

CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

This Class and Representative Action Settlement Agreement and Release (“Agreement”) encompasses the action *Alexis Lakey v. Poshmark, Inc. et al.*, the Superior Court of California for the County of Santa Clara, Case No. 22CV395084.

This Agreement is entered into between Plaintiff ALEXIS LAKEY (“Plaintiff”), individually and on behalf of all others similarly situated, as well as on behalf of the State of California in her capacity as private attorney general, on one hand, and Defendant POSHMARK, INC. (“Poshmark” or “Defendant”), on the other hand (together with Plaintiff, the “Parties”).

This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the “Released Class Claims” and “Released PAGA Claims” (as defined below) on a class and representative action basis pertaining to the “Released Parties” (as defined below) upon and subject to the terms and conditions contained herein. This Agreement, which is contingent upon final Court approval, contains the essential terms of the Parties’ agreement. Plaintiff and Class Counsel believe, and the Parties have agreed, that the settlement set forth in this Agreement confers substantial benefits upon the Class, PAGA Members, and the State of California.

I. DEFINITIONS

1. Action

“Action” or “Lawsuit” means the civil action filed by Plaintiff entitled *Alexis Lakey v. Poshmark, Inc.*, Santa Clara County Superior Court Case No. 22CV395084.

2. Class Counsel

“Class Counsel” means Edward W. Choi of the law firm Law Offices of Choi & Associates, Larry W. Lee of the law firm Diversity Law Group, David Lee of the law firm David Lee Law, A.P.C., and Brandon M. Banks of the law firm Brandon Banks Law, APC who, subject to Court approval, shall act as counsel for the Settlement Class and Plaintiff in her representative capacity on behalf of the State of California.

3. Class Counsel Award

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

4. Class Information

“Class Information” or “Class Data” means information regarding Settlement Class Members compiled from Poshmark’s records and provided to the Settlement Administrator in a Microsoft Excel spreadsheet, including each Settlement Class Member’s full name; last known

address; employee ID number, Social Security number; dates of employment; and additional information sufficient for the Settlement Administrator to determine the Eligible Pay Periods for each Class Member and each PAGA Member.

5. Class Members or Settlement Class Members

“Class Members” or “Settlement Class Members” means: (1) all current and former non-exempt employees of Defendant who worked more than eight hours in any work shift during the Class Settlement Period (the “Overtime Class Members”); (2) all current and former non-exempt employees of Defendant who worked more than five hours in any work shift during the Class Settlement Period (the “Meal Break Class Members”); and (3) all current and former non-exempt employees who were paid salary wages during the Class Settlement Period (the “Wage Statement Class Members”).

6. “Class Settlement Period”

“Class Settlement Period” means the period from March 8, 2018, through March 1, 2023.

7. Class Representative

“Class Representative” means Plaintiff Alexis Lakey.

8. Class Representative Enhancement Award

“Class Representative Enhancement Award” means the amount that the Court authorizes to be paid to Plaintiff, in addition to Plaintiff’s Individual Settlement Payment and Individual PAGA Payment, in recognition of Plaintiff’s efforts and risks in assisting with the prosecution of the Lawsuit and in return for executing a general release with Defendant.

9. Class Representative’s Released Claims

“Class Representative’s Released Claims” means all known and unknown claims against the Released Parties, including any Released Claims as well as other wage and hour claims, claims under California Business & Professions Code section 17200, claims under the Labor Code, including, but not limited to, claims under the Private Attorneys General Act (“PAGA”), claims under the Fair Labor Standards Act (“FLSA”), and all claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974, and all of their implementing regulations and interpretive guidelines, as well as the common law, including laws related to discrimination, harassment, or retaliation, whether known or unknown, and whether anticipated or unanticipated, arising from or relating to Class Representative’s relationship, or termination of relationship, with any Released Party through the date of Final Approval for any type of relief. Class Representative further covenants that she will

not become a member of any other legal actions against the Released Parties asserting any of Class Representative's Released Claims, and will opt out of any such actions if necessary. For the avoidance of doubt, this is a complete and general release to the maximum extent permitted by law.

10. Complaint

"Complaint" means the First Amended Complaint filed in Santa Clara County Superior Court, Case No. 22CV395084.

11. Court

"Court" means the Superior Court of California for the County of Santa Clara.

12. Defendant

"Defendant" means Defendant Poshmark, Inc.

13. Effective Date

"Effective Date" means the later of: (i) if no timely objections are filed, or are withdrawn prior to Final Approval, then the date the Court enters judgment granting Final Approval; or (ii) if a Class Member files an objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date the Court enters judgment granting Final Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement, with the final approval unaffected.

14. Eligible Pay Periods

"Eligible Pay Period" means any pay period in which a Class Member worked for any amount of time for Poshmark during the Class Settlement Period according to Defendant's records or PAGA Member worked for any amount of time for Poshmark during the PAGA Settlement Period according to Defendant's records.

15. Final Approval Hearing

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

16. Final Judgment

“Final Judgment” means a judgment issued by the Court finally approving this Agreement as binding upon the Parties.

17. Individual PAGA Payment

“Individual PAGA Payment” means the amounts paid from the PAGA Payment to PAGA Members that shall in the aggregate comprise 25% of the PAGA Payment, namely \$6,250.00 as consideration for Settlement of claims for civil penalties under PAGA.

