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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

DAVID WILLIAMS, on behalf of himself and
all others similarly situated,

Plaintiff,

v.

AMAZON.COM SERVICES LLC, a Delaware
Limited Liability Company; DOES 1 to 10,
inclusive,

Defendants.

Case Number: 3:22-cv-01892-VC

**Settlement Agreement and Release of Class
Action**

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SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION

This Settlement Agreement and Release of Class Action (“Settlement Agreement”) is made and entered into by: **(1)** Plaintiff David Williams (“Plaintiff”), individually and in his representative capacity on behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State of California; and **(2)** Defendant Amazon.com Services LLC (“Defendant” or “Amazon”). This Settlement Agreement is made for the sole purpose of attempting to consummate settlement of the action on a class-wide basis subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever, unless the Parties agree to seek reconsideration of the ruling or agree to seek Court approval of a renegotiated agreement.

1. DEFINITIONS

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

1.1. ACTION

“Action” shall mean the following civil action: *David Williams. v. Amazon.com Services LLC*, case number 3:22-cv-01892-VC, in the United States District Court, Northern District of California, and which was originally filed under the same title as case number 21CV00819 on March 18, 2021, in the Superior Court of California for the County of Santa Cruz.

1.2. ADMINISTRATIVE EXPENSES

“Administrative Expenses” shall include all costs and expenses associated with and paid to the third-party settlement administrator, which are anticipated not to exceed \$50,000.00.

1.3. CLAIMS

“Claims” shall mean the claims asserted in the Action.

1.4. CLASS ATTORNEY FEES AND EXPENSES

“Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount attributable to attorney fees and litigation expenses. The Parties agree that the fee portion of the Class Attorney Fees and Expenses shall be up to 30% of the Gross Settlement Amount (i.e., \$285,000.00), as approved by the Court, and the award of costs and expenses shall be up to an additional \$50,000.00.

1.5. CLASS COUNSEL

“Class Counsel” shall mean Craig J. Ackermann, Brian Denlinger, and Avi Kreitenberg of Ackermann & Tilajef, P.C., and Joshua Klugman of Joshua Klugman, Esq.

1.6. CLASS MEMBER

“Class Member” shall mean any person who is a prospective member of the Settlement Class, or, if such person is incompetent or deceased, the person’s legal guardian, executor, heir, or successor-in-interest.

1.7. CLASS NOTICE

“Class Notice” shall mean the Class Notice Packet, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members.

1.8. CLASS PARTICIPANTS

“Class Participants” shall mean all Class Members who do not timely request exclusion from the Class Settlement.

1.9. CLASS PERIOD

“Class Period” shall mean the period from March 15, 2020 through July 1, 2022.

1.10. CLASS REPRESENTATIVE

“Class Representative” shall mean Plaintiff David Williams.

1.11. CLASS SETTLEMENT

“Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is subject to Court approval.

1.12. COMPLAINT

“Complaint” shall mean the currently-operative complaint in the Action, Dkt. 35.

1.13. COURT

“Court” shall mean the United States District Court for the Northern District of California.

1.14. DEFENDANT

“Defendant” shall mean Defendant Amazon.com Services LLC.

1.15. DEFENSE COUNSEL

“Defense Counsel” shall mean Timothy W. Loose and Lauren M. Blas of Gibson, Dunn & Crutcher LLP.

1.16. EFFECTIVE DATE

“Effective Date” shall mean the later of: (i) if no timely objections are filed, or if filed, are withdrawn prior to final approval, the date upon which the Court enters an order granting final approval of the Settlement Agreement; or (ii) if timely objections are filed and not withdrawn, then either five (5) calendar days from the final resolution of any appeals timely filed or the expiration date of the time for filing or noticing any such appeals, provided that the Settlement is finally approved.

1.17. FINAL APPROVAL AND FAIRNESS HEARING

“Final Approval and Fairness Hearing” shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.18. GROSS SETTLEMENT AMOUNT

“Gross Settlement Amount” is the agreed upon non-reversionary settlement amount totaling \$950,000.00 to be paid by Defendant in full settlement of the Released Claims asserted in this case, inclusive of the Administrative Expenses, the Class Attorney Fees and Expenses, the Service Award, and PAGA Payment.

1.19. HEARING ON PRELIMINARY APPROVAL

“Hearing on Preliminary Approval” shall mean the hearing held on the motion for preliminary approval of the Class Settlement.

1.20. SERVICE AWARD

“Service Award” shall mean any additional monetary payment provided to the Class Representative for his efforts and risks on behalf of the Settlement Class in this Action.

1.21. INDIVIDUAL SETTLEMENT AMOUNT

“Individual Settlement Amount” shall mean the amount which is ultimately distributed to each Class Participant. The Individual Settlement Amount does not include any portion of the PAGA Payment.

1.22. NET SETTLEMENT AMOUNT

“Net Settlement Amount” shall mean the Gross Settlement Amount minus: Administrative Expenses; Class Attorney Fees and Expenses; 75% of the share of the Gross Settlement Amount allocated toward penalties pursuant to the Labor Code Private Attorney General Act of 2004 (“PAGA”), codified at Labor Code sections 2698 through 2699.6, which is payable to the California Labor and Workforce Development Agency (“LWDA”); and Plaintiff’s Service Award.

1.23. OPT OUT

“Opt Out” shall refer to the process of submitting a timely and valid request exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.24. OPT-OUTS

“Opt-Outs” shall mean all persons who timely and validly request exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.25. PAGA PAYMENT

“PAGA Payment” means the penalties pursuant to PAGA that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$30,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$22,500.00) to the LWDA and twenty-five percent (25%) (i.e., \$7,500.00) to the PAGA Settlement Class. Class Counsel shall give timely notice of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (l)(2).

1.26. PAGA PERIOD

“PAGA Period” shall mean the period from March 15, 2020 through July 1, 2022.

1.27. PAGA SETTLEMENT CLASS

“PAGA Settlement Class” shall mean Plaintiff and all other individuals who are or were employed by Defendant, based at one of Amazon’s nine California office locations (SJC3, SJC15, SFO10, SFO13, MRY11, SBP10, LAX10, SJC11, and SNA3), who worked remotely for at least one pay period during the PAGA Period, and who were assigned a registered USB security key and a Midway Pin by Amazon. The PAGA Settlement Class and Settlement Class are co-extensive.

1.28. PARTIES

“Parties” shall mean Plaintiff and Defendant.

1.29. PLAINTIFF

“Plaintiff” shall mean Plaintiff David Williams.

