

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Class Action Settlement Agreement (“Agreement”) is made by and between plaintiff Travis Thompson (“Plaintiff”), on behalf of himself and on behalf of the State of California, all similarly-situated individuals, and all allegedly aggrieved employees, and defendant SelectQuote Insurance Services (“Defendant”), subject to the approval of the Court, that the Settlement of the Action (as defined below) shall be effectuated upon and subject to the following terms and conditions to be filed for approval by the Court. Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. “Action” means the operative Second Amended Class Action and Private Attorneys’ General Act, California Labor Code § 2698 *et seq.* (“PAGA”) Complaint filed in California state court and any amendments thereto, which are captioned *Travis Thompson v. SelectQuote Insurance Services*, Case No. CVRI2200129, pending in Superior Court of the State of California, County of Riverside.
- B. “Aggrieved Employees” means all Defendant’s current and former non-exempt sales employees in California, who are represented by the Plaintiff and the State of California Labor and Workforce Development Agency (“LWDA”), who were employed at any time during the PAGA Period.
- C. “Class” means all Defendant’s current and former non-exempt sales employees in California who were employed at any time during the Class Period, excluding those former employees with enforced individual severance and release agreements covering the claims alleged in this Action, in relation to reductions in force.
- D. “Class Counsel” means Larry W. Lee of Diversity Law Group, P.C.; Law Offices of Choi & Associates, APLC; Dennis Hyun of Hyun Legal, APC; and William L. Marder of Polaris Law Group.
- E. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.
- F. “Class Data” means, for each Class Member, his or her name; last-known mailing address; Social Security number; his or her personal email address (if known); and his or her dates of employment and/or number of workweeks worked during the Class Period as a Class Member and as an Aggrieved Employee.
- G. “Class Member” is a member of the Class.

- H. “Class Notice” or “Class Notice Packet” means the Notice of Proposed Settlement of Class Action and Hearing Date to be provided to the Class Members by the Settlement Administrator in the forms set forth as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator), the Objection Form which is attached as Exhibit B and the Exclusion Form which is attached as Exhibit C.
- I. “Class Period” means the period of time from January 11, 2018 through the date on which Plaintiff files a motion for preliminary approval, unless shortened at Defendant’s option pursuant to Paragraph III.C.5, *infra*.
- J. “Class Representative Service Payment” means the service payment made to Plaintiff in his capacity as Class Representative in order to compensate him for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant’s expenses in the event Plaintiff was unsuccessful in the prosecution of the Action, and as consideration for the general release of all claims by the Plaintiff.
- K. “Court” means the Superior Court of California, County of Riverside.
- L. “Defendant” means SelectQuote Insurance Services.
- M. “Defendant’s Counsel” means Angela J. Rafoth and Emily A. Mertes of Littler Mendelson, P.C.
- N. “Effective Date” means the date by which all of the following have occurred:
1. This Agreement and the contemplated settlement receive final approval from the Court; and
 2. The Judgment becomes Final as defined in Section I.P of this Agreement.
- O. “Election Not to Participate in Settlement” means the Exclusion Form attached as Exhibit C or a letter submitted by a Class Member to exclude himself or herself from the Class Settlement submitted in accordance with the instructions in the Class Notice. Such a written request will have no effect on one’s inclusion in the PAGA Settlement.
- P. “Final” means the last of the following dates, as applicable:
1. The first business day following the last date on which a notice of appeal from the Judgment may be filed and none is filed.
 2. If Judgment is entered and a timely appeal from the Judgment is filed, the date the Judgment is affirmed and is no longer subject to appeal.
- Q. “Final Approval Hearing” means the hearing to be conducted by the Court to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.

- R. “Gross Settlement Amount” means Four Hundred Seventy-Five Thousand Dollars and No Cents (\$475,000.00) to be paid by Defendant as provided by this Agreement. This amount is an all-in amount without any reversion to Defendant or any of the Released Parties and shall be inclusive of all amounts due from Defendant under the terms of this settlement, including payments of Settlement Shares to the Participating Class Members, Settlement Administration Expenses, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the PAGA Payment contemplated in this resolution in this Agreement. This amount, however, does not include employer-side payroll taxes due on amounts paid under the Settlement, which shall be paid by Defendant separately and in addition to the Gross Settlement Amount.
- S. “Judgment” means the Final Approval Order and Judgment entered by the Court substantially in the forms attached hereto as Exhibit E to this Agreement and incorporated by reference into this Agreement.
- T. “LWDA Payment” means the 75% portion of the PAGA Payment payable to the California Labor and Workforce Development Agency (“LWDA”) as the LWDA’s share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA.
- U. “Net Settlement Amount” means the Gross Settlement Amount less the Court-approved amount for the Class Representative Service Payment, the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the LWDA Payment, and the Settlement Administration Expenses.
- V. “Non-Participating Class Member” means a Class Member who submits a valid and timely Election Not to Participate in Settlement.
- W. “PAGA Payment” means the portion of the Gross Settlement Amount, as described below in Section III.B.3., which shall be allocated 75% to the LWDA (the “LWDA Payment”) as the LWDA’s share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA and 25% to remain in the Net Settlement Amount for distribution to the Aggrieved Employees based upon their respective workweeks worked during the PAGA Period.
- X. “PAGA Period” means the period of time from January 11, 2021 through the date on which Plaintiff files a motion for preliminary approval, unless shortened at Defendant’s option pursuant to Paragraph III.C.5, *infra*.
- Y. “PAGA Share” means each Aggrieved Employee’s individual share of the 25% share of the PAGA Payment that is to remain in the Net Settlement Amount for distribution to Aggrieved Employees based on their respective workweeks worked during the PAGA Period, as provided by this Agreement, and described in Section III.B.3.
- Z. “Participating Class Member” means a Class Member who does not submit a valid and timely Election Not to Participate in Settlement.

- AA. “Preliminary Approval of the Settlement” means the Court’s Order Granting Preliminary Approval of the Settlement substantially in the form attached hereto as Exhibit D to this Agreement and incorporated by this reference herein.
- BB. “Released Parties” means Defendant SelectQuote Insurance Services; together with their officers, directors, employees and agents, including SelectQuote Auto and Home, Population Health, Inc., Express Med Pharmaceuticals, Inc., Simple Meds, LLC, Tiburon Insurance Services, and InsideResponse, LLC.¹
- CC. “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement.
- DD. “Settlement Administrator” means the administrator proposed by the Parties and appointed by the Court to administer the Settlement. The determination of the Settlement Administrator will be by a not to exceed bid and shall be agreed to by all counsel.
- EE. “Settlement Share” means each Participating Class Member’s share of the Net Settlement Amount as provided by this Agreement.

II. RECITALS

- A. On January 11, 2022, Plaintiff filed a putative class action Complaint in Riverside Superior Court (Case No. CVRI2200129) on behalf of himself and all allegedly similarly situated individuals, asserting causes of action 1) Failure to pay minimum wages and overtime wages; 2) Failure to provide required meal periods; 3) Failure to provide accurate itemized wage statements; 4) Failure to provide wages when due; and 5) Unfair competition.
- B. On January 7, 2022, Plaintiff submitted a letter to the California Labor & Workforce Development Agency (“LWDA”) initiating administrative exhaustion of his claim for civil penalties under the Private Attorneys’ General Act, California Labor Code § 2699.3 (“PAGA”) based on any and all of the Labor Code violations alleged in his class action Complaint.
- C. On June 9, 2022, Plaintiff filed a First Amended Complaint adding a cause of action for alleged PAGA violations.
- D. On or about October 11, 2022, Plaintiff submitted an amended letter to the LWDA, which included additional claims for alleged violation of Labor Code sections 226.7 and 512 for allegedly noncompliant rest periods and derivative claims for alleged violations of Labor Code sections 226 and 201-203, as well as claims for failure to reimburse necessary business expenditures pursuant to Labor Code section 2802.
- E. On or about February 10, 2023, Plaintiff filed a Second Amended Complaint, amending his PAGA claim to include the violations alleged in his October 11, 2022 amended letter to the LWDA.

¹ Certain Class Members provided services to these entities through intercompany leasing agreements while they were employed by SelectQuote Insurance Services, Inc.

- F. During the course of the litigation of the Action, the Parties engaged in informal discovery, including Defendant producing policies and other relevant documents, and payroll and time data for Plaintiff and the putative Class Members;
- G. On October 27, 2022, the Parties participated in an all-day mediation with neutral Hon. Brian C. Walsh (ret.), a respected retired judge and mediator of wage and hour class actions, and agreed to resolve the matter, which was memorialized in a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties;
- H. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiff or the Class have merit or that Defendant or any Related Entity bears any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendant reserves the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount that Defendant will pay under this Settlement is Four Hundred Seventy-Five Thousand Dollars (\$475,000). This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Settlement Shares allocated to wages. All of the Gross Settlement Amount will be disbursed pursuant to this Agreement without the need to submit a claim form and none of the Gross Settlement Amount will revert to Defendant. This amount, however, does not include employer-side payroll taxes due on amounts paid under the Settlement, which shall be paid by Defendant separately and in addition to the Gross Settlement Amount.
- B. **Payments from the Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel's Litigation Expenses, the LWDA Payment, and the Settlement Administration Expenses. The remaining amount shall be known as the "Net Settlement Amount." The Settlement Administrator will make the following payments out of the Gross Settlement Amount:
 - 1. **To Plaintiff:** In addition to the Settlement Share to be paid to Plaintiff, Plaintiff will apply to the Court for an award of not more than \$7,500 for the Class Representative Service Payment. The Settlement Administrator will pay the Class Representative Service Payment approved by the Court out of the Gross Settlement Amount. If the Court approves a Class

Representative Service Payment of less than \$7,500 for Plaintiff, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. To receive the payment, Plaintiff will agree to a 1542 waiver and a general release of all claims as set forth below. The Class Representative Service Payment is in settlement of claims for interest and for penalties allegedly due and shall not be subject to wage withholdings and shall be reported on IRS Form 1099-MISC form. Plaintiff will be solely responsible for any tax payments associated with the Class Representative Service Payment.