18. Individual Settlement Payment

“Individual Settlement Payment” means the amount paid from the Net Settlement Amount to a Participating Class Member. Any Class Member who timely submits a Request for Exclusion pursuant to the procedures set forth herein is not a Participating Class Member and is not eligible to receive an Individual Settlement Payment.

19. LWDA

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

20. LWDA PAGA Payment

“LWDA PAGA Payment” means the payment to be made to the LWDA as its 75% share of the PAGA Payment, namely \$18,750.00, as consideration for Settlement of claims for civil penalties under PAGA.

21. Net Settlement Amount

“Net Settlement Amount” means the Total Settlement Amount less Court-approved Class Counsel Award, Class Representative Enhancement Award, PAGA Payment, and Settlement Administration Costs. The Net Settlement Amount is the total amount that will be paid to Participating Class Members, in the form of Individual Settlement Payments.

22. Notice of Class Action Settlement

“Notice of Class Action Settlement” means the notice approved by the Parties and subject to Court approval, substantially in the form of **Exhibit A** hereto, explaining the terms of this Agreement and the settlement process, which the Settlement Administrator will mail to each Settlement Class Member.

23. PAGA

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

24. PAGA Members

“PAGA Members” means all individuals who are or previously were employed by Defendant Poshmark, Inc. in California at any time during the PAGA Settlement Period.

25. PAGA Notice Letters

“PAGA Notice Letters” refers to (a) the February 24, 2022 PAGA Notice Letter filed by Plaintiff with the LWDA; and (b) the March 8, 2022 amended PAGA Notice Letter filed by Plaintiff with the LWDA.

26. PAGA Payment

“PAGA Payment” means a gross payment in the aggregate of \$25,000.00 that is comprised of the PAGA Payment to the LWDA and all of the Individual PAGA Payments to PAGA Members in settlement of all claims for PAGA penalties as defined in this Settlement Agreement.

27. PAGA Settlement Period

“PAGA Settlement Period” means the period from March 8, 2021, through March 1, 2023.

28. Participating Class Members

“Participating Class Members” means those Class Members who do not file a valid and timely Request for Exclusion.

29. Parties

“Parties” means Plaintiff and Defendant, collectively.

30. Plaintiff

“Plaintiff” means Plaintiff Alexis Lakey.

31. Preliminary Approval Date

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

32. Qualified Settlement Fund

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

33. Released Class Claims

“Released Class Claims” shall mean any and all claims and/or causes of action as well as all predicate claims based on the factual or legal theories alleged in the Action, or reasonably could have been alleged based on the facts and legal theories alleged in the Action based on the allegations of the original and amended Complaints and the PAGA Notice Letters, including all of the following legal claims: (i) any and all claims for unpaid or underpaid overtime wages; (ii) any and all claims for failure to provide meal periods; (iii) any and all claims for improper or inaccurate itemized wage statements, including any alleged violations of Labor Code Section 226(a)(1)-(9) based on the facts and legal theories contained in the Action, and including claims for injuries suffered therefrom; (iv) any and all claims for the untimely payment of final wages and associated waiting time penalties under Labor Code Section 203 based on the facts, claims, causes of action, or legal theories alleged in the Action; (v) any and all claims under the Business & Professions Code (including Section 17200 *et seq.*) premised on the facts, claims, or legal theories described herein or in the Action; any other claims or penalties under the wage and hour laws pleaded in the Action; and all damages, penalties, interest and other amounts recoverable under all Claims under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts and theories alleged in the Action, and the applicable Wage Orders as to the facts and theories alleged in the Action (collectively, the “Released Claims.”) The period of the Release shall extend to the limits of the Class Settlement Period.

34. Released PAGA Claims

“Released PAGA Claims” shall means all claims and causes of action for PAGA civil penalties against the Released Parties that were alleged or that could have been alleged based on the facts asserted in the Action as well as in the PAGA Notice Letters for violations of Labor Code sections 201-203, 226, 226.7, 1174, 1194, 1198, 1199, and 2698 *et seq.*, and sections of the applicable wage order, as well as any and all claims for attorneys’ fees, litigation costs, and interest allocated to those claims. The Released PAGA Claims include (i) any and all claims for unpaid or underpaid overtime wages; (ii) any and all claims for failure to provide meal periods; (iii) any and

all claims for improper or inaccurate itemized wage statements; and (2) any other claims and penalties under the wage and hour laws alleged in the Action and in the PAGA Notice Letters. The period of the Released PAGA Claims will be the PAGA Settlement Period.

35. Released Parties

“Released Parties” means Defendant as well as Defendant’s past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, franchisees, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, and all persons acting under, by, through, or in concert with any of them, and each of them.

36. Request for Exclusion

“Request for Exclusion” means a letter setting forth a Class Member’s name, present address, and a statement electing to be excluded from the class Settlement. Specific details of how to submit a “Request for Exclusion” will be provided by the Notice of Class Action Settlement.

37. Response Deadline

“Response Deadline” means the date forty five (45) days after the Settlement Administrator mails the Notice of Class Action Settlement to Class Members, which is the last date on which Class Members may: (a) submit a Request for Exclusion; (b) file and serve objections to the settlement; or (c) dispute the information contained in the Notice of Class Action Settlement.