1.30. PRELIMINARY APPROVAL DATE

“Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Settlement Agreement.

1.31. RELEASED CLAIMS

“Released Claims” shall mean any and all claims, obligations, demands, rights, causes of action, and liabilities against Defendant, including PAGA claims, that were or could have reasonably been alleged based upon the facts pleaded in the Action and the PAGA claim notices that Plaintiff provided to the LWDA prior to commencing the Action. The Released Claims here are limited to the identical factual predicates set forth in Plaintiff’s operative Complaint.

No other claims are released other than those claims specifically pled in the Complaint or those claims that could have been asserted in the Complaint based on the facts alleged, or otherwise specifically identified herein. This Settlement Agreement will not release any person, party, or entity from claims, if any, by Class Members for workers compensation, unemployment, or disability benefits of any nature. Nor does it release any claims, actions, or causes of action which may be possessed by Class Members under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code, § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, et seq.); the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee

1 Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing
2 regulations and interpretive guidelines.

3 **1.32. RELEASED PARTIES**

4 “Released Parties” shall mean Defendant and all of its subsidiaries, affiliates, shareholders,
5 members, agents, predecessors, officers, directors, successors, and assigns.

6 **1.33. RELEASING PARTIES**

7 “Releasing Parties” shall mean every Class Participant, including the entirety of the PAGA
8 Settlement Class, and all persons purporting to act on their behalf or purporting to assert a claim under
9 or through them, including, but not limited to, their dependents, heirs, assigns, beneficiaries, devisees,
10 legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives,
11 and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect,
12 or any other type or in any other capacity.

13 **1.34. RESPONSE DEADLINE**

14 “Response Deadline” shall mean the date forty-five (45) days following the date on which the
15 Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class
16 Members may submit a request for exclusion and/or objection to Class Settlement.

17 **1.35. SETTLEMENT ADMINISTRATOR**

18 “Settlement Administrator” shall mean ILYM Group, Inc. (or other administrator agreed on
19 by the parties) which the Parties have agreed will be responsible for administration of the Class
20 Settlement and related matters.

21 **1.36. SETTLEMENT CLASS**

22 “Settlement Class” shall mean Plaintiff and all other individuals who are or were employed by
23 Defendant, based at one of Amazon’s nine California office locations (SJC3, SJC15, SFO10, SFO13,
24 MRY11, SBP10, LAX10, SJC11, and SNA3), who worked remotely for at least one pay period during
25 the Class Period, and who were assigned a registered USB security key and a Midway Pin by Amazon.
26 The Class is estimated to include 6,934 Settlement Class Members as of March 23, 2023, and the
27 Settlement Class Members collectively worked a total of approximately 136,430 months during the
28

1 Class Period. The Settlement Class includes 619 Settlement Class Members who received some kind
2 of home internet expense reimbursement from Amazon during the Class Period.

3 **2. FACTUAL AND PROCEDURAL BACKGROUND**

4 **2.1. PLAINTIFF'S CLAIMS**

5 Plaintiff, individually and in his representative capacity on behalf of the Settlement Class, and
6 as a private attorney general on behalf of the State of California, has alleged the following violations:
7 **(1)** failure to reimburse business expenses in violation of Labor Code § 2802; and **(2)** statutory penalties
8 based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698-2699.6).

9 **2.2. DISCOVERY, INVESTIGATION, RESEARCH,**
10 **AND SETTLEMENT**

11 The Parties have conducted significant formal discovery during the prosecution of the Action
12 and fully briefed and received a decision on Plaintiff's motion for class certification. Class Counsel
13 and the Class Representative have vigorously prosecuted this case, and Defendant has vigorously
14 contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative
15 merits of the claims of the Class Representative and of the defenses to them. After such discovery,
16 investigation, and prosecution, the Parties reached a settlement in principle, the terms of which are
17 elaborated in this Settlement Agreement.

18 **2.3. ALLEGATIONS OF THE CLASS**
19 **REPRESENTATIVE AND BENEFITS OF CLASS**
20 **SETTLEMENT**

21 The discovery conducted and motion practice conducted in this matter, as well as discussions
22 between counsel, have been adequate to give the Class Representative and Class Counsel a sound
23 understanding of the merits of their positions and to evaluate the value of the claims of the Settlement
24 Class. The discovery conducted and motion practiced conducted in this Action are sufficient to reliably
25 assess the merits of the Parties' respective positions and to compromise the issues on a fair and
26 equitable basis.

27 The Class Representative and Class Counsel believe that the claims, causes of action,
28 allegations, and contentions asserted in the Action have merit. However, the Class Representative and

1 Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings
2 necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel
3 has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex
4 actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential
5 difficulty of obtaining certification of the Settlement Class as well as trying the claims of the class.
6 Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims
7 alleged in the Action.

8 The Class Representative and Class Counsel believe that the settlement set forth in this
9 Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that an
10 independent review of this Settlement Agreement by the Court in the approval process will confirm
11 this conclusion. Based on their own independent investigation and evaluation, Class Counsel has
12 determined that the settlement set forth in this Settlement Agreement is in the best interests of Plaintiff
13 and the Class Members.

14 **2.4. DEFENDANT'S DENIALS OF WRONGDOING** 15 **AND LIABILITY**

16 Defendant has denied and continues to deny all allegations, claims, and contentions alleged by
17 Plaintiff in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing
18 or liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the
19 Action. Defendant contends that it complied with California and federal wage and hour laws and has
20 dealt legally and fairly with Plaintiff and the Class Members.

21 Defendant further denies that, for any purpose other than settling this Action, these claims are
22 appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further
23 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
24 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
25 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant's
26 respective businesses without further expensive litigation and the distraction and diversion of their
27 personnel with respect to matters at issue in the Action. Defendant has also taken into account the
28 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.

Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

2.5. INTENT OF THE CLASS SETTLEMENT

The Class Settlement set forth herein intends to achieve the following: (1) entry of an order approving the Class Settlement; (2) discharge of the Released Parties from liability for any and all of the Released Claims; and (3) discharge of Defendant from liability for any and all claims arising out of the Action.

3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS

For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the Parties agree to conditional class certification of the Settlement Class. Defense Counsel believes this conditional certification is appropriate because the Released Claims are being compromised without need to establish the elements of those claims on which liability turns. The certification of the Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class for trial purposes is or would be warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class treatment of any of the claims in the Action.