2. **To Class Counsel:** Class Counsel will apply to the Court for an award of not more than One-Third of the Gross Settlement Amount, which is presently \$158,333.33, as their Class Counsel Fees Payment and an amount not more than \$30,000.00 for all expenses incurred as documented in Class Counsel's billing records as their Class Counsel Litigation Expenses Payment. The Settlement Administrator will pay the amounts approved by the Court out of the Gross Settlement Amount. If the Court approves a Class Counsel Fees Payment or a Class Counsel Litigation Expenses Payment of less than these amounts, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. Payroll tax withholding and deductions, if any, will not be taken from the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment and instead one or more Forms 1099 will be issued to Class Counsel with respect to those payments.
3. **The PAGA Payment.** The Parties will seek approval from the Court for the PAGA Payment of \$50,000, which shall be allocated 75% (\$37,500) to the LWDA (the "LWDA Payment") as the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA, and taken out of the Gross Settlement Amount, and 25% (\$12,500) will remain in the Net Settlement Amount for distribution to the Aggrieved Employees based upon their respective workweeks worked during the PAGA Period ("PAGA Shares"). The portion of the PAGA Payment distributed to Aggrieved Employees shall not be subject to wage withholdings and shall be reported on IRS Form 1099. Each Aggrieved Employee will be bound by the PAGA portion of the release contemplated in this agreement and will receive their respective PAGA Share regardless of whether they exclude themselves from the class action settlement. If the Court approves a PAGA Payment of less than \$50,000, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. Class Counsel shall notify the Labor and Workforce Development Agency of this Settlement as required by statute.
4. **To the Settlement Administrator.** The Settlement Administrator will pay out of the Gross Settlement Amount to itself its reasonable fees and expenses that are documented and approved by the Court in an amount not to exceed \$10,500.00 ("Settlement Administration Expenses"). To the extent the Settlement Administration Expenses that are documented and approved by the Court are less than \$10,500.00, the remainder will be

retained in the Net Settlement Amount for distribution to Participating Class Members.

C. **Payments From the Net Settlement Amount.** The Net Settlement Amount shall include the following payments after the deductions have been made from the Gross Settlement Amount as described in Paragraph III.B. The Net Settlement Amount shall include the following:

1. **Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member. The submission of a claim form is not required to be paid.
2. **Calculation.** Settlement Shares will be determined and paid as follows:
 - a. From the Net Settlement Amount, the Settlement Administrator will calculate each Aggrieved Employee's PAGA Share and each Participating Settlement Class Member's Settlement Share based on the following:
 - i. The portion of the PAGA Payment allocated to Aggrieved Employees will be distributed to the Aggrieved Employees based upon their respective workweeks worked during the PAGA Period ("PAGA Shares"), regardless of whether they exclude themselves from the class action settlement. The PAGA Shares will be calculated based on the Aggrieved Employee's proportionate number of workweeks worked during the PAGA Period, by multiplying the portion of the PAGA Payment allocated to Aggrieved Employees by a fraction, the numerator of which is the Aggrieved Employee's total workweeks worked during the PAGA Period, and the denominator of which is the total number of workweeks worked by all Aggrieved Employees during the PAGA Period.
 - ii. The remaining Net Settlement Amount will be distributed to each Participating Settlement Class Member based on their proportionate number of workweeks worked during the Class Period, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class member's total workweeks worked during the Class Period, and the denominator of which is the total number of workweeks worked by all Participating Settlement Class members during the Class Period.
 - iii. Defendant's payroll records shall control, but Participating Class Members will have the right to challenge the number of workweeks identified for them. The Parties agree that for administrative purposes, and for purposes of allocation of the Net Settlement Amount under this paragraph only, workweeks may, but need not, be determined by determining the number of days between an employee's hire and termination dates, dividing by 7, and rounding

up to the nearest whole number. The Parties further agree that where necessary based on the records reasonably necessary, reasonable extrapolation is permitted in order to calculate a Participating Class Member's allocated workweeks. This allocation will not apply to calculating workweeks pursuant to Paragraph III.C.5.

3. **Withholding.**

- a. Subject to approval by the Court, 33.4% of each Participating Class Member's Settlement Share is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2.
- b. Subject to approval by the Court, 33.3% of each Participating Class Member's Settlement Share is in settlement of claims for interest and 33.3% of each Participating Class Member's Settlement Share is in settlement of claims for penalties allegedly due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099.

4. **Effect of Non-Participating Class Members.** Non-Participating Class Members will receive no Settlement Share, except that if a Non-Participating Class Member is an Aggrieved Employee, they shall nonetheless receive their PAGA Share, and their Election Not to Participate in Settlement will reduce neither the Gross Settlement Amount nor the Net Settlement Amount. Their respective Settlement Shares (net of any applicable PAGA Share) will remain a part of the Net Settlement Amount for distribution to Participating Class Members on a *pro rata* basis relative to their Settlement Shares.

5. **Workweek Modification.** Defendant has represented that Class Members collectively worked approximately 29,235 workweeks from January 11, 2018, through October 12, 2022, based on the available records as well as reasonable extrapolation within the relevant time period. If the final number of workweeks worked by Settlement Class Members prior to preliminary approval exceeds 32,159 (110% of the estimated number) at the time of preliminary approval, then the Gross Settlement Amount will increase proportionally for workweeks over 32,159, based on the available records as well as reasonable extrapolation within the relevant time period based on start and ends dates of those individuals for whom complete data was not reasonably available. However, if the final number of workweeks exceeds 32,159 (110% of the estimated number), Defendant, at its option, shall have the option to shorten the Class Period to reduce the number of workweeks below 32,159 and avoid application of this escalator clause. This shall be determined by Defendant prior to hearing on the motion for preliminary approval.

For example, and to illustrate the intended operation of this Paragraph, if Defendant's verified workweek total covering the Class Period through

March 31, 2023 (assuming this is the date on which Plaintiff files his motion for preliminary approval) is 33,620, Defendant would have the option to either (1) add an additional 5% to the Gross Settlement Amount; or (2) limit the end date of the Class Period to a date on which the total number of workweeks would not exceed 32,159.

- D. **Appointment of Settlement Administrator.** After obtaining a quote from mutually acceptable and qualified settlement administrators, the Parties have mutually agreed to ask the Court to appoint Phoenix Settlement Administrators as the qualified administrator, to serve as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number to receive calls from Class Members; receiving and reviewing for validity completed Elections Not to Participate in Settlement; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of completed Elections Not to Participate in Settlement; calculating Settlement Shares; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator will have the authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share, subject to the dollar limitations and calculations set forth in this Agreement. The Settlement Administration Expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Gross Settlement Amount.

The Settlement Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

E. **Procedure for Approving Settlement.**

1. **Motion for Preliminary Approval of Settlement by the Court.**

- a. After Execution of this Settlement Agreement, Plaintiff will file a Preliminary Approval Motion with the Court for an order giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice (the "Motion for Preliminary Approval"). Any disagreement among the Parties concerning the Class Notice, the proposed orders, or other documents necessary to implement the Settlement will be referred to the mediator for resolution.
- b. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the motion, and submit an Order Granting Preliminary Approval of the Settlement

substantially in the form evidenced by Exhibit D to this Agreement and incorporated by reference into this Agreement.

- c. Should the Court decline to preliminarily approve material aspects of the Settlement (including but not limited to the scope of release to be granted by Participating Class Members or the binding effect of the Settlement on Participating Class Members), the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Settlement for the Court's approval.

- 2. **Notice to Class Members.** After the Court enters an Order Granting Preliminary Approval of the Settlement, every Class Member will be sent the Class Notice Packet (which will include the Class Notice completed to reflect the Order Granting Preliminary Approval of the Settlement and showing the Class Member's Settlement Share) as follows:

- a. No later than 30 calendar days after the Court enters an Order Granting Preliminary Approval of the Settlement, Defendant will provide to the Settlement Administrator an electronic database containing each Class Member's Class Data. The Settlement Administrator shall not provide the Class Data to Class Counsel absent express authorization from Defendant. If any or all of the Class Data is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon the Class Data prior to when it must be submitted to the Settlement Administrator. This information will otherwise remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, in order to carry out the reasonable efforts described in section III.E.2.c., or pursuant to Defendant's express written authorization or by order of the Court. All Class Data will be used for settlement notification and settlement administration and shall not be used for any other purpose by Class Counsel.
- b. The Settlement Administrator shall update the Class Data using the National Change of Address database prior to mailing the Class Notice Packets. Using best efforts to mail it as soon as possible, and in no event later than 14 days after receiving the Class Data, the Settlement Administrator will mail the Class Notice Packets to all Class Members via first-class regular U.S. Mail using the mailing address information provided by Defendant, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
- c. If a Class Notice Packet is returned because of an incorrect address, the Settlement Administrator will promptly, and not longer than fourteen (14) days from receipt of the returned packet, search for a more current address for the Class Member and re-mail the Class Notice Packet to the Class Member. The Settlement Administrator will use the Class Data to find a more current address. The

Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, Court orders, and fee, as agreed to with Class Counsel and according to the following deadlines, to trace the mailing address of any Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address using available email addresses, phone numbers, social security numbers, credit reports; and promptly re-mailing to Class Members for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records and notify Class Counsel and Defendant's Counsel of the date and address of each such re-mailing as part of a weekly status report provided to the Parties.