38. Settlement

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

39. Settlement Administrator

“Settlement Administrator” means Phoenix Settlement Administrators, the third-party Settlement Administrator mutually agreed to by the Parties and appointed by the Court upon Class Counsel’s motion for preliminary approval of this Settlement.

40. Settlement Administrator Costs

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

41. Total Settlement Amount

“Total Settlement Amount” means the total maximum amount payable under the terms of this Agreement by Defendant, which is the gross sum of \$450,000.00 and includes, without limitation: the Individual Settlement Payments to Participating Class Members; payment of Settlement Administration Costs as approved by the Court; any Class Representative Enhancement Award to Plaintiff as approved by the Court; a payment to Class Counsel of attorneys’ fees and reasonable litigation costs which shall be determined by motion with the Court; and the PAGA Payment. The Settlement Administrator will make all required tax deductions and payments using a Qualified Settlement Fund. As set forth herein, the Settlement Administrator will issue all of the above-referenced payments from the Qualified Settlement Fund in accordance with the applicable provisions of this Stipulation. This Settlement is based on approximately 16,926 aggregate pay periods worked by Class Members as of October 9, 2022. In the event that that total number of pay periods exceeds this number through the date of mediation by more than 10%, the settlement amount will be increased proportionally for the number of pay periods over 18,619. By example, if the total number of pay periods as of the date of mediation is determined to be 11% higher than 16,926, the Total Settlement Amount will be increased by 1%.

II. RECITALS

1. Procedural History.

On March 8, 2022, Plaintiff filed a class action in Santa Clara County Superior Court against Poshmark, asserting claims for failure to pay overtime, failure to provide compliant meal periods and failure to accurately list the regular rate of pay on wages statements, and a derivative claim for alleged violation of the Unfair competition Law, California Business and Profession Code section 17200 *et seq.* On July 5, 2021, Plaintiff filed a First Amended Complaint to add a claim for civil penalties under PAGA.

On December 8, 2022, the parties attended mediation with experienced wage and hour mediator Mark Peters and arms-length settlement negotiations resulted in this class and PAGA settlement.

Before the mediation, Defendant Poshmark produced extensive documentation including time and pay data, class size information, pay period information, and wage statement information. Defendant provided discovery sufficient to enable Plaintiff and Class Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the potential damages arising from the claims made in this case.

Defendant denies any liability or wrongdoing of any kind associated with the claims asserted in the Action, disputes the damages and penalties claimed by Plaintiff, and further contends that, for any purpose other than settlement, Plaintiff’s claims are not appropriate for class or representative treatment. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall be construed or used as an admission by or against Defendant Poshmark as to the merits or lack thereof of the claims asserted in the Action. Defendant contends, among other

things, that, at all times, it has complied with all applicable state, federal and local laws related to the Class Members' employment. Nevertheless, Defendant has entered into this Settlement to avoid the cost, risk and inconvenience of further litigation. Nothing contained in this Settlement, nor the fact of this Settlement itself, shall be construed or deemed as an admission of liability, or wrongdoing on the part of Defendant, or an admission that class or representative action treatment would be allowed outside the settlement context. Pursuant to California Evidence Code sections 1152 and 1154, this Settlement shall be inadmissible in evidence in any proceeding; except that the Settlement may be filed and used in this litigation or any related litigation as necessary to approve, interpret, or enforce this Settlement, or in any subsequent action against or by Defendant to support a stay of such subsequent action, or to establish a defense of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

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

2. Benefits of Settlement to Class and PAGA Members.

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

3. Defendant's Reasons for Settlement.

Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant continues to contend

that it is not liable for any of the claims set forth by Plaintiff in the Action, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims in the Action. Defendant contends that it has complied with all applicable state, federal, and local laws.

4. Settlement of Disputed Claims.

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

III. TERMS OF AGREEMENT

1. Release as To All Participating Class Members.

Upon the Effective Date, Plaintiff and all Participating Class Members, as well as their spouses, heirs, executors, administrators, trustees and/or permitted assigns, hereby do and shall be deemed to have fully, finally and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all Released Class Claims. These releases will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment or cashes and deposits any check for the Individual Settlement Payment.

2. Release as To All PAGA Members.

Upon the Effective Date, as representatives of the State of California and on behalf of the LWDA, the PAGA Employees fully and finally release the Released Parties from the PAGA Released Claims for the PAGA Settlement Period. These releases will take effect whether or not a PAGA Member receives his or her Individual PAGA Payment or cashes and deposits any check for the Individual PAGA Payment.

3. Release of Claims by Plaintiff

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

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING

THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff may hereafter discover claims or facts in addition to, or different from, those which she now knows or believe to exist, but Plaintiff expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Poshmark.