In the event that the Settlement Agreement is not finally approved by the Court, the Effective Date is not achieved, or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set forth herein, then certification of the Settlement Class shall be automatically vacated, shall be void *ab initio*, of no force or effect, and shall not constitute evidence or a binding determination that the requirements for certification of a class for trial purposes in this Action or in any other action which have been, are or can be, satisfied. Further, if the Effective Date is not reached, Plaintiff agrees that Plaintiff will not argue, claim, reference, or otherwise raise any preliminary approval of the Settlement Class in connection with any later proceeding before the Court.

4. APPOINTMENT OF CLASS COUNSEL

For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree to the appointment of Class Counsel as counsel for the Class and the effectuation of the Class Settlement pursuant to this Settlement Agreement.

1 **5. CONSIDERATION**

2 **5.1. SETTLEMENT AMOUNT**

3 The Parties agree to settle this Action for the Gross Settlement Amount of \$950,000.00. There
4 shall be no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross
5 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
6 consideration for the Class Settlement and will be made in full and final settlement of: the Released
7 Claims, the Class Attorney Fees and Expenses, Administrative Expenses, the Service Award, the
8 PAGA Payment (and any payments to individual PAGA Class Members resulting from the PAGA
9 Payment), and any other obligation of Defendant under this Settlement Agreement.

10 After the Court issues an order preliminarily approving this Class Settlement, the Settlement
11 Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of
12 the Class Settlement and procedures to Opt Out, object, or participate in the Class Settlement, which
13 shall identify the Class Member, the number of months worked by each Class Member (“Months”), as
14 well as the estimated amount of the Individual Settlement Amount the Class Member can expect to
15 receive once the Class Settlement becomes effective on the Effective Date based on the settlement
16 formula contained herein. Class Members shall be given the opportunity to challenge their Months
17 information.

18 **5.2. SERVICE AWARD FOR PLAINTIFF**

19 Plaintiff may petition the Court to approve an Service Award in an amount up to \$20,000.00
20 for David Williams to acknowledge his efforts on behalf of the Settlement Class in this Action,
21 including assisting in the investigation and consulting with Class Counsel and providing crucial
22 documents to Class Counsel. Defendant shall not oppose any request by Plaintiff for a Service Award
23 in such an amount. Any Service Award approved by the Court shall be paid to Plaintiff from the Gross
24 Settlement Amount and shall be in addition to any distribution to which he may otherwise be entitled
25 as a Class Participant. Any Service Award approved by the Court shall not be considered wages, and
26 the Settlement Administrator shall issue to Plaintiff an IRS Form 1099 reflecting such payment.
27 Plaintiff shall be responsible for the payment of all taxes with respect to any Service Award approved
28 by the Court and shall hold Defendant harmless from all liability with regard thereto.

5.3. PAYMENT TO CLASS PARTICIPANTS

Each Class Participant shall be eligible to receive payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount based on the pro rata number of months worked by the Class Members during the Class Period as a proportion of all months worked by all Class Members. The Parties agree that: (1) all Settlement Class Members will receive a minimum individual settlement payment of \$10; (2) as to the 619 Settlement Class Members who received some kind of home internet expense reimbursement from Defendant during the Class Period, those individuals' prior reimbursement submissions during the Class Period shall be treated as a credit, whereby they will only receive individual settlement payments from the Net Settlement Amount above the minimum settlement payment of \$10 if their Individual Settlement Amount exceeds the amount of home internet expense reimbursements they received during the Class Period by more than \$10; and (3) for purposes of pro rata allocations of individual settlement payments to the Settlement Class Members only, the months of March and April of 2020 shall be treated as triple the other months in the Class. Each Class Participant, including Plaintiff, shall be responsible for the payment of the taxes required with respect to his or her Individual Settlement Amount and shall hold Defendant harmless from any and all liability with regard thereto.

5.4. PAYMENT TO PAGA SETTLEMENT CLASS

Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$30,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$22,500.00) to the LWDA and twenty-five percent (25%) (i.e., \$7,500.00) to the PAGA Settlement Class. The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed to the PAGA Settlement Class based on the pro rata number of Months worked by each particular PAGA Settlement Class member during the PAGA Period as a proportion of all Months worked by all members of the PAGA Settlement Class.

5.5. TAX TREATMENT AND PAYMENT

For the purpose of calculating Taxes and Required Withholding for the Individual Settlement Amounts for Class Participants (including any payments to the Class Representative but exclusive of his Service Award), the Parties agree that 100% of each Individual Settlement Amount shall constitute reimbursement, penalties, and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her). The Parties understand that Plaintiff and the Class Participants who receive any payment pursuant to this Settlement Agreement shall be solely responsible for all other individual tax obligations.

With respect to the PAGA Payment and any payments made to individual members of the PAGA Settlement Class, all such payments shall be treated as payments owing for penalties and interest thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made to them.

5.6. CLASS ATTORNEY FEES AND EXPENSES

As part of the motion for final approval of the Class Settlement, Class Counsel may apply for an award of Class Attorney Fees and Expenses with the fee portion not to exceed 30% of the Gross Settlement Amount (i.e., \$285,000.00) and the award of costs and expenses up to an additional \$50,000.00. Defendant agrees to not object to any such fee, cost, or expense application in those amounts.

As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class Attorney Fees and Expenses awarded.

1 The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work
2 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
3 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
4 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
5 **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering
6 the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may
7 be based on the “catalyst theory” and/or the “common fund doctrine.”

8 **6. SETTLEMENT ADMINISTRATION**

9 **6.1. COSTS AND EXPENSES**

10 All costs and expenses due to the Settlement Administrator in connection with its
11 administration of the Class Settlement, including, but not limited to, providing the Class Notice,
12 locating Class Members, processing Opt Out requests and objections, distributing the portion of the
13 PAGA Payment payable to the LWDA, distributing the portion of the PAGA Payment payable to the
14 members of the PAGA Settlement Class, and calculating, administering and distributing Individual
15 Settlement Amounts to the Class Participants and related tax forms, shall be paid from the Gross
16 Settlement Amount, and is not expected to exceed \$50,000.00.

17 **6.2. PAYMENT BY DEFENDANT**

18 Defendant shall deposit the Gross Settlement Amount in a lump sum payment to the Settlement
19 Administrator within sixty (60) days of the Effective Date. In no event shall Defendant be obligated to
20 pay or deposit with the Settlement Administrator more than \$950,000.00, except where the Escalator
21 Provision is triggered.