- d. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received.
- e. Not later than 10 days before the date by which Plaintiff files the motion for final approval of the Settlement, the Settlement Administrator will provide the Parties for filing with the Court a declaration of due diligence setting forth its compliance with its obligations under this Agreement and detailing the Elections Not to Participate in Settlement it received (including the numbers of valid and deficient Elections) and objections received. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Objections to Settlement; Disputes as to Workweeks Allocated to Class Members; Elections Not to Participate in Settlement.** Participating Class Members may submit objections to the Settlement and/or objections to the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. Class Members may also submit disputes as to workweeks allocated to them and Elections Not to Participate in Settlement pursuant to the following procedures:

- a. **Objections to Settlement.** The Class Notice will provide that only Participating Class Members who wish to object to the Settlement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or the Class Representative Service Payment may object to the proposed Settlement, either in writing or orally at the Final Approval Hearing. Objections in writing must be submitted to the Settlement Administrator, postmarked not later than forty-five (45) calendar days after the Settlement Administrator mails the Class Notice Packets. Written objections must set forth the grounds for the objection(s) and comply with the instructions in the Class

Notice. The Settlement Administrator shall promptly provide Class Counsel and Defendant's Counsel with a copy of any written objections received. Alternatively, Class Members shall be entitled to be heard at the Final Approval Hearing (whether individually or through separate counsel) to orally object to the Settlement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or the Class Representative Service Payment. A Participating Class Member who does not submit an objection in the manner and by the deadline specified above and in the Class Notice will be deemed to have waived any objection and will be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Non-Participating Class Members shall have no ability to comment on or object to the Settlement, except as provided in Paragraph III.E.3.c *infra* with regard to objections made to the PAGA portion of the Settlement.

- b. **Disputes as to Workweeks.** Each Class Member shall also have forty-five (45) calendar days after the Settlement Administrator mails the Class Notice Packets in which to dispute the number of workweeks the Class Notice allocates to them during the Class Period. Any notice of dispute shall be directed to the Settlement Administrator. Any dispute as to this allocation shall be resolved by the Settlement Administrator, with input and assistance from Defendant's Counsel, where applicable.
- c. **Election Not to Participate in Settlement.** The Class Notice also will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator postmarked not later than forty-five (45) calendar days after the Settlement Administrator mails the Class Notice Packets, a signed letter or Exclusion Form attached as Exhibit C, setting forth their name and a statement that they request exclusion from the class and do not wish to participate in the settlement ("Election Not to Participate"). To be valid, an Election Not to Participate in Settlement must be timely and must comply with the instructions in the Class Notice. If a question is raised about the authenticity of a signed Election Not to Participate in Settlement, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. The Parties acknowledge and agree that for purposes of the PAGA and Judgment, all Aggrieved Employees were allegedly aggrieved in the same manner pursuant to Labor Code § 2698, *et. seq.*, in that each Aggrieved Employee allegedly suffered at least one of the alleged Labor Code violations asserted in the Second Amended Complaint for which the PAGA provides an available remedy. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969, and *Cardenas v. McLane Foodservice*,

Inc., 2011 WL 379413 at *3 (C.D. Cal. Jan. 31, 2011), individuals otherwise meeting the definition of Aggrieved Employees who exclude themselves from the Class Settlement, nonetheless shall be bound by the Judgment of the PAGA claim and will receive their PAGA Share. A Non-Participating Class Member will otherwise not participate in or be bound by the Settlement and the Judgment. Defendant will remain free to contest any claim brought by any Class Member that would have been barred by this Agreement, and nothing in this Agreement will constitute or be construed as a waiver of any defense Defendant has or could assert against such a claim. A Class Member who does not complete and mail a timely Election Not to Participate in Settlement in the manner and by the deadline specified above and in the Class Notice will automatically become a Participating Class Member and will be bound by all terms and conditions of the Settlement, including the Released Class Claims by the Class, if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement. Persons who submit an Election Not to Participate in Settlement shall not be permitted to file objections to the Settlement or appear at the Final Approval Hearing to voice any objections to the Settlement except as to the right of any Aggrieved Employee, to the extent required by law, to object to the terms of the PAGA portion of this Settlement.

All Participating Class Members who do not submit a valid and timely Election Not to Participate in Settlement will receive a Settlement Share, without the need to file a claim form, and will be bound by all of the terms of the Settlement, including without limitation, the release of the Released Class Claims by the Participating Class Members set forth in this Agreement.

- d. **Report.** Not later than ten (10) calendar days after the deadline for submission of Elections Not to Participate in Settlement, the Settlement Administration will provide Class Counsel and Defendant's Counsel with a complete and accurate list of all Participating Class Members and all Non-Participating Class Members.

- 4. **Right of Defendant to Reject Settlement.** If Plaintiff or more than five percent (5%) of the Class Members timely submit valid Elections Not to Participate in Settlement, Defendant will have the sole right, but not the obligation, to void the Settlement, in which case the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Agreement, except that Defendant will be solely responsible for all Settlement Administration Expenses incurred as of the date that Defendant exercises the right to void the Settlement pursuant to this Paragraph. Defendant must notify Class Counsel and the Court whether it is exercising its right pursuant to this

Paragraph not later than fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the number of valid Elections Not to Participate in Settlement it has received.

5. **No Solicitation.** The Parties and their counsel represent that neither the Parties nor their respective counsel have or will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, appeal from the Judgment, or elect not to participate in the Settlement. If a Class Member submits an Election Not to Participate in Settlement, Class Counsel will not solicit, represent, or otherwise encourage that Non-Participating Class Member to participate in separate litigation against Defendant. The parties agree that this clause does not, however, preclude Defendant from requiring an individual to exclude themselves from the Settlement as part of a separately negotiated individual settlement and release agreement that includes the claims covered by this Settlement.
6. **Additional Briefing and Final Approval.**
 - a. Unless otherwise ordered by the Court, Class Counsel will file with the Court their Motion for Final Approval, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment no later than 16 court days before the scheduled Final Approval Hearing.
 - b. If any opposition is filed to the motion for final approval and/or the motion for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the PAGA Payment, then not later than five (5) court days before the Final Approval Hearing, both Parties may file a reply in support of the motion for final approval, and Plaintiff and Class Counsel may also file a reply in support of their motion for the Class Representative Service Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.
 - c. If the Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), then the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Settlement for the Court's approval. However, an award by the Court of a lesser amount than that sought by Plaintiff and Class Counsel for the PAGA Payment, Class Representative Service Payment, the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment, will not constitute a material modification to the Settlement within the meaning of this Paragraph.
 - d. Upon final approval of the Settlement by the Court at or after the Final Approval Hearing, the Parties will present for the Court's approval and entry the Judgment substantially in the form attached hereto as Exhibit C. After entry of the Judgment, the Court will have

continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

7. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, Plaintiff and Participating Class Members who did not timely submit an objection to the Settlement, Defendant, and its respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, and any extraordinary writ. The Judgment therefore will become nonappealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final.
8. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion, petition, or application, the reviewing Court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), and that Court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher Court, then the Parties shall work together in good faith to address any concerns raised by the reviewing Court and propose a revised Settlement for the approval of the Court not later than fourteen days after the reviewing Court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Court's award of the Class Representative Service Payment or the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this Paragraph, provided that Defendant's obligation to make payments under this Settlement will remain limited by the Gross Settlement Amount.
9. **Timing of Settlement Funding and Provision of Settlement Shares and Other Payments.** Defendant shall fund the Gross Settlement Amount by depositing the money (including its share of employer-side payroll taxes) with the Settlement Administrator. Defendant shall fund the Gross Settlement Amount within two (2) business days of the Effective Date. Within fourteen (14) days after Defendant funds the Gross Settlement Amount, the Settlement Administrator will make payment of all Settlement Shares to Participating Class Members, as well as payment of Settlement Administration Expenses, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service

Payment, the LWDA Payment, and payroll tax payment and remittance to relevant taxing authorities, in accordance with this Agreement.

10. Uncashed Settlement Share Checks. A

Participating Class Member and/or Aggrieved Employee must cash his or her Settlement Share or individual portion of the PAGA Payment check within 180 days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the affected Participating Class Member or Aggrieved Employee at his or her correct address by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook. If a Participating Class Member or Aggrieved Employee's Settlement Share check is not cashed within 120 days after its last mailing to the Participating Class Member or Aggrieved Employee, the Settlement Administrator will also send the affected Participating Class Member or Aggrieved Employee a notice informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If the check remains uncashed by the expiration of the 60-day period after this interim notice, the Settlement Administrator will keep an accounting of such funds, including the identification of the Class Member. The Settlement Administrator will then disburse said funds to the State of California State Controller's Office, in the Class Member's name to be held as unclaimed property for the Class Member. In such event, the Class Member will nevertheless remain bound by the Settlement and the releases contained herein. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Participating Class Members and/or Aggrieved Employees, whether or not they all cash their Settlement Share and/or individual portion of the PAGA Payment checks.

- 11. Final Report by Settlement Administrator to Court.** Within ten days after final disbursement of all funds from the Gross Settlement Amount, the Settlement Administrator will provide the Parties with a declaration providing a final report on the disbursements of all funds from the Gross Settlement Amount.

F. Release of Claims.

1. **Participating Class Members.** Upon entry of final judgment and payment by Defendant of the Gross Settlement Amount (plus employer-side payroll taxes) in accordance with Paragraph III.E.9 of this Agreement, Defendant and the Released Parties shall be entitled to a release from the Participating Class Members for any and all claims that were alleged in the Action or which could have been asserted based on the factual allegations asserted in the Action. Specifically, without limitation, Settlement Class Members will release claims under Cal. Lab. Code §§ 201, 202, 203, 204, 218.5, 223, 226, 226.3, 226.7, 246, 510, 512, 516, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1400-1403, 2800, 2802, and the IWC Wage Orders, and the federal Fair Labor Standards Act, and for unlawful and/or unfair business practices under Cal. Bus. & Prof Code § 17200 *et seq*, to the extent such claims are predicated on a released claim; and any claim for attorneys' fees and costs related to the above-referenced released claims. The doctrines of res judicata, claim preclusion, issue preclusion, primary rights, and collateral estoppel shall fully and broadly apply to Released Claims and the release in this Settlement to the greatest effect and extent permitted by law.