4. Preliminary Approval of Settlement.

Plaintiff will move the Court to grant preliminary approval of this Settlement, certifying the Settlement Class for settlement purposes only and setting a date for a Final Approval Hearing. Class Counsel shall be responsible for preparing the Motion for Preliminary Approval, supporting declarations, and exhibits thereto, for preliminary approval by the Court. Plaintiff shall obtain a hearing on a date agreed upon by all counsel, before the Court to request the preliminary approval of the Settlement, and the entry of a Preliminary Approval Order: (a) conditionally certifying the Settlement Class for settlement purposes only; (b) preliminarily approving the proposed Settlement; and (c) setting a date for Final Approval. Class Counsel agrees to provide Counsel for Defendant with drafts of the Motion for Preliminary Approval and any other documents they intend to submit in support of their Motion for Preliminary Approval in advance of the filing of such documents at least seven days before filing to allow Counsel for Defendant a reasonable time to review and comment on such papers and further agrees to reasonably consider incorporating the comments from Counsel for Defendant. All Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval.

Concurrently with the filing of the Motion for Preliminary Approval, Plaintiff will, pursuant to California Labor Code § 2699(l), provide notice of the proposed Settlement to the LWDA. The Parties intend and believe that the notice pursuant to the procedures described in this section complies with the requirements of the PAGA.

5. Settlement Administrator.

Within twenty-one (21) days of the Court granting Preliminary Approval of this Agreement, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing the Notice of Class Action Settlement to the Settlement Class Members. The Settlement Administrator shall maintain the Class Information as private and confidential and shall not disclose such data to any persons or entities other than Counsel for Defendant, except that relevant information can be provided to Class Counsel if necessary for Class Counsel to respond to inquiries or requests from Class Members. The Class Information is being supplied solely for purposes of the administration of the Settlement set forth in this Stipulation and cannot be used by the Settlement Administrator or Class Counsel for any other purpose. The Parties agree that the Class Information will not be used to solicit Class Members to file any claim, charge or complaint of any kind whatsoever against the Defendant and will only be used to administer the Settlement under the terms provided herein.

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

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

b. Undeliverable Notices.

Any Notice of Class Action Settlement returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address affixed thereto. If no forwarding address is affixed, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address and/or social security number of the Settlement Class Member whose notice was undeliverable, and shall then re-mail all returned, undelivered mail within ten (10) days of receiving notice that a notice was undeliverable. Settlement Class Members who receive a re-mailed Notice of Class Action Settlement shall have their Response Deadline extended fourteen (14) days from the original Response Deadline.

c. Disputes Regarding Individual Settlement Payments and Individual PAGA Payments.

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

d. Disputes Regarding Administration of Settlement.

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

e. Exclusions.

The Notice of Class Action Settlement shall state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address and telephone number of the Settlement Class Member requesting exclusion; (2) contain a statement expressing that the Settlement Class Member elects to be excluded from the Settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. The date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under the class Settlement and will not be bound by the terms of the Class Settlement or have any right to object to or appeal the class settlement. However, any Request for Exclusion has no effect to the PAGA portion of this Settlement; PAGA Members cannot request exclusion from the PAGA Settlement and will receive an Individual PAGA Payment regardless of whether they submit a Request for Exclusion. Settlement Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Judgment entered in this Action.

No later than seven (7) days after the Response Deadline, the Settlement Administrator will provide counsel for the Parties with a complete list of all members of the Settlement Class who have timely submitted a Request for Exclusion.

f. Objections.

The Notice of Class Action Settlement shall state that Settlement Class Members who wish to object to the Settlement may do so in person (or other method of personal appearance permitted by the court, e.g., Zoom) at the Final Approval Hearing, without first serving a written objection, or submit a written objection. Any written objection (“Notice of Objection”) must be mailed to the Settlement Administrator by the Response Deadline. The date of mailing on the envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received. The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name and address of the objecting Settlement Class Member; and (2) the factual and/or legal basis for the objection. Class Counsel will ensure that any Notice of Objection received by the Settlement Administrator by the Response Deadline is filed with the Court along with the Motion for Final Approval. Any of the Parties may file a response to any objection before the Final Approval Hearing. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant with this notice no later than the Response Period Deadline. Any Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

6. No Solicitation of Settlement Objections or Exclusions.

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Settlement or Requests for Exclusion, or to appeal from the Court's Final Judgment.

7. Funding of the Qualified Settlement Fund.

No later than seven (7) calendar days after the Effective Date, the Settlement Administrator shall send Defendant's Counsel electronic wiring instructions for paying the Total Settlement Amount (\$450,000.00) into the QSF. The Settlement Administrator will also inform Defendants of the amount to be sent to the QSF to pay for the employer's share of payroll taxes. No later than fourteen (14) calendar days after the Effective Date, Defendant shall fund the QSF.

8. Net Settlement Amount.

The Net Settlement Amount will be determined by the Settlement Administrator by subtracting the Class Counsel Award, Class Representative Enhancement Award, PAGA Payment, and Settlement Administrator Costs from the Total Settlement Amount. The anticipated Net Settlement Amount is approximately \$236,750.00. The Parties estimate the amount of the Net Settlement Amount to be calculated as follows:

Total Settlement Amount:	\$450,000.00
Requested Class Rep. Award:	\$10,000.00
Requested Class Counsel Fees:	\$150,000.00
Requested Class Counsel Costs:	\$25,000.00
PAGA Payment to LWDA:	\$18,750.00
PAGA Payment to PAGA Members	\$6,250.00
Settlement Administrator Costs:	\$9,500.00
Net Settlement Amount	\$236,750.00

This is a non-reversionary Settlement in which Defendant will pay the entire Total Settlement Amount. No portion of the Total Settlement Amount will revert to Defendant. The employer's share of payroll taxes and other required withholdings from Individual Settlement Payments, including but not limited to the FICA and FUTA contributions, if applicable, shall be paid separately from, and in addition to, the Total Settlement Amount. Any award of less than the amounts requested for class representative enhancement, administrative costs, litigation costs, or attorneys' fees will be returned to the Net Settlement Amount and distributed to the Participating Settlement Class Members.