22 **7. CLASS ACTION FAIRNESS ACT OF 2005 (“CAFA”) NOTICE**

23 The notice requirements in 28 U.S.C. § 1715 are implicated by this settlement. Within ten (10)
24 calendar days after Plaintiffs file their motion for Preliminary Approval of this proposed Settlement
25 Agreement, Defendant will serve the appropriate state and federal officials with such notice in
26 compliance with 28 U.S.C. § 1715. The Final Approval Hearing will not be noticed for a date any
27 earlier than one-hundred (100) calendar days after the date on which Plaintiffs file their motion for
28 Preliminary Approval.

1 **8. NOTICE TO CLASS MEMBERS AND SETTLEMENT ADMINISTRATION**
2 **PROCESS**

3 **8.1. THE SETTLEMENT ADMINISTRATOR**

4 The Settlement Administrator will be responsible for: mailing the Class Notice Packet
5 (**Exhibit 1**) to Class Members; posting notice of entry of final order and judgment certifying the Class
6 Settlement and approving this Settlement Agreement; handling inquiries from Class Members
7 concerning the Class Notice; determining Individual Settlement Amounts; determining individual
8 payments to members of the PAGA Settlement Class; maintaining the settlement funds in an
9 appropriate interest-bearing account; preparing, administering, and distributing Individual Settlement
10 Amounts to Class Participants; preparing, administering, and distributing individual payments to
11 members of the PAGA Settlement Class; distributing the portion of the PAGA Payment payable to the
12 LWDA; issuing a final report and performing such other duties as the Parties may direct. Additionally,
13 the Settlement Administrator will handle all tax document preparation and reporting, including state
14 and federal tax forms, if any.

15 On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and
16 Defense Counsel with summary information updating them as to the number of validated and timely
17 objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and
18 Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no
19 later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel
20 with proof of mailing of the Class Notice, without listing individual Class Member names which the
21 Settlement Administrator will file with the Court at the time Class Counsel files its motion in support
22 of the Court's Final Approval and Fairness Hearing.

23 No later than seven (seven) days prior to the Final Approval and Fairness Hearing, the
24 Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a report with
25 summary information regarding: **(a)** the total amount of final Individual Settlement Amounts of each
26 Class Participant, without any identifying personal information; **(b)** the number of Class Participants
27 to receive such payments, and **(c)** the final number of Opt-Outs and objections.
28

Administrative Expenses are not anticipated to exceed \$50,000.00. Prior to the calculation and distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the total Administrative Expenses through the conclusion of their services and such actual amount will be deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement Amounts.

8.2. NOTICE TO CLASS MEMBERS

Notice shall be provided to Class Members in the following manner: Within twenty (20) days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with an updated list of Class Members and members of the PAGA Settlement Class containing names, social security numbers, dates of employment, last-known addresses, and phone numbers (the "Database"). The Database shall be marked "Confidential – Settlement Administrator's Eyes Only." Class Counsel shall not receive a copy of this list.

Within twenty-eight (28) days of the receipt of the Database, the Settlement Administrator shall determine the number of Months worked by each Class Member, populate the data for each Class Member accordingly, and send each Class Member the Class Notice Packet via first-class, United States mail. The Class Notice Packet shall also contain an easily-understood statement alerting the Class Members that, unless they elect to Opt Out of the Class Settlement, the Class Member is releasing and waiving all Released Claims against the Released Parties.

The Class Notice will inform Class Members of their estimated Individual Settlement Amount and the number of Months they worked during the Class Period. Class Members may dispute their Individual Settlement Amount by submitting information to the Settlement Administrator no later than forty-five (45) days after being mailed the Class Notice by the Settlement Administrator, which is the defined Response Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendant to resolve the dispute in good faith. If Plaintiff and Defendant cannot agree as to the proper Individual Settlement Amount, the Settlement Administrator shall make the final decision based on the information presented by the Class Member and Defendant's records.

8.3. OPT-OUT PROCEDURE

Class Members who do not timely Opt Out of the Class Settlement shall become Class Participants without having to submit a claim form or take any other action. To Opt Out of the Class Settlement, the Class Member must submit a letter to the Settlement Administrator by the Response Deadline. The Opt Out request must set forth the Class Member's name and information needed to be properly identified and to Opt Out of the settlement. The Opt Out need only contain the information needed to Opt Out of the Settlement. No Individual Settlement Amounts will be paid to Class Members who Opt Out of the Settlement. Any funds associated with Class Members who Opt Out shall remain in the Net Settlement Amount for distribution to Class Participants.

Any Opt Out request that is not postmarked by the Response Deadline will be invalid. In the event that, prior to the Response Deadline, any Class Notice mailed to a Class Member is returned as having been undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace search and seek an address correction for such Class Members, and a second Class Notice will be sent to any new or different address obtained.

It will be presumed that, if an envelope containing the Class Notice has not been returned within twenty-eight (28) days of the mailing, the Class Member received the Class Notice. At least seven (7) days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall specify the number of Class Members to whom the Class Notice was sent and the number of Class Members to whom the Class Notice was not delivered, as well as information relating to the number of Opt-Outs and objectors. Class Counsel shall file this declaration with the Court.

If the Settlement Administrator determines that an Opt Out request returned by a Class Member before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out

1 request shall be disregarded and the claim will be paid, and the Class Member will become bound by
2 the judgment.

3 A request to Opt Out of the Class Settlement shall not serve to exclude the Class Member from
4 participation in the PAGA Settlement Class. Class Members who are also members of the PAGA
5 Settlement Class shall have no right or ability to opt out of or object to the portion of this Settlement
6 Agreement releasing PAGA claims.

7 Class Participants will be bound by the Release of Released Claims set forth in the definition
8 of “Released Claims” provided in this Settlement Agreement.

9 **8.4. OBJECTION PROCEDURE**

10 The Class Notice shall inform the Class Members of their right to object to the Class
11 Settlement. Any Class Member who wishes to object to the Class Settlement must submit a written
12 objection to the Court no later than the Response Deadline. Only Class Participants may object to the
13 Settlement. The objection must state whether it applies only to the objector, to a specific subset of the
14 Class, or the entire Class, and also state with specificity the grounds for the objection. If an objector
15 also wishes to appear at the Final Approval and Fairness Hearing, in person or through an attorney,
16 they must also file a notice of intention to appear at the same time as the objection is filed. All objections
17 and notices of intention to appear will be scanned into the electronic case docket, and the Parties will
18 receive electronic notices of filings. Unless otherwise ordered by the Court, Class Participants shall not
19 be entitled to appear and or object at the Final Approval Hearing unless they have submitted a timely
20 written objection and notice of intention to appear pursuant to this subsection. Class Participants who
21 have properly and timely submitted objections may (but are not required to) appear at the Final
22 Approval Hearing, either in person or through a lawyer retained at their own expense. The requirement
23 that Class Participants submit a written objection as a prerequisite to appearing in Court to object to
24 the Settlement may be excused upon a showing of good cause. The Court will require only substantial
25 compliance with the requirements for submitting an objection.