2. **Aggrieved Employees.** Upon entry of final judgment and payment by Defendant of the Gross Settlement Amount in accordance with Paragraph III.E.9 of this Agreement, the State of California and Plaintiff hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from the claims for civil penalties that could have been sought by the Labor Commissioner for the violations of the California Private Attorneys General Act of 2004 identified in Plaintiff's letter to the LWDA and amendment thereto, and those based solely upon the facts alleged in the letter to the LWDA and amendment thereto during the PAGA Period. However, to the extent the LWDA has released the PAGA claims in connection with this Agreement, no Aggrieved Employee may pursue these same PAGA claims released here in another action. The Aggrieved Employees are collaterally estopped from pursuing the PAGA claims released and compromised by the LWDA. After the Court grants final approval of the settlement, Plaintiff will provide the LWDA with a copy of the Judgment which will include a list of the Aggrieved Employees during the PAGA Period. Plaintiff does not release any Aggrieved Employees' claim for wages and damages. This does not preclude the release of wages and damages by the Settlement Class Members as set forth in Paragraph III.F.1. The Aggrieved Employees will be issued a check for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The Aggrieved Employees are bound by the release of the PAGA Claims regardless of whether they cash or deposit their portion of the PAGA Payment or exclude themselves from the settlement in accordance with Paragraph III.E.3.c.

3. **Plaintiff.** Upon the occurrence of the Effective Date, Plaintiff generally, unconditionally, irrevocably and absolutely releases and discharges the Released Parties from any and all claims, transactions or occurrences between them that occurred during the Class Period, to the fullest extent permitted by law ("Plaintiff's Released Claims"). This release of Plaintiff's Released Claims unconditionally, irrevocably and absolutely releases and discharges the Released Parties from any claim that Plaintiff could maintain in any action against any Released Party that occurred during the Class Period. Notwithstanding the foregoing, nothing in this Settlement Agreement waives or releases any rights which as a matter of law cannot be waived and released by private agreement, including rights to sue to enforce this Agreement and rights to unemployment benefits and workers' compensation benefits and claims outside the Class Period.

Plaintiff acknowledges that he may discover facts or law different from, or in addition to the facts or law that he knows or believes to be true with respect to the claims and matters released by way of this Agreement and agrees, nonetheless, that this Agreement and the releases contained in it shall be and remain effective in all respects, notwithstanding such different or additional facts or the discovery of them. The Parties declare and represent that they intend this Agreement to be complete and not subject to any claim of mistake, and that the releases herein express full and complete releases, and that they intend that the releases herein shall be final and complete. The Parties execute this release with the full knowledge that this release of the Plaintiff's Released Claims cover all possible claims by Plaintiff against the Released Parties, to the fullest extent permitted by law. To the extent permitted by law, Plaintiff expressly waives his right to recovery of any type, including damages, penalties, or reinstatement, in any administrative or court action, whether state or federal, and whether brought by Plaintiff or on Plaintiff's behalf, related in any way to the matters released herein.

Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all of Plaintiff's Released Claims, Plaintiff expressly acknowledges that this settlement is intended to include in its effect, without limitation, all Plaintiff's Released Claims which Plaintiff does not know or suspect to exist in his favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Plaintiff's Released Claims.

Plaintiff and Defendant acknowledge that it is their mutual intent not only to resolve all matters presently in dispute between them, but also by this Agreement to forever prevent the reoccurrence of any question, dispute, or claim regarding the past employment or future consideration for employment of Plaintiff by Defendant or Released Parties.

4. **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.** As partial consideration for the Class Representative Service Payment, the Plaintiff's Released Claims shall include all such claims, whether known or unknown by the releasing party. Thus, even if Plaintiff discover facts and/or

claims in addition to or different from those that he now knows or believe to be true with respect to the subject matter of the Plaintiff's Released Claims, those claims will remain released and forever barred. Therefore, with respect to Plaintiff's Released Claims, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads:

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.

5. **Class Counsel.** As of the date the Judgment becomes Final and payment by Defendant of the Gross Settlement Amount in accordance with Paragraph III.E.9 of this Agreement, and except as otherwise provided by this Agreement and the Judgment, Class Counsel and any counsel associated with Class Counsel waive any claim to costs and attorneys' fees and expenses against the Released Parties arising from or related to the Action.

- G. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff or Participating Class Members, and Plaintiff and Participating Class Members will be deemed to have waived all such claims, whether known or unknown by them, as part of their release of claims under this Agreement.

- H. **Limitation on Public Statements About Settlement.** The Parties agree that Plaintiff and Class Counsel will not publish the fact of, or terms of, this Settlement to members of the press, including to Verdicts and Settlements. Plaintiff and Class Counsel will not publish the fact of, or terms of, this Settlement or any related information on any website, for advertising purposes and/or in publication materials generally available to the public. Further, Class Counsel and Plaintiff agree not to issue press releases or initiate any public statements regarding the Settlement, including but not limited to in the media or on the Internet, with the exception of the Class Notice. This provision shall not prohibit Class Counsel from communicating with Class Members after preliminary approval is granted for the sole purpose of administering the Settlement. This provision also does not limit Class Counsel from complying with ethical obligations, including communicating with class members. Plaintiff and Class Counsel agree not to respond to any media inquiries except to refer reporters to the papers filed with the court. The Parties may make public statements to the Court as necessary to obtain preliminary or final approval of the Settlement. The Parties and their counsel shall refrain from publicly disparaging any of the other parties or counsel, including the Released Parties, or taking any public action designed or reasonably foreseeable to cause harm to the public perception of any of the Released Parties regarding any issue related in any way to the Action or the Settlement, but nothing herein is intended to prevent any

party or their counsel, should it be required in connection with official court proceedings in other actions, from discussing the Settlement.

I. Miscellaneous Terms.

1. No Admission of Liability or Class Certification for Other Purposes.

- a. Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant or the Released Parties, or an admission by Plaintiff that any of the claims were non-meritorious or any defense asserted by Defendant was meritorious. This Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement). Nothing in this Agreement shall be construed as an admission by Defendant of any liability or wrongdoing as to Plaintiff, Class Members, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. Moreover, it is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that a class action is appropriate, and that settlement of this Action by way of a class action in no way waives Released Parties' defenses in another action with respect to an individual's waiver of rights to file a class and/or collective action. The parties have entered into this settlement with the intention of avoiding further disputes and litigation with the attendant inconvenience, expenses and risks. Nothing in this Agreement shall be construed as an admission by Plaintiff that Plaintiff's claims do not have merit or that class action is inappropriate.
- b. Whether or not the Judgment becomes Final, neither the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Plaintiff or Defendant or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.

- c. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings for the limited purpose of enforcing any or all terms of this Agreement or defending any claims released or barred by this Agreement.
2. **Confidentiality.** Except as explicitly provided for herein (see section called "Continuing Jurisdiction") the terms of this settlement will be kept confidential until they are finally memorialized in a complete settlement agreement and filed with the court for preliminary approval. Class Counsel shall do nothing to publicize this settlement or use it for marketing purposes, including on web sites and on the Internet and in any form of electronic or no-electronic press whatsoever, although this confidentiality obligation shall not be construed to interfere with Class Counsel's communications with settlement class members and will not preclude Class Counsel from referring to the settlement in any future Court filings in support of class certification and/or prevailing party attorneys' fees and/or settlement approval.
3. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
4. **Attorney Authorization.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement including any amendments to this 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 Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the mediator for resolution.
5. **No Prior Assignments:** The Parties represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged in this Settlement.
6. **No Tax Advice:** Neither Class Counsel nor Defendant's Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within

the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

7. **Modification of Agreement.** Except as set forth in Paragraph III.C.5 hereinabove this Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties' counsel.
8. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
9. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California.
10. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
11. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
12. **Use and Return of Documents and Data.** All originals, copies, and summaries of documents and data provided to Class Counsel by Defendant in connection with the mediation or other settlement negotiations in this matter may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule. Within thirty days after the Judgment becomes Final, Class Counsel will return or destroy and confirm in writing to Defendant the destruction of all such documents and data.
13. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
14. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the Class:

DIVERSITY LAW GROUP, P.C.
Larry W. Lee
515 S. Figueroa St., Suite 1250
Los Angeles, California 90071
Tel.: (213)488-6555

Fax: (213) 488-6554
Email: lwlee@diversitylaw.com

LAW OFFICES OF CHOI & ASSOCIATES
Edward W. Choi
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
Tel.: (213) 381-1515
Fax: (213) 465-4885
Email: edward.choi@choiandassociates.com

HYUN LEGAL, APC
Dennis S. Hyun
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
Tel.: (213) 488-6555
Fax: (213) 488-6554
Email: dhyun@hyunlegal.com

POLARIS LAW GROUP
William L. Marder
501 San Benito Street, Suite 200
Hollister, CA 95023
Tel.: (831) 531-4214
Fax: (831) 634-0333
Email: bill@polarislawgroup.com

To Defendant:

LITTLER MENDELSON, P.C.
ANGELA J. RAFOTH
EMILY A. MERTES
333 Bush Street, 34th Floor
San Francisco, CA 94104
Tel.: (415) 433-1940
Fax: (415) 399-8490
Email: arafoth@littler.com
emertes@littler.com

15. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign) or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

16. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from the mediation with Brian C. Walsh on October 27, 2022 until the earlier of the Effective Date or the reopening of renewed discovery.
17. **Continuing Jurisdiction.** The Parties hereby stipulate that the Court may, upon proper motion and good cause showing, enter judgment on the terms set forth herein. The Settlement shall be admissible to the Court, and not subject to the Confidentiality provision contained herein, in the event of an enforcement action. The Court shall retain continuing jurisdiction over the Action under CCP section 664.6 to ensure the continuing implementation of this Agreement and enforcement of the Settlement until performance in full of the terms of this Settlement. If any party brings an action to enforce the terms of this Agreement, the prevailing party shall be entitled to his/its reasonable attorneys' fees and costs.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

06 / 01 / 2023

Date



Plaintiff Travis Thompson

5/25/2023

Date

DocuSigned by:

 207D0299EC45474...