9. Individual Settlement Payments.

Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula as follows: (i) First, using the Class Information, the Settlement Administrator will compute the total number of Eligible Pay Periods of all Participating

Class Members collectively during the Class Settlement Period; this sum shall be known as the Pay Periods total; (ii) Second, the Settlement Administrator will divide the Net Settlement Amount by the Pay Periods total to determine the settlement value for each Eligible Pay Period (the "Pay Period Value"); and (iii) Third, the Settlement Administrator will multiply the number of Eligible Pay Periods of a Participating Class Member during the Class Settlement Period by the Pay Period Value to determine that Participating Class Member's Individual Settlement Payment.

Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to each Participating Class Member's last known mailing address within fifteen (15) days after Defendant fully funds the settlement.

10. PAGA Payments.

A total amount of \$25,000.00 from the Total Settlement Amount will be allocated as the PAGA Payment to be paid as penalties under PAGA, seventy-five percent (75%) of this amount will be the LWDA PAGA Payment to be paid to the LWDA and the remaining twenty-five (25%) shall be distributed to the PAGA Members as Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall be added to the Net Settlement Amount and any additional amount ordered by the Court shall be paid from the Total Settlement Amount; in no event shall Defendant be required to pay in excess of the Total Settlement Amount.

The LWDA PAGA Payment will be paid to the LWDA within fifteen (15) days after Defendant fully funds the settlement.

The remaining 25% of the PAGA Payment to be distributed to the PAGA Members as Individual PAGA Payments and shall be distributed based on a pro rata share based on the number of Eligible Pay Periods during the PAGA Settlement Period. To establish the pay period value, the Settlement Administrator will first determine the total number of Eligible Pay Periods during the PAGA Settlement Period. The pay period value will be equal to 25% of the PAGA Payment divided by the total number of Eligible Pay Periods worked by PAGA Members during the PAGA Settlement Period. The pay period value will be rounded to the nearest cent. The amount of the Individual PAGA Payment to be paid to each PAGA Member will be determined by multiplying the pay period value by the total number of Eligible Pay Periods. Individual PAGA Payments shall be mailed by regular First-Class U.S. Mail to each PAGA Member's last known mailing address within fifteen (15) days after Defendant fully funds the settlement.

11. Class Representative Enhancement Award.

Plaintiff will make an application to the Court for a Class Representative Enhancement Award of up to \$10,000.00. The Class Representative Enhancement Award shall be paid to Plaintiff from the Total Settlement Amount no later than fifteen (15) days after Defendant fully funds the Settlement. The Class Representative Enhancement Award shall be in addition to the Plaintiff's Individual Settlement Payment as a Participating Class Member and Individual PAGA Payment as a PAGA Member. Any amount requested by Plaintiff for the Class Representative Enhancement Award and not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement. In the event the Court reduces or does not approve the requested Class Representative Enhancement Award, Plaintiff and

Class Counsel shall not have the right to modify or revoke the Settlement, or to appeal such order, nor will Plaintiff or Class Counsel seek, request, or demand an increase to the Total Settlement Amount on that basis.

12. Class Counsel Award.

Class Counsel will file a motion for attorneys' fees in the amount of up to one third (33.33%) of the Total Settlement Amount, not to exceed \$150,000, and for the reimbursement of reasonable litigation costs and expenses associated with Class Counsel's prosecution of this matter, not to exceed \$25,000.00, to be paid from the Total Settlement Amount. Class Counsel shall be paid the Class Counsel Award no later than seven (7) days after Defendant fully funds the settlement. Any amount requested by Class Counsel for the Class Counsel Award and not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs and, in the event that the Court reduces or does not approve the requested Class Counsel Award, Plaintiff and Class Counsel shall not have the right to modify or revoke the Settlement, or to appeal such order, nor will Plaintiff or Class Counsel seek, request, or demand an increase to the Total Settlement Amount on that basis.