26 **8.5. NOTICE OF FINAL JUDGMENT**

27 Within ten (10) days after the Court has held a Final and Fairness Approval Hearing and
28 entered a final order certifying the Class for settlement purposes only and approving the Class

Settlement, the Settlement Administrator will give notice of judgment to Class Members by posting a copy of said order and final judgment on its website at a web address to be included in the Class Notice.

9. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

9.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT

The claims of all Class Members are settled for the Gross Settlement Amount of \$950,000.00, which will be allocated as follows:

1. The Administrative Expenses, not to exceed \$50,000.00;
2. Class Counsel's attorney fees not to exceed \$285,000.00;
3. Class Counsel's litigation costs and expenses not to exceed \$50,000.00;
4. The Service Award, not to exceed \$20,000.00; and
5. PAGA Payment to LWDA of \$22,500.00.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall recalculate the final Net Settlement Amount based on the actual values of the amounts in each category.

9.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR CLASS PARTICIPANTS

Individual Settlement Amounts to be paid to Class Participants shall be paid from the Net Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata on a "checks cashed" basis based on the proportional number of Months worked by each Class Participant during the Class Period. Notwithstanding the foregoing, the Parties agree that: (1) all Settlement Class Members will receive a minimum individual settlement payment of \$10; (2) as to the 619 Settlement Class Members who received some kind of home internet expense reimbursement from Defendant during the Class Period, those individuals' prior reimbursement submissions during the Class Period shall be treated as a credit, whereby they will only receive individual settlement payments from the Net

1 Settlement Amount above the minimum settlement payment of \$10 if their Individual Settlement
2 Amount exceeds the amount of home internet expense reimbursements they received during the Class
3 Period by more than \$10; and (3) for purposes of pro rata allocations of individual settlement payments
4 to the Settlement Class Members only, the months of March and April of 2020 shall be treated as triple
5 the other months in the Class.

6 Defendant will provide the Settlement Administrator with any information reasonably
7 necessary to perform the calculation of number of Months for each Class Member, and any other
8 reasonably required information the Settlement Administrator requests to perform the calculations
9 required under this Settlement Agreement. Defendant shall have no responsibility for deciding the
10 validity of the Individual Settlement Amounts or any other payments made pursuant to this Settlement
11 Agreement, shall have no involvement in or responsibility for the determination or payment of Taxes
12 and Required Withholding, and shall have no liability for any errors made with respect to such Taxes
13 and Required Withholding. Plaintiff and Class Participants represent and understand that they shall be
14 solely responsible for any and all tax obligation associated with their respective Individual Settlement
15 Amounts and Service Award.

16 **9.3. CALCULATION OF THE PAYMENTS FOR**
17 **INDIVIDUAL MEMBERS OF THE PAGA**
18 **SETTLEMENT CLASS**

19 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
20 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
21 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
22 is \$30,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section
23 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$22,500.00) to the LWDA
24 and twenty-five percent (25%) (i.e., \$7,500.00) to the PAGA Settlement Class.

25 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed
26 to the PAGA Settlement Class based on the pro rata number of pay periods worked by each particular
27 PAGA Settlement Class member during the PAGA Period as a proportion of all pay periods worked
28 by all PAGA Settlement Class members during the PAGA Period. Each member of the PAGA

1 Settlement Class, including Plaintiff, shall be responsible for the payment of the Taxes and Required
2 Withholding with respect to their share of the PAGA Payment and shall hold Defendant harmless from
3 any and all liability with regard thereto.

4 Defendant will provide the Settlement Administrator with any information reasonably
5 necessary to perform the calculation of number of pay periods worked for each PAGA Settlement Class
6 member, and any other reasonably required information the Settlement Administrator requests to
7 perform the calculations required under this Settlement Agreement. Defendant shall have no
8 responsibility for deciding the validity of the individual payment amounts allocated to each member of
9 the PAGA Settlement Class or any other payments made pursuant to this Settlement Agreement, shall
10 have no involvement in or responsibility for the determination or payment of Taxes and Required
11 Withholding, and shall have no liability for any errors made with respect to such Taxes and Required
12 Withholding.

13 The members of the PAGA Settlement Class shall be solely responsible for any and all tax
14 obligation associated with their respective shares of the PAGA Payment.

15 **9.4. TIME FOR PAYMENT OF ATTORNEY FEES**
16 **AND EXPENSES**

17 The Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses
18 approved by the Court to Class Counsel no later than thirty-five (35) days after the Effective Date.

19 **9.5. TIME FOR PAYMENT OF SERVICE AWARD**

20 The Settlement Administrator shall distribute to Plaintiff the Service Award approved by the
21 Court no later than thirty-five (35) days after the Effective Date.

22 **9.6. TIME FOR PAYMENT OF PAGA PAYMENT TO**
23 **THE LWDA**

24 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment
25 due to it and approved by the Court no later than thirty-five (35) days after the Effective Date.
26
27
28

**9.7. TIME FOR PAYMENT OF INDIVIDUAL
SETTLEMENT AMOUNTS**

The Settlement Administrator shall make every effort to mail the Individual Settlement Amount to each Class Participant, by first-class United States mail, to their last-known address no later than twenty (20) days after the Effective Date. If the Settlement Administrator is not able to do so within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which the Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until all Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for.

Within one hundred twenty (120) days of mailing the Individual Settlement Amounts to Class Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of payment. In the event that any Class Participant is deceased, payment shall be made payable to the estate of that Class Participant and delivered to the executor or administrator of that estate, unless the Settlement Administrator has received an affidavit or declaration pursuant to California Probate Code section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

9.8. NON-CASHED SETTLEMENT CHECKS

Any funds associated with checks that have not been cashed within one hundred twenty (120) days, will become void and the Individual Settlement Amounts associated with the uncashed checks will be redistributed pro-rata to Settlement Class Members who cashed their settlement check.