Defendant SelectQuote Insurance Services

5/25/2023

Date



Hyun Legal, APC
 Counsel for Plaintiff

5/25/2023

Date



Diversity Law Group
 Counsel for Plaintiff

5/25/2023

Date



Law Offices of Choi & Associates
 Counsel for Plaintiff

5/25/2023

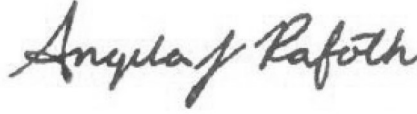
Date



Polaris Law Group
Counsel for Plaintiff

May 25, 2023

Date



Littler Mendelson, P.C.
Counsel for Defendant

EXHIBIT A

Thompson v. SelectQuote Insurance Services
SETTLEMENT ADMINISTRATOR
[INSERT SETTLEMENT ADMINISTRATOR]

IMPORTANT LEGAL MATERIALS

Barcode39 - <<SequenceNo>>

<<Name1>>

<<Name2>>

<<Name3>>

<<Name4>>

<<Address1>>

<<Address2>>

<<City>> <<State>> <<Zip10>>

<<CountryName>>

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

Thompson v. SelectQuote Insurance Services
Case No. CVRI2200129

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED
SETTLEMENT**

**YOU ARE ESTIMATED TO RECEIVE APPROXIMATELY \$<<EstimatedAward>>
THROUGH THIS CLASS ACTION SETTLEMENT.**

To: All current and former non-exempt sales employees in California who were employed by SelectQuote at any time between January 11, 2018 through [INSERT DATE OF FILING PRELIM MOTION], excluding those former employees with enforced individual severance and release agreements covering the claims alleged in this Action, in relation to reductions in force

**PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.
YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED
SETTLEMENT.**

TO RECEIVE YOUR SHARE, YOU DO NOT NEED TO DO ANYTHING.

This Notice is Court Approved. This is not a solicitation from an attorney.

1. WHY DID I GET THIS NOTICE?

You received this Notice because the court granted preliminary approval of a proposed settlement (the “Settlement”) in the class action and representative lawsuit entitled *Thompson v. SelectQuote Insurance Services* Case No. CVRI2200129 (hereinafter referred to as the “Action”) on **[INSERT DATE OF PRELIMINARY APPROVAL]**.

The Notice explains the nature of the Action, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement, see Section 15, below.

2. WHAT IS THE ACTION ABOUT?

On January 11, 2022, Plaintiff filed a putative class action Complaint against Defendant SelectQuote Insurance Services (“SelectQuote” or “Defendant”) in Riverside Superior Court (Case No. CVRI2200129) on behalf of himself and all allegedly similarly situated individuals, asserting causes of action 1) Failure to pay minimum wages and overtime wages; 2) Failure to provide required meal periods; 3) Failure to provide accurate itemized wage statements; 4) Failure to provide wages when due; and 5) Unfair competition. On June 9, 2022, Plaintiff filed a First Amended Complaint adding a cause of action for Violation of Labor Code §2698, et seq. (“PAGA”). On March 13, 2023, Plaintiff filed a Second Amended Complaint for alleging additional violations of Labor Code §§ 226.7 and 512 for noncompliant rest periods and Labor Code §2802 for failure to reimburse for business expenses (“Operative Complaint”). On April 10, 2023, Defendant SelectQuote filed an Answer to the Operative Complaint.

SelectQuote vehemently denies the allegations in the Action and is prepared to continue to defend the action vigorously. No court has made any ruling on the merits in the Action. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Plaintiff brought his case as a class action.

In the Action, the Plaintiff seeks to represent you on a class and representative basis. SelectQuote is the Defendant. A class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class.

4. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All current and former non-exempt sales employees in California who were employed at any time during the Class Period (January 11, 2018 through the date on which Plaintiff files a motion for preliminary approval), excluding those former employees with enforced individual severance and release agreements covering the claims alleged in this Action, in relation to reductions in force.

5. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

There was a hearing on [INSERT DATE], in the Superior Court of the State of California for the County of Riverside, at which time Judge Harold W. Hopp preliminarily approved the Settlement. The Settlement will resolve the Class Members' claims for violation of Labor Code §§201, 202, 203, 204, 218.5, 223, 226, 226.3, 226.7, 246, 510, 512, 516, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1400-1403, 2800, 2802 that arose during the Class Period.

The Settlement represents a compromise of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by SelectQuote that the claims in the Actions have merit or that SelectQuote has any liability to the Plaintiff or the Class Members on those claims. No court has made any ruling on the merits of the Action.

The parties have agreed to settle the case for \$475,000.00 ("Gross Settlement Amount"). Under the terms of the settlement, the following payments have been agreed to: (1) attorneys' fees not to exceed \$158,333.33 (33 1/3%) of the Gross Settlement Amount; (2) all documented litigation costs to Class Counsel, in amounts set by the Court, which are expected to not exceed \$30,000.00; (3) service payment to the Named Plaintiff for services in the Action and in exchange for a full general release from him, in an amount not to exceed \$7,500; (4) \$10,500 for administration settlement costs; and (5) a payment of \$37,500 to the State of California's Labor and Workforce Development Agency in connection with settlement of the claims under PAGA. The amount of money remaining after these payments is the amount that will be distributed to individuals who are Settlement Class Members and/or PAGA aggrieved employees. This amount is known as the "Settlement Share."

Each Class Member will receive a Settlement Share based on their pro-rata share of the Net Settlement Amount based on the number of workweeks worked for Settlement Class Members who do not validly opt-out of this Settlement. In other words, the Net Settlement Amount will be divided by the total number of workweeks worked by all Settlement Class Members and then multiplied by the total number of workweeks worked by each Settlement Class Member during the Class Period.

Your estimated Settlement payments is <<Estimated Payment>>.

6. HOW DOES THE SETTLEMENT AFFECT MY RIGHTS?

If the Settlement is approved, the Court will enter a Final Order and Judgment. Upon entry of the Final Order and Judgment, you will release the following claims, and will be barred

from prosecuting any and all such claims, against SelectQuote, its past and present officers, directors, employees and agents:

1. Participating Class Members. Upon entry of final judgment and payment by Defendant of the Gross Settlement Amount (plus employer-side payroll taxes) in accordance with Paragraph III.E.9 of this Agreement, Defendant and the Released Parties shall be entitled to a release from the Participating Class Members for any and all claims that were alleged in the Action or which could have been asserted based on the factual allegations asserted in the Action. Specifically, without limitation, Settlement Class Members will release claims under Cal. Lab. Code §§ 201, 202, 203, 204, 218.5, 223, 226, 226.3, 226.7, 246, 510, 512, 516, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1400-1403, 2800, 2802, and the IWC Wage Orders, and the federal Fair Labor Standards Act, and for unlawful and/or unfair business practices under Cal. Bus. & Prof Code § 17200 et seq, to the extent such claims are predicated on a released claim; and any claim for attorneys' fees and costs related to the above-referenced released claims. The doctrines of res judicata, claim preclusion, issue preclusion, primary rights, and collateral estoppel shall fully and broadly apply to Released Claims and the release in this Settlement to the greatest effect and extent permitted by law.

2. Aggrieved Employees. Upon entry of final judgment and payment by Defendant of the Gross Settlement Amount in accordance with Paragraph III.E.9 of this Agreement, the State of California and Plaintiff hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from the claims for civil penalties that could have been sought by the Labor Commissioner for the violations of the California Private Attorneys General Act of 2004 identified in Plaintiff's letter to the LWDA and amendment thereto, and those based solely upon the facts alleged in the letter to the LWDA and amendment thereto during the PAGA Period. However, to the extent the LWDA has released the PAGA claims in connection with this Agreement, no Aggrieved Employee may pursue these same PAGA claims released here in another action. The Aggrieved Employees are collaterally estopped from pursuing the PAGA claims released and compromised by the LWDA. After the Court grants final approval of the settlement, Plaintiff will provide the LWDA with a copy of the Judgment which will include a list of the Aggrieved Employees during the PAGA Period. Plaintiff does not release any Aggrieved Employees' claim for wages and damages. This does not preclude the release of wages and damages by the Settlement Class Members as set forth in Paragraph III.F.1. The Aggrieved Employees will be issued a check for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The Aggrieved Employees are bound by the release of the PAGA Claims regardless of whether they cash or deposit their portion of the PAGA Payment or exclude themselves from the settlement in accordance with Paragraph III.E.3.c.

The precise definitions of the capitalized terms in the paragraphs above can be found in the Class Action Settlement Agreement and Release of Claims between Plaintiff and Defendant SelectQuote Insurance Services, filed on August 17, 2023 which can be viewed at the Riverside Superior Court, Historic Courthouse, located at 4050 Main Street, Riverside, CA 92501 during normal business hours or viewed online at <https://epublic-access.riverside.courts.ca.gov/public-portal/>.

7. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

You do not need to do anything to participate in the settlement. You will receive a monetary award from this Settlement approximately 90 days after the Final Approval Hearing on [INSERT DATE], if the Settlement is approved, and no later appeal is filed. Class Counsel have been appointed and approved by the Court and Class Counsel will represent you.

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

8. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

You can object to any of the terms of the Settlement before or at the Final Approval Hearing. Failure to take the steps below will be deemed a waiver of your objections. If the Court rejects your objection, you will still be bound by the terms of the Settlement, and receive a settlement payment unless you timely request to be excluded from the settlement and submit the exclusion form provided to you. To object, in writing, you should mail your written objection to the Settlement Administrator at the addresses listed below by [INSERT OBJECTION DEADLINE], 45 days after the date of mailing of this Notice:

- Settlement Administrator:

Thompson v. SelectQuote
SETTLEMENT ADMINISTRATOR NAME
[INSERT SETTLEMENT ADMINISTRATOR ADDRESS]
Toll-free number: [TBD]

Any written objections shall state each specific reason for your objection and any legal support for each objection. You may use the enclosed Objection Form and state the reason for your objection. You may appear personally at the Final Approval Hearing, or through your own counsel, paid for at your own expense.

IF YOU DO NOT TIMELY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS AND WILL NOT BE ENTITLED TO SPEAK AT THE FINAL APPROVAL HEARING.

9. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you may use the enclosed exclusion form and mail it to the Settlement Administrator at the following address:

Thompson v. SelectQuote
SETTLEMENT ADMINISTRATOR NAME
[INSERT SETTLEMENT ADMINISTRATOR ADDRESS]

To be valid, a written request for exclusion can be made by utilizing the enclosed Request for Exclusion Form or must state that you wish to be excluded, and (1) must contain your name (and former names, if any), current address; (2) must be signed by you; (3) must be postmarked on or before [EXCLUSION DEADLINE]; and (4) returned to the Settlement Administrator at the address listed above.

Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the Settlement, including the Release described in this Notice. Class Counsel will not represent your interests if you request to be excluded.

Even if you choose to exclude yourself from the class settlement, if you are a PAGA Aggrieved Employee, you will still receive your share of the portion of the settlement allocated to the PAGA claims, and you will still be bound by the release of PAGA claims.

10. WILL THE NAMED PLAINTIFF BE COMPENSATED FOR BRINGING THIS LAWSUIT?

The Plaintiff individually will request a service award of up to \$7,500 for his services as the Representative and for his efforts in bringing the Action. In exchange for this payment, Plaintiff will also execute an individual general release. The Court will make the final decision as to the amount of the service award to be paid to the Plaintiff. Plaintiff's Application for his service award can be viewed at the Courthouse after [INSERT DATE], during normal business hours (as well as Class Counsel's Application for Attorneys' Fees and Costs as discussed below). Plaintiff's Application will be available for review by no later than [INSERT DATE].

11. DO I HAVE A LAWYER IN THIS CASE?

Yes. The Court has ordered that the interests of Named Plaintiff and the Class Members are represented by counsel for Named Plaintiff as follows:

Larry W. Lee, Esq.
DIVERSITY LAW GROUP
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554
Email: lwlee@diversitylaw.com

William L. Marder (SBN 170131)
POLARIS LAW GROUP, LLP
501 San Benito Street, Suite 200
Hollister, California 95023
Telephone: 831.531.4214
Facsimile: 831.634.0333
bill@polarislawgroup.com

Edward W. Choi, Esq.
LAW OFFICES OF CHOI & ASSOCIATES
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
Telephone: (213) 381-1515
Facsimile: (213) 465-4885
Email: edward.choi@choiandassociates.com

Dennis S. Hyun (SBN 224240)
HYUN LEGAL, APC
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile
dhyun@hyunlegal.com

(Collectively, “Class Counsel”). Class Members will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

12. HOW WILL THE LAWYERS BE PAID?

Class Counsel will be requesting from the Court an amount not to exceed 33 1/3% of the total settlement amount (in other words, up to \$ \$158,333.33) for their attorneys’ fees and litigation costs not exceeding \$30,000. A copy of Class Counsel’s application for attorneys’ fees and costs can be viewed at the Riverside Superior Court, Historic Courthouse, located at 4050 Main Street, Riverside, CA 92501 after **[INSERT DATE – 16 COURT DAYS BEFORE FINAL APPROVAL]**, during normal business hours or viewed online at <https://epublic-access.riverside.courts.ca.gov/public-portal/>. The actual amount awarded to Class Counsel will be determined by the Court.

13. WHAT IS THE FINAL APPROVAL HEARING?

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Approval Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Class; to consider the award of attorneys’ fees and expenses to Class Counsel; and to consider the request for a service award to Thompson.

14. WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold the Final Approval Hearing on [INSERT DATE and TIME] a.m., in Department 1 of the Superior Court of the State of California for the County of Riverside, Historic Courthouse, 4050 Main St, Riverside, CA 92501 (“Final Approval Hearing”).

The Final Approval Hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing to have your objection considered by the Court. However, you have the right to attend the Final Approval Hearing and be represented by your own counsel at your own expense. If you plan to attend the Final Approval Hearing, you may contact Class Counsel to confirm the date and time. If the Settlement is not approved by the Court or does not become final for some reason, the Action may continue to trial. If you served a timely objection with the Settlement Administrator, you will be provided with notice of any continuances of the final approval hearing by first class mail.

15. MAY I SPEAK AT THE FINAL APPROVAL HEARING?

At the hearing, the Court will be available to hear any objections and arguments concerning the Settlement. You may attend, but you do not have to attend. If you have requested exclusion from the Settlement, however, you may not speak at the Final Approval Hearing.

16. HOW DO I GET MORE INFORMATION?

To see a copy of the Class Action Settlement Agreement and Release of Claims between Plaintiff and Defendant SelectQuote Insurance Services filed on August __, 2023, (which defines the capitalized terms used in this Notice and provides a brief summary of what has happened in the Action), the Court's Preliminary Approval Order, Class Counsel's application for attorneys' fees and costs, the operative Complaint filed in the *Thompson* lawsuit, and other filed documents related to Thompson's lawsuit and this Settlement, you may view all such files at the Clerk's office at the Superior Court of the State of California for the County of Riverside, Historic Courthouse, 4050 Main St, Riverside, CA 92501 or viewed online at <https://epublic-access.riverside.courts.ca.gov/public-portal/>.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the address and telephone number listed below, toll free. Please refer to the Thompson v. SelectQuote Class Action Settlement.

Thompson v. SelectQuote
SETTLEMENT ADMINISTRATOR NAME
[INSERT INFO]

You may also contact the attorneys for the Class, whose names and contact information is listed above.

17. WHAT IF MY INFORMATION CHANGES?

If, after you receive this Notice, you change your postal address or telephone number, it is your responsibility to inform the Settlement Administrator of your updated information.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE

EXHIBIT B

OBJECTION FORM

THOMPSON v. SELECTQUOTE INSURANCE SERVICES

Case No. CVRI2200129

TO OBJECT TO THE SETTLEMENT YOU MUST FILL OUT, SIGN AND RETURN THIS FORM, POSTMARKED ON OR BEFORE **INSERT DATE, 2023, TO: **INSERT SETTLEMENT ADMINISTRATOR INFORMATION**.**

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any):

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

TELEPHONE NUMBER _____

THIS FORM IS TO BE USED ONLY IF YOU WANT TO OBJECT TO THE PROPOSED SETTLEMENT.

I object to the settlement for the following reasons:

Executed on _____, 2023

Signature: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

THOMPSON v. SELECTQUOTE INSURANCE SERVICES

Case No. CVRI2200129

TO EXCLUDE YOURSELF FROM THE SETTLEMENT YOU MUST SIGN AND RETURN THIS FORM, POSTMARKED ON OR BEFORE INSERT DATE, 2023, TO: INSERT SETTLEMENT ADMINISTRATOR INFORMATION.

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any):

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

TELEPHONE NUMBER _____

THIS FORM IS TO BE USED ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE PROPOSED SETTLEMENT. IF YOU WANT TO RECEIVE A SETTLEMENT PAYMENT DO NOT SUBMIT THIS FORM.

**[] By checking the box to the left, and signing and completing the below, I agree to the following:
I do not want to participate in the settlement in THOMPSON v. SELECTQUOTE INSURANCE SERVICES Case No. CVRI2200129**

I understand by not participating and excluding myself from the settlement, that I will not receive any money from the settlement.

Executed on _____, 2023

Signature: _____

EXHIBIT D

1 Larry W. Lee (State Bar No. 228175)
DIVERSITY LAW GROUP, P.C.
2 515 S. Figueroa St., Suite 1250
Los Angeles, California 90071
3 (213) 488-6555
(213) 488-6554 facsimile
4 lwlee@diversitylaw.com

5 Attorneys for Plaintiff and the Class
(Additional Counsel on Next Page)

6
7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8 **FOR THE COUNTY OF RIVERSIDE**

9 TRAVIS THOMPSON, on behalf himself and on)
of all others similarly situated,)

10 Plaintiff,)

11 vs.)