13. Tax Treatment.

The Settlement Administrator will report each payment made from the Qualified Settlement Fund to state and federal government authorities, including the Internal Revenue Service, to the extent required by law. All Individual Settlement Payments shall be allocated as follows: 10% as wages and 90% as non-wage income, penalties and interest. The 10% portion of Individual Settlement Payments subject to required withholdings and deductions by the Settlement Administrator shall be reported on Form W-2 (and such other state or local tax reporting forms as may be required by law) with respect to the year of payment as wage income to the Settlement Class Member by the Settlement Administrator on behalf of the Qualified Settlement Fund. All Individual PAGA Payments shall be allocated as 100% penalties, for which a 1099 will be issued if required. The Settlement Administrator shall be responsible for issuing to Participating Settlement Class Members an IRS Form 1099. All Individual PAGA Payments shall be allocated as 100% penalties, for which a 1099 will be issued if required. The Settlement Administrator shall issue I.R.S. Form 1099 if required for the remaining payments under this Agreement. Defendant Poshmark shall solely be responsible for paying the employer's share of payroll taxes on the amounts allocated as wages and expenses, which amount shall be paid separately from the Total Settlement Amount. Plaintiff, any Participating Class Member and any PAGA Member who receives any Individual Settlement Payment or Individual PAGA Payment should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Participating Class Members, PAGA Members and Class Counsel shall be solely responsible for the reporting and payment of their share of any federal, state, and/or local income tax or other tax or any other withholdings, if any, on any of the payments made pursuant to this Settlement. Defendant makes no representation, and it is understood and agreed that Defendant has made no representation, as to the taxability to any Participating Settlement Class Members of

any portion of the Individual Settlement Payments, to any PAGA Members regarding the Individual PAGA Payments, the payment of any attorneys' fees and expenses to Class Counsel, or the payment of the Class Representative Enhancement Award to the Class Representative. The Notice will advise each Class and PAGA Member to seek his/her own personal tax advice prior to acting in response to the Notice, and Defendant, the Class Representative, and Class Counsel agree that each Class and PAGA Member will have an adequate opportunity to seek tax advice prior to acting in response to the Notice.

14. Circular 230 Disclaimer.

Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

15. Unclaimed Settlement Payment(s).

After one hundred and eighty (180) days of the mailing of the Individual Settlement Payment and Individual PAGA Payment checks, funds attributable to unclaimed, undeliverable, or expired Individual Settlement Payment and/or Individual PAGA Payment checks shall be paid to Legal Aid at Work as a *cy pres* pursuant to California Civil Procedure Code § 384.

16. Settlement Administrator Costs.

The Settlement Administrator has provided a settlement administration quote for \$9,500. **Exhibit B.** Upon filing the motion for Final Approval, Plaintiff will request the Court to award an amount equal to the actual administration costs. The Settlement Administrator shall have the authority and obligation to make payments, credits and disbursements to Settlement Class Members in the manner set forth herein, calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Parties agree to cooperate in the Settlement Administration process and to make reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement. The Settlement Administrator shall be paid the Settlement Administrator Costs no later than seven (7) days after Defendant fully funds the settlement.

17. Settlement Administrator Responsibilities.

In addition to establishing the Qualified Settlement Fund, the Settlement Administrator shall be responsible for the following: creating a plan of settlement administration and settlement fund distribution; using the Class Information to calculate each Class Member's approximate Individual Settlement Payment and each PAGA Member's Individual PAGA Payment; ascertaining the identity and whereabouts of the Class Members and mailing Notice of Class Action Settlement out to them; communicating with Class Members as necessary; printing and mailing the Notice of Class Action Settlement and tax forms to the Participating Class Members and PAGA Members as directed by the Court; receiving and reporting requests for exclusion and objections; processing and mailing payments to Plaintiff, Class Counsel, Participating Class Members, the LWDA and PAGA Members; notifying the Parties of, and resolving any disputes regarding, the calculation of Participating Class Members' Individual Settlement Payments or PAGA Members' Individual PAGA Payments; complying with all tax reporting notice and filing requirements; carrying out all other duties related to the Qualified Settlement Fund's documentation and filing; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; providing status reports as needed, among other administrative duties; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

Defendant and its Counsel shall have no responsibility for validating or ensuring the accuracy of the Settlement Administrator's work. Plaintiff, Class Counsel, Defendant and Defendant's Counsel shall not bear any responsibility for any errors or omissions in the calculation or distribution of the Individual Settlement Payments, Individual PAGA Payments, or any other distribution of monies contemplated by this Settlement Agreement.

18. Final Approval Hearing and Entry of Final Judgment.

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

19. Final Approval Order.

Plaintiff will request, and Defendant will concur in said request, that the Court enter, after the Final Approval Hearing, a Final Approval Order and a Final Judgment. Plaintiff will request that the Final Approval Order certify the Settlement Class; find that this Agreement is fair, just, adequate, and in the best interests of the Class; and require the Parties to carry out the provisions of this Agreement. The Parties shall jointly prepare the proposed Final Approval Order. Plaintiff shall be responsible for preparing the Motion for Final Approval, and any Motion Requesting Attorneys' Fees, Costs, and Class Representative Enhancement Award, supporting declarations, and exhibits thereto, for final approval by the Court. Class Counsel agrees to provide Counsel for Defendant with drafts of all documents they intend to submit in support of their Motion for Final

Approval and application for attorneys' fees and costs in advance of the filing of such documents at least seven days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on such papers and further agrees to reasonably incorporate the comments from Counsel for Defendant. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement that will result in entry of the Final Approval Order.

20. Nullification of Settlement Agreement.

In the event: (i) the Court denies preliminary approval of the Settlement; (ii) the Court denies final approval of the Settlement; (iii) the Court refuses to enter a Final Judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgement entered by the Court in furtherance of this Settlement shall be treated as void from the beginning.