**9.9. DISPUTES REGARDING CLASS PARTICIPANT
MONTHS DATA OR PAYMENT OF INDIVIDUAL
SETTLEMENT SHARES**

Class Participant Months and the corresponding Individual Settlement Amount shall be calculated using the pay records of Defendant, which presumptively shall be deemed to be full, complete, and accurate for purposes of this Settlement Agreement. To overcome that presumption, any Class Participant objecting to the accuracy of the number of Months or amount of the Individual

1 Settlement Amount must submit documentary evidence to the Settlement Administrator. Each Class
2 Participant may dispute the number of Months, or their estimated Individual Settlement Amount
3 contained on their Class Notice (“Months Dispute”). Any such Months Dispute must be mailed or faxed
4 to the Settlement Administrator by the Class Participant, postmarked or fax-stamped on or before the
5 Response Deadline. The Settlement Administrator shall immediately provide copies of all disputes to
6 counsel for Defendant, shall inform Class Counsel of the dispute without disclosing the identity of the
7 Class Participant making the dispute, and shall immediately attempt to resolve all such disputes directly
8 with relevant Class Participants with the assistance of Defendant, Defense Counsel, and Class Counsel.
9 If the dispute cannot be resolved, it shall be submitted to the Settlement Administrator for its final, non-
10 appealable decision. Settlement Class Member disputes to Individual Settlement Amounts that are
11 submitted within twenty-one (21) days prior to the Final Approval hearing will be resolved prior to that
12 hearing. Any disputes not submitted by this deadline shall be deemed waived.

13 **9.10. POST-DISTRIBUTION ACCOUNTING**

14 Within twenty-one (21) days after the distribution of any remaining funds to Settlement Class
15 Members who cashed their Individual Settlement Amount checks, Plaintiff will file a Post-Distribution
16 Accounting. The Post-Distribution Accounting will set forth the total settlement fund, the total number
17 of Settlement Class Members, the total number of Settlement Class Members to whom notice was sent
18 and not returned as undeliverable, the number and percentage of opt-outs, the number and percentage
19 of objections, the date on which distribution was made, the average and median recovery per claimant,
20 the largest and smallest amounts paid to class members, the method(s) of notice and the method(s) of
21 payment to class members, the number and value of checks cashed, the number and value of checks
22 not cashed, the administrative costs, the attorneys’ fees and costs, the attorneys’ fees in terms of
23 percentage of the settlement fund, and the multiplier, if any.

24 **10. NULLIFICATION OF THIS SETTLEMENT AGREEMENT**

25 **10.1. NON-APPROVAL OF THIS SETTLEMENT** 26 **AGREEMENT**

27 The Class Settlement and conditional class certification shall be considered null and void, and
28 neither the Class Settlement, conditional class certification, nor any of the related negotiations or

proceedings, shall be of any force or effect, and all Parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class Settlement had been neither entered into nor filed with the Court, if any of the following occur: **(a)** the Court should for any reason fail to approve this Settlement Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to enter a judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment is reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

10.2. PARTIES' RIGHTS TO VOID CLASS

SETTLEMENT; ESCALATOR PROVISION

If 5% or more members of the Settlement Class timely submit Opt Out requests, Defendant shall have the right (but not the obligation) to void this Settlement Agreement and Defendant shall pay any administrative costs incurred by the Settlement Administrator.

This Settlement was entered into based on Defendant's representation that there were 6,934 Settlement Class Members as of March 23, 2023, and 136,430 total months worked by the Class Members. If the total number of Settlement Class Members or total months worked increases by more than 10% as of the earlier of June 15, 2023 or preliminary approval, then Plaintiff has the option to withdraw from the Settlement unless Defendant agrees to proportionally increase the Gross Settlement Amount for any Settlement Class Members on a pro rata basis above the 10% threshold. For example, if the total number of Settlement Class Members or total months worked increased by 14%, the Gross Settlement Amount would increase by 4%.

10.3. INVALIDATION

Invalidation of any material portion of this Settlement Agreement shall invalidate the Class Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions of the Class Settlement are to remain in full force and effect.

10.4. STAY ON APPEAL

In the event of a timely appeal from the approval of the Class Settlement and judgment, the judgment shall be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount

1 or take any other actions required by this Settlement Agreement until all appeal rights have been
2 exhausted by operation of law.

3 **11. MOTIONS FOR COURT APPROVAL**

4 **11.1. PRELIMINARY APPROVAL**

5 On June 8, 2023, Class Counsel will submit this Settlement Agreement to the Court along with
6 a Motion for Preliminary Approval of the Class Settlement. Class Counsel shall provide a draft of the
7 Motion for Preliminary Approval to Defense Counsel at least five (5) business days prior to submission.
8 Each party shall cooperate to present the Class Settlement to the Court for preliminary approval in a
9 timely fashion.

10 **11.2. FINAL APPROVAL**

11 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
12 and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the
13 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
14 reasonable, and adequate to the Class Participants within the meaning of Federal Rule of Civil
15 Procedure 23(e)(2), and for the entry of a final judgment of the Action consistent with the terms of the
16 Class Settlement. Class Counsel and Defense Counsel shall submit to the Court such pleadings and/or
17 evidence as may be required for the Court's determination.

18 **12. RELEASES AND WAIVERS**

19 **12.1. RELEASE OF CLAIMS BY SETTLEMENT**

20 **CLASS**

21 Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released
22 Parties, and each of them, of and from any and all Released Claims arising during the Class Period. It
23 is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise,
24 and discharge the Released Claims. Each of the Releasing Parties, including each Class Participant,
25 will be bound by the release of Released Claims as a result of the Class Settlement and to the terms of
26 the final judgment and the satisfaction of such judgment. PAGA Settlement Class Members—
27 regardless of whether they submit a Request for Exclusion—will be bound by a release of the PAGA
28 claims that are part of this Action.

1 Class Participants will be deemed to have acknowledged and agreed that their claims for
2 reimbursement, interest and/or penalties in the Action are disputed, and that their Individual Settlement
3 Amount constitutes payment of all sums allegedly due to them.