12)
13 SELECTQUOTE INSURANCE SERVICES, a)
California Corporation; and DOES 1 through 100,)
14 inclusive,)

15 Defendants.)

Case No. CVRI2200129

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT AND SETTING A
FINAL APPROVAL HEARING**

Date: ***

Time: ***

Department: 10

RES. ID: ***

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ADDITIONAL COUNSEL FOR PLAINTIFF

Edward W. Choi, Esq. SBN 211334
LAW OFFICES OF CHOI & ASSOCIATES
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
Telephone: (213) 381-1515
Facsimile: (213) 465-4885
Email: edward.choi@choiandassociates.com

William L. Marder, Cal Bar No. 170131
POLARIS LAW GROUP, LLP
501 San Benito Street, Suite 200
Hollister, California 95023
Telephone: 831.531.4214
Facsimile: 831.634.0333

Dennis S. Hyun (State Bar No. 224240)
HYUN LEGAL, APC
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile

1 On _____, Plaintiff TRAVIS THOMPSON(“Plaintiff”) filed a Complaint seeking
2 penalties under the California Labor Code Private Attorneys General Act (“PAGA”) against
3 Defendant SELECTQUOTE INSURANCE SERVICES (“SELECTQUOTE”). In the operative
4 Second Amended Complaint (“SAC”) seeks class-wide damages and PAGA penalties against
5 Defendant SELECTQUOTE. Plaintiff now seeks approval of a settlement between Plaintiff and
6 Defendant SELECTQUOTE for the class and PAGA claims alleged in the SAC.

7 After engaging in formal written discovery, informal discovery, obtaining the putative
8 class members’ data and performing a damage analysis, the parties engaged in a full day mediation
9 with mediator Hon. Brian Walsh (Ret.), which ultimately resulted in a settlement.

10 Plaintiff’s Motion for Preliminary Approval of Class Action Settlement was filed with the
11 Court on _____. A hearing was held before this Court on _____.

12 The Court has considered the Class Action Settlement Agreement and Release of Claims
13 between Plaintiff and Defendant SELECTQUOTE INSURANCE SERVICES (the “Settlement
14 Agreement”), the Class Notice and all other papers filed in this action.

15 NOW THEREFORE, IT IS HEREBY ORDERED:

16 1. All defined terms contained herein shall have the same meanings as set forth in the
17 Settlement Agreement;

18 2. The Class Representative and Defendant SELECTQUOTE, through their counsel
19 of record in the Litigation, have reached an agreement to settle all claims in the Litigation on
20 behalf of the Class as a whole;

21 3. The Court hereby conditionally certifies the following Class for settlement
22 purposes only:

23 “all Defendant’s current and former non-exempt sales employees in
24 California who were employed at any time during the Class Period (January
25 11, 2018 through the date on which Plaintiff files a motion for preliminary
26 approval), excluding those former employees with who signed individual
severance and release agreements covering the claims alleged in this Action,
in relation to reductions in force” (“Class”).

27 Should for whatever reason the Settlement Agreement and Judgment not become Final, the
28

1 fact that the parties were willing to stipulate to certification of a class as part of the Settlement
2 Agreement shall have no bearing on, or be admissible in connection with, the issue of whether a
3 class should be certified in a non-settlement context, as to any action between the Class
4 Representative and Defendant.

5 4. The Court appoints and designates: (a) Plaintiff TRAVIS THOMPSON as the Class
6 Representative and (b) Edward W. Choi of the Law Offices of Choi & Associates, Larry W. Lee
7 of Diversity Law Group, P.C., Dennis S. Hyun of Hyun Legal, APC, and William L. Marder of
8 Polaris Law Group, LLP, as Class Counsel for the Class. Class Counsel is authorized to act on
9 behalf of the Class with respect to all acts or consents required by, or which may be given,
10 pursuant to the Settlement Agreement, and such other acts reasonably necessary to finalize the
11 Settlement Agreement and its terms. Any Class Member may enter an appearance through his or
12 her own counsel at such Class Member's own expense. Any Class Member who does not enter an
13 appearance or appear on his or her own behalf will be represented by Class Counsel.

14 5. The Court hereby approves the terms and conditions provided for in the Settlement
15 Agreement.

16 6. The Court hereby preliminarily approves the Settlement Agreement and the
17 Maximum Settlement Amount of \$475,000.00, which is to be distributed as follows: out of the
18 Maximum Settlement Amount, (a) up to \$7,500.00 is to be paid to the Class Representative for his
19 services to the Class; (b) a total of up to \$158,333.33 shall be paid to Class Counsel for attorneys'
20 fees and up to \$30,000.00 reimbursement of actual costs incurred; (c) \$50,000.00 for PAGA
21 Penalties (75% of which will be paid to the California Labor and Workforce Development Agency
22 ("LWDA") and 25% to the aggrieved employees) and (d) the Settlement Administrator shall be
23 paid for its fees and costs relating to the settlement administration process in the amount of up to
24 \$10,500.00.

25 7. The Court finds that on a preliminary basis the Settlement Agreement appears to be
26 within the range of reasonableness of a settlement, Class Representative service award, Class
27 Counsel fees and costs, the settlement administration fees, and the allocation of payments to
28 Qualified Claimants, that could ultimately be given final approval by this Court. It appears to the

1 Court on a preliminary basis that the settlement is fair, adequate, and reasonable as to all potential
2 Class Members when balanced against the probable outcome of further litigation relating to
3 liability and damages issues. It also appears that extensive and costly investigation, research, and
4 court proceedings have been conducted so that counsel for the parties are able to reasonably
5 evaluate their respective positions. It appears to the Court that settlement at this time will avoid
6 substantial additional costs by all parties, as well as avoid the delay and risks that would be
7 presented by the further prosecution of the Litigation. It also appears that settlement has been
8 reached as a result of intensive, serious, and non-collusive arms-length negotiations.

9 8. A hearing (the “Final Approval Hearing”) shall be held before this Court on
10 _____ at 8:30 a.m. in Department 10 of the Superior Court of the State of California,
11 County of Riverside to determine all necessary matters concerning the Settlement Agreement,
12 including whether the proposed settlement of the action on the terms and conditions provided for
13 in the Settlement Agreement is fair, adequate and reasonable and should be finally approved by
14 the Court and whether a Judgment, as provided in the Settlement Agreement, should be entered
15 herein. At this same time, a hearing on Class Counsel’s motion for attorneys’ fees and
16 reimbursement of litigation costs and the Class Representative’s service award shall also be held.

17 9. The Court hereby approves, as to form and content, the Notice of Pendency of
18 Class Action and Proposed Settlement (“Class Notice”), Request for Exclusion Form (“Opt Out
19 Form”) and Objection Form (“Objection Form”) that are attached as Exhibits A, B and C to this
20 Order.

21 10. The Court appoints and designates Phoenix Settlement Administrators as the
22 Settlement Administrator. The Court hereby directs the Settlement Administrator to provide the
23 approved Class Notice, Opt Out Form and Objection Form within forty four (44) calendar days of
24 the Preliminary Approval Order using the procedures set forth in the Settlement Agreement. The
25 Settlement Administrator is further ordered to file with the Court a declaration with copies of any
26 exclusions or objections it received to the proposed settlement concurrently with the filing of the
27 Motion for Final Approval of the Settlement.

28 11. Any Class Member may choose to opt out of and be excluded from the settlement

1 as provided in the Settlement Agreement and Class Notice and by using the Opt Out Form or by
2 following the instructions for requesting exclusion. Any person who timely and properly opts out
3 of the settlement will not be bound by the Settlement Agreement or have any right to object,
4 appeal, or comment thereon. Any Opt Out request must be in writing and signed by each such
5 Class Member opting out and must otherwise comply with the requirements delineated in the and
6 Class Notice. Class Members who have not requested exclusion by submitting a valid and timely
7 Opt Out request, by the Opt Out Deadline, shall be bound by all determinations of the Court, the
8 Settlement Agreement, and Judgment.

9 12. Any Class Member may object to and/ or express his or her views regarding the
10 Proposed Settlement and may present evidence and briefs or other papers that may be proper and
11 relevant to the issues to be heard and determined by the Court as provided in the Class Notice to
12 the Settlement Administrator. Any Class Member must make his or her objection in the manner
13 provided for in the Settlement Agreement and Class Notice. Any Class Member that serves a
14 proper written objection does not need to appear at the Motion for Final Approval for that Class
15 Member's objection to be considered. Class Counsel will provide notice to any objecting party of
16 any continuance of the hearing of the Motion for Final Approval by first class mail.

17 13. Defendant must exercise any right it may have to terminate the Settlement.
18 Agreement by no later than fourteen (14) calendar days after the Settlement Administrator notifies
19 the Parties of the number of valid Elections Not to Participate in Settlement it has received.

20 14. The Motion for Final Approval shall be filed by the Class Representative no later
21 than sixteen (16) court days before the Final Approval Hearing.

22 15. The Court reserves the right to adjourn or continue the date of the Final Approval
23 Hearing and all dates provided for in the Settlement Agreement. In the event the hearing date is
24 continued, Class Counsel will provide notice to any objecting party of any continuance of the
25 hearing of the Motion for Final Approval by first class mail. The Court retains jurisdiction to
26 consider all further applications arising out of or connected with the Settlement Agreement.

27 IT IS SO ORDERED.
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DATED: _____

Honorable Harold W. Hopp
Judge of the Superior Court

EXHIBIT E

Larry W. Lee (State Bar No. 228175)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa St., Suite 1250
Los Angeles, California 90071
(213) 488-6555
(213) 488-6554 facsimile
lwlee@diversitylaw.com

Attorneys for Plaintiff and the Class

* ADDITIONAL ATTORNEYS ON FOLLOWING PAGE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

TRAVIS THOMPSON, on behalf himself and on
of all others similarly situated,

Plaintiff,

vs.

SELECTQUOTE INSURANCE SERVICES, a
California Corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. CVRI2200129

**[PROPOSED] ORDER AND JUDGMENT
OF FINAL APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: _____

Time: 8:30 a.m.