To the extent that more than five percent (5%) or more of the Settlement Class Members submit valid Requests for Exclusion, Defendant Poshmark has the option to nullify this Settlement within ten (10) days of notification by the Settlement Administrator after the Response Deadline of the total number of Requests for Exclusion, via a written notice to Plaintiff's counsel. If Poshmark exercises this option, the Settlement will become void and unenforceable in its entirety and the Parties shall be returned to their status as if this Agreement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid by Defendant Poshmark.

21. Conditional Class Certification.

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

If, for any reason, the Settlement is not approved, this Agreement will be void and the Parties will be restored to their respective positions as if they had not entered into the Agreement. The Parties further agree that this Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or not decertified, or that this matter may proceed as a representative action; or (ii) Defendant is liable to Plaintiff or any Settlement Class Member or any PAGA Member other than according to the Settlement's terms. In the event that the Settlement is not approved or otherwise voided, Defendant expressly reserves all rights to challenge certification of a class, or Plaintiff's ability to maintain a representative action, for all purposes.

22. No Publicity

Prior to preliminary approval, the Parties agree not to disclose the terms of this settlement except in court papers filed to seek approval except for any disclosures agreed to by the Parties and as necessary to effectuate the Settlement. Before or after approval, Plaintiff and Plaintiff's Counsel shall not issue a press release, hold a press conference, publish information about the

settlement on any website (other than information directed to Class and PAGA Members regarding the approval), or otherwise publicize the settlement. Nothing herein restricts Plaintiff's counsel from fulfilling its duties to Class and PAGA Members. However, Plaintiff's counsel may (in future declarations submitted in Court) refer to the fact that this matter settled on a representative action basis, for purposes detailing the experience of counsel. Plaintiff and Plaintiff's Counsel agree not to respond to any media inquiries except to refer reporters to the papers filed with the court.

23. No Effect on Employee Benefits.

Class Representative Enhancement Awards, Individual Settlement Payments, and Individual PAGA Payments shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the Plaintiff, Settlement Class Members and PAGA Members. The Parties agree that any Class Representative Enhancement Award, Individual Settlement Payments, and Individual PAGA Payments paid to Plaintiff, Settlement Class Members and PAGA Members under the terms of this Settlement do not represent any modification of any previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Class Representative Enhancement Award, Individual Settlement Payments, and Individual PAGA Payments shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.

24. No Admission by Defendant.

Defendant denies each and every one of Plaintiff's allegations in their entirety and denies that it has violated any law or violated any legal or equitable obligation to Plaintiff. This Agreement is not a concession or admission and shall not be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant.

25. Representation.

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

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

26. Exhibits and Headings.

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

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

27. Interim Stay of Proceedings.

Upon full execution of this Agreement, the Parties agree to jointly request the Court to stay proceedings except for the proceedings necessary to implement and complete the Settlement.

28. Amendment or Modification.

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

29. Entire Agreement.

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

30. Authorization to Enter into Settlement Agreement.

Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions 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. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Agreement on behalf of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

31. Binding on Successors and Assigns.

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

32. California Law Governs.

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

33. Counterparts.

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

34. Jurisdiction of the Court.

Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith. The prevailing party to any such enforcement action shall be entitled to recover its attorneys' fees and costs incurred in connection with any such enforcement actions.

35. Invalidity of Any Provision.

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

WHEREFORE, Plaintiff, on behalf of herself and the Settlement Class Members, and Defendant have executed this Agreement as of the dates set forth below.

IT IS SO AGREED:

AGREED AND UNDERSTOOD:

PLAINTIFF ALEXIS LAKEY

Dated: 02 / 27 / 2023

By: 
Plaintiff Alexis Lakey

DEFENDANT POSHMARK, INC.

Dated: _____

By: _____
[Name]
[Title]

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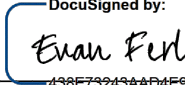
PLAINTIFF ALEXIS LAKEY

Dated: _____

By: _____
Plaintiff Alexis Lakey

DEFENDANT POSHMARK, INC.

Dated: 2/28/2023

By:  _____
Evan Ferl, Esq.
As authorized agent for Defendant

APPROVED AS TO FORM

LAW OFFICES OF CHOI & ASSOCIATES

Dated: 2/27/2023



Edward W. Choi
Counsel for Plaintiff

DIVERSITY LAW GROUP, P.C.

Dated: 2/27/2023



Larry W. Lee
Counsel for Plaintiff

DAVID LEE LAW, A.P.C.

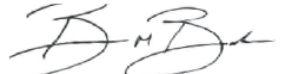
Dated: 2/27/2023



David Lee
Counsel for Plaintiff

BRANDON BANKS LAW, APC

Dated: 2/27/2023



Brandon M. Banks
Counsel for Plaintiff

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**

Dated: _____

Gregory C. Cheng
Carolyn B. Hall
Counsel for Defendant Poshmark, Inc.

APPROVED AS TO FORM

LAW OFFICES OF CHOI & ASSOCIATES

Dated: _____

Edward W. Choi
Counsel for Plaintiff

DIVERSITY LAW GROUP, P.C.

Dated: _____

Larry W. Lee
Counsel for Plaintiff

DAVID LEE LAW, A.P.C.

Dated: _____

David Lee
Counsel for Plaintiff

BRANDON BANKS LAW, APC

Dated: _____

Brandon M. Banks
Counsel for Plaintiff

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

Dated: February 27, 2023



Gregory C. Cheng
Carolyn B. Hall
Counsel for Defendant Poshmark, Inc.