4 **12.2. RELEASE OF CLAIMS BY PLAINTIFF**

5 Plaintiff, on behalf of himself and his dependents, heirs and assigns, beneficiaries, devisees,
6 legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives,
7 and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect,
8 or any other type or in any other capacity, shall and does hereby forever release, discharge and agree
9 to hold harmless the Released Parties from any and all claims, demands, obligations, actions, causes of
10 action, liabilities, and losses of every kind and nature whatsoever from any and all liability for claims
11 known or unknown arising prior to the date of execution of this Settlement Agreement and arising from
12 or related to work or relationship with Defendant. This release includes, without limiting the generality
13 of the foregoing: any and all claims, demands, causes of action, obligations, charges, liabilities,
14 damages, penalties, attorneys' fees, and costs relating to, arising out of, Plaintiff's work with
15 Defendant, including any claims of violation of public policy; all claims based on tort and/or breach
16 of contract, including interference with contract, whether written or oral, express or implied, and any
17 covenant of good faith and fair dealing; all claims for unpaid wages or other benefits, including
18 minimum wage and overtime and any associated premium pay and/or penalties; all claims for rest
19 and/or meal period violations, including associated premium pay and/or penalties; all claims for
20 emotional distress; all claims for equitable relief; all claims for unfair or unlawful business acts and/or
21 practices; any and all claims which were or could have been asserted in the Lawsuit; and all other
22 losses, liabilities, claims, charges, demands, causes of action, known or unknown, suspected or
23 unsuspected, arising directly or indirectly out of or in any way connection with the Action, Plaintiff's
24 relationship or work with Defendant or the Released Parties, and/or these transactions, or occurrences,
25 including any alleged violation of any federal, state, or other governmental statute, regulation, or
26 ordinance, including, without limitation: The Civil Rights Act of 1866, 1964, and 1991, as amended;
27 42 U.S.C. section 1981; The California Fair Employment and Housing Act; Section 503 of the
28 Rehabilitation Act of 1973; The Fair Labor Standards Act (including the Equal Pay Act); The

1 California and United States Constitutions; The California Labor Code; The California Business and
 2 Professions Code; The Employment Retirement Security Act, as amended; The California Family
 3 Rights Act; The Americans with Disabilities Act; The Family Medical Leave Act; The California Labor
 4 Code Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq.; The
 5 California Government Act; The California Wage Orders; The California Occupational Safety and
 6 Health Act, or Federal equivalent; The National Labor Relations Act; The Worker Adjustment and
 7 Retraining Notification Act; The Age Discrimination in Work Act of 1967, as amended; The Older
 8 Workers' Benefits Protection Act; and The Families First Coronavirus Response Act.

9 Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of
 10 California Civil Code section 1542, which provides as follows:

11 “A general release does not extend to claims that the creditor or releasing party does not
 12 know or suspect to exist in his or her favor at the time of executing the release and that,
 13 if known by him or her, would have materially affected his or her settlement with the
 14 debtor or released party.”

15
 16 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and
 17 relinquishes all rights and benefits he may have under section 1542 as well as any other statutes or
 18 common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or
 19 different from those which he now knows or believes to be true with respect to the subject matter of all
 20 the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall and hereby does
 21 fully, finally, and forever settle and release any and all claims against the Released Parties, known or
 22 unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have
 23 been asserted upon any theory of law or equity without regard to the subsequent discovery of existence
 24 of such different or additional facts.

25 **12.3. CIRCULAR 230 DISCLAIMER**

26 Each party to this Settlement Agreement (for purposes of this section, the “Acknowledging
 27 Party”; and each party to this Agreement other than the Acknowledging Party, an “Other Party”)
 28 acknowledges and agrees that **(1)** no provision of this Settlement Agreement, and no written

1 communication or disclosure between or among the parties or their attorneys and other advisers, is or
2 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
3 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
4 C.F.R. Part 10); **(2)** the Acknowledging Party **(a)** has relied exclusively upon his, her or its own
5 independent legal and tax advisers for advice (including tax advice) in connection with this Settlement
6 Agreement, **(b)** has not entered into this Settlement Agreement based upon the recommendation of any
7 other party or any attorney or advisor to any other party, and **(c)** is not entitled to rely upon any
8 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that
9 may be imposed on the Acknowledging Party; and **(3)** no attorney or adviser to any other party has
10 imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies
11 (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party
12 of the tax treatment or tax structure of any transaction, including any transaction contemplated by this
13 Settlement Agreement.

14 **13. DUTIES OF THE PARTIES**

15 **13.1. MUTUAL FULL COOPERATION**

16 The Parties agree to cooperate fully with one another to accomplish and implement the terms
17 of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such
18 other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms
19 of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
20 by this Settlement Agreement and any other efforts that may become necessary by court order or
21 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
22 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and
23 Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of
24 this Settlement Agreement.

1 **13.2. DUTY TO SUPPORT AND DEFEND THE CLASS**
2 **SETTLEMENT**

3 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and
4 to support the Class Settlement fully and to use their best efforts to defend this Class Settlement from
5 any legal challenge, whether by appeal or collateral attack.

6 **13.3. DUTIES PRIOR TO COURT APPROVAL**

7 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary
8 approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly
9 upon execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
10 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
11 should be preliminarily approved as fair, reasonable, and adequate as to the Class Members, approving
12 as to form and content the proposed Class Notice Packet attached hereto as **Exhibit 1**, and directing
13 the mailing of the Class Notice to Class Members. While Defendant can reserve its right to object to
14 facts or assertions made in the moving papers, Defense Counsel shall file a notice of non-opposition to
15 the granting of the motion for preliminary approval or Class Counsel shall note that the motion is
16 unopposed.

17 **14. MISCELLANEOUS PROVISIONS**

18 **14.1. VOIDING THIS SETTLEMENT AGREEMENT**

19 Pending Court approval and other than as provided herein, if any of the conditions set forth in
20 this Settlement Agreement are not met and satisfied, this Settlement Agreement shall, at the option of
21 either Plaintiff or Defendant, be ineffective, void, and of no further force and effect, and shall not be
22 used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum.
23 If either Party decides to void the Settlement Agreement, then the Settlement Agreement and
24 conditional class certification shall be considered void, and neither the Settlement Agreement,
25 conditional class certification, nor any of the related negotiations or proceedings, shall be of any force
26 or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement
27 Agreement had been neither entered into nor filed with the Court. Should any Party choose to void the
28

1 Class Settlement under this subsection, such Party shall be responsible for all Settlement Administrator
2 fees and costs actually incurred.

3 **14.2. DIFFERENT FACTS**

4 The Parties acknowledge that, except for matters expressly represented herein, the facts in
5 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
6 to be different from the facts now known by each party and/or its counsel, or believed by such Party or
7 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
8 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
9 and binding despite such difference.

10 **14.3. NO PRIOR ASSIGNMENTS**

11 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
12 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
13 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
14 except as set forth herein.