Department: 10

Judge: Hon. Harold W. Hopp

RES. ID: Per Minute Order Dated

1 This matter having come before this Court for hearing on _____-, 2023 at 8:30 a.m. on
2 Plaintiff Travis Thompson’s (“Named Plaintiff”) unopposed Motion for Final Approval of Class
3 Action Settlement, as set forth in the Joint Stipulation and Settlement of Class Action between
4 Plaintiff and Defendant SelectQuote Insurance Services filed on _____ titled “Class Action
5 Settlement Agreement and Release of Claims” (“Settlement Agreement”), pursuant to the
6 Order Granting Preliminary Approval of Class Action Settlement and Setting Final Approval
7 Hearing (“Preliminary Approval Order”), adequate notice having been given as required in said
8 Order, and the Court having considered all papers filed and proceedings had herein, and good
9 cause appearing therefore, it is ORDERED, ADJUDGED AND DECREED THAT:

10 The Court has jurisdiction over the subject matter of the action and all parties.

11 Based on a review of the papers submitted by Named Plaintiff and a review of the
12 applicable law, the Court finds that the Gross Settlement Amount of \$475,000.00 and the terms
13 set forth in the parties’ Settlement Agreement are fair, reasonable, and adequate. The Settlement
14 Agreement is hereby incorporated into this Order as though fully set forth herein. Except as
15 otherwise specified herein and for purposes of this Order, the terms used in this Order have the
16 meaning assigned to them in the Settlement Agreement and Notice of Pendency of Class Action
17 Settlement and Proposed Settlement (“Class Notice”).

18 The Court has determined that the Class Notice provided to the Class pursuant to the
19 Preliminary Approval Order fully and accurately informed all Class Members of the material
20 elements of the proposed Settlement, constituted the best notice practicable under the
21 circumstances, and constituted valid, due and sufficient notice to all Class Members.

22 The Court hereby grants full, unconditional and final approval of the Settlement as fair,
23 reasonable and adequate in all respects, determines that the Settlement was made in good faith
24 and in the best interests of the Parties, and orders the Parties to effectuate the Settlement in
25 accordance with the terms of the Settlement Agreement. The Court further finds that the
26 Settlement was the result of arm’s-length negotiations conducted after Class Counsel had
27 thoroughly and adequately investigated the claims and became familiar with the strengths and
28 weaknesses of those claims. In particular, the amount of monies allocated to the Class Members,

1 and the assistance of an experienced mediator in the settlement process, among other factors,
2 support the Court's conclusion that the Settlement is fair, reasonable, and adequate. The
3 amounts agreed to be paid by Defendant SELECTQUOTE INSURANCE SERVICES
4 ("Defendant"), including the individual Settlement Class Award to be paid to Settlement Class
5 Members as provided for by the Settlement Agreement, are fair and reasonable under the facts of
6 this case.

7 The Court hereby grants final approval of attorneys' fees in the amount of \$583,333.33
8 that will be paid as follows: (1) Diversity Law Group, P.C. in the amount of \$34,305.56; (2) Law
9 Offices of Choi & Associates in the amount of \$34,305.56; (3) Hyun Legal, P.C. in the amount
10 of \$34,305.56; and (4) Polaris Law Group, P.C. in the amount of \$55,416.67.

11 The Court hereby grants final approval of attorneys' costs in the amount of \$_____ to
12 Class Counsel that will be paid as follows: (1) Diversity Law Group, P.C. in the amount of
13 \$_____; (2) Law Offices of Choi & Associates in the amount of \$_____.

14 The Court hereby grants final approval of an enhancement award in the amount of
15 \$7,500.00 to Named Plaintiff, in addition to his share of the Class Settlement Payment
16 Allocation as a Settlement Class Member, for his time and effort serving as the Class
17 Representative.

18 The Court also hereby approves payment of \$10,500.00 to Phoenix Settlement
19 Administrators, the appointed Settlement Administrator, for the services it has rendered and will
20 render in administering the Settlement as described more fully in the Settlement Agreement.

21 The Court hereby finds that the Class Notice and all related documents have been mailed
22 to all Class Members as previously ordered by the Court, and that such Class Notice fairly and
23 adequately described the terms of the proposed Settlement Agreement, the manner in which
24 Class Members could object to or participate in the Settlement, and the manner in which Class
25 Members could opt out of the Class; was the best notice practicable under the circumstances;
26 was valid, due and sufficient notice to all Class Members; and complied fully with California
27 Rule of Court 3.769, due process and all other applicable laws. The Court further finds that a
28 full and fair opportunity has been afforded to Class Members to participate in the proceedings

1 convened to determine whether the proposed Settlement Agreement should be given final
2 approval. Accordingly, the Court hereby determines that all Class Members who did not file a
3 timely and proper request to be excluded from the Settlement are bound by this Order.

4 The Court finds that the Settlement Agreement is fair, reasonable, and adequate as to the
5 Class, Named Plaintiff and Defendant. The Court further finds that the Settlement is the product
6 of good faith, intensive, serious, non-collusive, and arm's-length negotiations between the
7 Parties, is supported by an evidentiary record, experienced and qualified Class Counsel and
8 involvement of an experienced mediator, and all Settlement Class Members, and confers a
9 significant financial benefit to the Class commensurate with the likely recovery if Named
10 Plaintiff prevailed at trial and the risks of continued litigation. The Court further finds that the
11 Settlement Agreement is consistent with public policy, and fully complies with all applicable
12 provisions of law, including the provisions of California Code of Civil Procedure section 382
13 and California Rules of Court, Rule 3.760. The nature of the claims, the strength of Defendant's
14 defenses, the amounts paid under the Settlement, the allocation of settlement proceeds among the
15 Settlement Class Members and the fact that a settlement represents a compromise of the Parties'
16 respective positions rather than the result of a finding of liability at trial all support the Court's
17 decision granting final approval. The following factors also support the decision granting final
18 approval: the risk, expense, complexity and likely duration of further litigation; the risk of
19 attaining and maintaining class action status throughout the proceedings; and the extent of
20 discovery completed and the stage of the proceedings.

21 The reaction of the Class Members to the proposed Settlement further supports the
22 Court's decision granting final approval. There is one (1) request for exclusion from the
23 Settlement served by _____. Also, no objections have been submitted to the Settlement
24 by any of the Class Members.

25 Phoenix Settlement Administrators shall calculate and administer from the Settlement
26 Amount the following, all of which shall be deducted from the \$475,000.00 Settlement Amount:
27 Settlement Class Awards to be made to the Settlement Class Members; Attorney's Fees and
28 Expenses Payment to Class Counsel; PAGA Payment and Enhancement Payment to the Named

1 Plaintiff. A total of \$_____ will be distributed to the Settlement Class Members, which
2 the Court hereby fully and finally approves. Phoenix Settlement Administrators is hereby
3 directed to mail the Individual Settlement Payments in envelopes that bear the notation, “YOUR
4 CLASS ACTION SETTLEMENT CHECK IS ENCLOSED” and take all other actions in
5 furtherance of the settlement administration as specified in the Settlement Agreement.

6 The releases, waivers and covenants not to sue by the Named Plaintiff, as set forth in the
7 Settlement Agreement and in the Class Notice, are approved and are hereby incorporated by
8 reference and made a part of this Order as though fully set forth herein. As more specifically set
9 forth in the Settlement Agreement, by operation of the entry of this Order and Judgment and
10 pursuant to the Settlement, Named Plaintiff waive and release the Released Claims as set forth in
11 the Settlement Agreement, which are barred pursuant to this Order and Judgment.

12 By means of this Final Approval Order, final judgment is entered, as defined in section
13 577 of the California Code of Civil Procedure, binding each Settlement Class Member and
14 operating as a full release and discharge of Released Claims. All rights to appeal this Order or
15 the Judgment have been waived except as specifically permitted in the Settlement Agreement.

16 Nothing in this Order and Judgment shall preclude any action to enforce the Parties’
17 obligations under the Settlement or under this Order.

18 Settlement Class Members shall have one-hundred eighty (180) days from the date of
19 issuance of the check to negotiate the check. If (i) any of the class members are current
20 employees of the defendant, (ii) the distribution mailed to those employees is returned to the
21 administrator as being undeliverable, and (iii) the administrator is unable to locate a valid
22 mailing address, the administrator shall arrange with the defendant to have those distributions
23 delivered to the employees at their place of employment.

24 The funds from any checks returned as undeliverable, and any checks not negotiated
25 within 180 days, shall be transmitted California State Controller’s office in the name of the class
26 member.

27 A compliance hearing is set for _____ for a Nonappearance Hearing in Department
28 10 of the above-referenced Court. At least five (5) court days prior to the compliance hearing, the

1 Settlement Administrator will provide declaration to the Court that shall describes (i) the date the
2 checks were mailed, (ii) the total number of checks mailed to class members, (iii) the average
3 amount of those checks, (iv) the number of checks that remain uncashed, (v) the total value of
4 those uncashed checks, (vi) the average amount of the uncashed checks, and (vii) the nature and
5 date of the disposition of those unclaimed funds.

6 Without affecting the finality of the Judgment in any way, the Court reserves exclusive
7 and continuing jurisdiction over the action and the Parties for purposes of supervising the
8 implementation, enforcement, construction, administration and effectuation of the Settlement
9 Agreement.

10 The Parties and Phoenix Settlement Administrators are hereby ordered to implement and
11 comply with the terms of the Settlement Agreement. Notice of entry of this Order and Judgment
12 shall be given by Class Counsel on behalf of Named Plaintiff and all Settlement Class Members
13 by posting a copy on the Settlement Administrator's website. Phoenix Settlement
14 Administrators will provide the following notation on check stubs mailed to class members "The
15 Judgment was entered on _____, 2023 and you can view a copy of the judgment at
16 <https://www.phoenixclassaction.com/class-action-lawsuits/judgments/>".

17 **IT IS SO ORDERED AND ADJUDGED.**

18
19
20 Dated: _____, 2023

21 _____
22 HONORABLE HAROLD W. HOPP
23 RIVERSIDE COUNTY SUPERIOR COURT JUDGE
24
25
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