FOR INFORMATION ABOUT THIS NOTICE, THE PROPOSED SETTLEMENT, OR THIS LAWSUIT.