15 **14.4. NON-ADMISSION**

16 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by
17 any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other
18 person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
19 toward each other or any other person. Each of the Parties has entered into this Settlement Agreement
20 with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
21 and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or
22 liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any
23 admission by Defendant regarding the merits of the Claims in this Action, including but not limited to
24 claims for unpaid wages or violations under California or federal law. Nothing herein shall constitute
25 an admission by Defendant that the Action was properly brought as a class or representative action
26 other than for settlement purposes. To the contrary, Defendant has denied and continues to deny each
27 and every material factual allegation and all Claims. To this end, the Class Settlement of the Action,
28 the negotiation and execution of this Settlement Agreement, and all acts performed or documents

1 executed pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not,
2 shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or
3 liability on the part of Defendant or of the truth of any of the factual allegations in the Complaint in the
4 Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of
5 any fault or omission on the part of Defendant in any civil, criminal, or administrative proceeding in
6 any court, administrative agency, or other tribunal.

7 **14.5. NON-EVIDENTIARY USE**

8 Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation
9 or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any
10 individual who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their
11 respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement
12 Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendant and
13 the Released Parties to prove or defend against any claim released herein by any Class Member in any
14 judicial, quasi-judicial, administrative, or governmental proceeding.

15 **14.6. MEDIA OR PRESS**

16 Plaintiff and Defendant, and their respective counsel, recognize, accept, and agree that the
17 Parties to this Settlement Agreement desire that the terms of this Settlement Agreement, the fact of the
18 Class Settlement embodied in this Settlement Agreement, the disposition of the Action, the Action, and
19 all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence
20 obtained during the course of the Action, shall not be discussed with or presented to the media or press.
21 If counsel for any of the Parties receives an inquiry about the settlement from the media prior to final
22 approval of the Settlement, counsel may respond only after the motion for preliminary approval of the
23 Settlement has been filed and only by confirming the terms of the Settlement which are publicly
24 available and/or stating that "we are pleased to have brought this matter to an amicable resolution for
25 the Parties and the Class Members."

1 **14.7. FAIR, ADEQUATE, AND REASONABLE**
2 **SETTLEMENT**

3 This Settlement was reached after extensive negotiations and following substantial discovery
4 and motion practice, including a motion for class certification. The Parties believe and agree that this
5 Settlement is a fair, adequate, and reasonable resolution of the Action and have arrived at this
6 Settlement through arm's-length negotiations, taking into account all relevant factors, present and
7 potential, and will so represent it to the Court.

8 **14.8. NON-RETALIATION**

9 Defendant understands and acknowledges that it has a legal obligation to not retaliate against
10 any Class Member who elects to participate in the Class Settlement or elects to Opt Out of the Class
11 Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement
12 Administrator and will not discourage Class Members who are employees, directly or indirectly, from
13 making claims, opting out, or objecting to the Class Settlement. None of the Parties, or their respective
14 attorneys or agents, shall solicit or encourage any Class Members, directly or indirectly, to Opt Out of
15 the Class Settlement.

16 **14.9. CONSTRUCTION**

17 The Parties agree that the terms and conditions of this Settlement Agreement are the result of
18 lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
19 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
20 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
21 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
22 next business day.

23 **14.10. GOVERNING LAW**

24 This Settlement Agreement is intended to and shall be governed by the laws of the State of
25 California, without regard to conflict of law principles, in all respects, including execution,
26 interpretation, performance, and enforcement.
27
28

Except for Class Member notices required to be made by the Settlement Administrator, all notices or other communications required or permitted under this Settlement Agreement shall be in writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the party appearing in this Settlement Agreement.

Section titles or captions contained herein are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision thereof.

This Settlement Agreement may not be changed, altered, or modified, except in writing signed by the Parties or their counsel and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

This Settlement Agreement contains the entire agreement between the Parties relating to the Class Settlement of the Action and the transactions contemplated thereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written, and whether by a party or such party's legal counsel, are hereby superseded. No rights under this Settlement Agreement may be waived except in writing as provided above.

This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class Members (excluding only persons who timely Opt Out) and their respective present and former heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

1 **14.16. CORPORATE SIGNATORIES**

2 Any person executing this Settlement Agreement or any such related document on behalf of a
3 corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all
4 Parties hereto, that such person has been duly authorized by such corporation or partnership to execute
5 this Settlement Agreement or any such related document.

6 **14.17. EXECUTION IN COUNTERPARTS**

7 This Settlement Agreement shall become effective upon its execution by all of the
8 undersigned. The Parties may execute this Settlement Agreement in counterparts, and execution of
9 counterparts shall have the same force and effect as if all Settling Parties had signed the same
10 instrument.

11 **14.18. ATTORNEY FEES, COSTS, AND**
12 **EXPENSES**

13 Except as otherwise specifically provided for herein, each party shall bear her or its own
14 attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action
15 and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

16 **14.19. ACTION TO ENFORCE AGREEMENT**

17 In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be
18 entitled to recover her or its attorney fees and costs.

19 **14.20. DISMISSAL OF THE ACTION**

20 The Action may remain pending only for purposes of consummating the settlement set forth
21 therein and shall be dismissed by Plaintiff, with prejudice, once performance under this Agreement has
22 been completed.

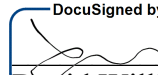
23 **15. EXECUTION**

24 The Parties and their counsel have executed this Settlement Agreement on the date below their
25 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
26 date of the latest signature.

APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVES:

Dated: 5/9/2023 | 6:09 PM PDT

DocuSigned by:

David Williams
Plaintiff and Class Representative

DEFENDANT:

Dated: _____

Amazon.com Services LLC

By: _____

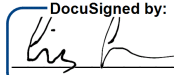
Title: _____

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

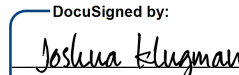
Dated: 5/6/2023 | 7:25 PM PDT

Ackermann & Tilajef, P.C.

DocuSigned by:

Craig J. Ackermann
Attorneys for Plaintiff

Dated: 5/7/2023 | 3:59 PM PDT

Joshua Klugman, Esq.

DocuSigned by:

Joshua Klugman
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVES:

Dated: _____

David Williams
Plaintiff and Class Representative

DEFENDANT:

Dated: May 10, 2023

Amazon.com Services LLC

DocuSigned by:
Zane Brown
DDF214FDD377494...
By: Zane Brown
Title: Authorized Representative

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

Dated: _____

Ackermann & Tilajef, P.C.

Craig J. Ackermann
Attorneys for Plaintiff

Dated: _____

Joshua Klugman, Esq.

Joshua Klugman
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

Dated: May 8, 2023

Gibson, Dunn & Crutcher LLP

DocuSigned by:
Lauren Blas
Timothy W. Leese
Lauren M. Blas

Attorneys for Defendant

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