EXHIBIT A

Superior Court of California, County of Santa Clara
Alexis Lakey et al. v. Poshmark, Inc. et al., Case No. 22CV395084

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

NOTICE OF SETTLEMENT OF CLASS AND REPRESENTATIVE ACTION

To: All current and former employees of Poshmark, Inc. (“Poshmark”) in the state of California who: (1) worked more than eight hours in any work shift since March 8, 2018”), through March 1, 2023 (the “Overtime Class Members”); or (2) worked more than five hours in any work shift since March 8, 2018”), through March 1, 2023 (the “Meal Break Class Members”); and (3) who were paid salary wages since March 8, 2021 (the “Wage Statement Class Members”), through March 1, 2023 (collectively, the “Settlement Class” or “Settlement Class Members”);

All current and former non-exempt employees who worked for Poshmark at any time in California from March 8, 2021 through March 1, 2023 (the “PAGA Members”).

A putative class action and representative action under the California Private Attorneys General Act of 2004 (“PAGA”), which was brought on behalf of the Settlement Class and PAGA Members and against Defendant Poshmark, Inc. has been settled for \$450,000.00. As explained in this Notice, if the Court approves this class and PAGA Settlement then you may receive payments under this Settlement. You are receiving this Notice because based on Poshmark’s records, you are a Settlement Class Member and/or a PAGA Member.

If you are a Settlement Class Member and/or a PAGA Member, you are eligible for payment from the Settlement described in this Notice without the need to return a claim form.

PLEASE READ THIS NOTICE CAREFULLY

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you want to participate and receive your share of the money from the class and PAGA settlement, you do not need to do anything. If you do nothing, you will be mailed a settlement payment and you will release certain claims. [<i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>]

EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you ask to be excluded from the class portion of the settlement and money is later awarded, you will not receive any share from the class settlement. But, you keep any rights as an individual to sue Defendants separately about the same legal claims that are being settled. You may exclude yourself from the settlement by submitting a written Request for Exclusion according to the instructions contained in this Notice. The deadline to submit a Request for Exclusion is [45 calendar days from date of mailing]. If you are a PAGA Member, even if you exclude yourself from the class action, you will still receive a portion of the PAGA settlement and be bound by it.
OBJECT	Object to the Settlement if you think the Settlement is not fair by sending your written objection to the Settlement Administrator and, if you wish, appear at the Final Approval Hearing. If you submit a Request for Exclusion from the Settlement, you cannot also object to it. The deadline to submit an objection is [45 calendar days from date of mailing].

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **POSHMARK SUPPORTS THE SETTLEMENT AND WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER WHO REMAINS IN THE CLASS AND RECEIVES A SETTLEMENT PAYMENT.**

WHAT THIS NOTICE CONTAINS

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6. Who are the Attorneys for the Parties? Page

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EXCLUDING YOURSELF FROM THE SETTLEMENT

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THE COURT'S FINAL FAIRNESS HEARING

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BASIC INFORMATION

1. Why was this notice issued

A Court authorized this notice because you have a right to know about a proposed Settlement of a class and representative PAGA action lawsuit, and about all of your options, before the Court decides whether to approve it. This notice explains the lawsuit, the Settlement, your legal rights, the payments that are available, who is eligible to receive them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Santa Clara, and the case is known as *Alexis Lakey et al. v. Poshmark, Inc. et al.*, Santa Clara County Superior Court Case No. 22CV395084 (the "Action" or "Lawsuit").

2. What is the lawsuit about?

On March 8, 2022, Plaintiff Lakey filed a class action in Santa Clara County Superior Court against Poshmark. On July 5, 2022, Plaintiff filed a First Amended Complaint to add a representative PAGA action. In her First Amended Complaint, Plaintiff alleges claims under the California Labor Code for failure to pay overtime, failure to provide compliant meal periods and failure to accurately list the regular rate of pay on wages statements, and a derivative claim for alleged violation of the Unfair competition Law, California Business and Profession Code section 17200 *et seq.*, based on the same alleged violations. Plaintiff also seeks civil penalties under PAGA for the same alleged Labor Code violations.

Poshmark denies all of the claims in the Lawsuit. However, Poshmark has agreed to settle the Lawsuit to avoid continued litigation. The Settlement is not an admission of any wrongdoing by Defendant Poshmark or an indication that any law was violated.

3. What is a class action?

In a class action lawsuit, one or more people called Class Representatives (in this case, Alexis Lakey) sue on behalf of others who may have similar claims, who are called a class or class members.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff Alexis Lakey, nor did the Court decide in favor of Defendant. Instead, both sides agreed to a no-fault settlement of the Lawsuit (“Settlement”). That way, they avoid the cost of further litigation including a trial, and the people affected will get compensation from the Settlement.

5. Who are the Parties in this Lawsuit?

Plaintiff Lakey was a Marketplace Operations Associate for Poshmark. The Defendant is Poshmark, Inc.

6. Who are the Attorneys Representing the Plaintiff and the Class?

Edward W. Choi LAW OFFICES OF CHOI & ASSOCIATES 515 South Figueroa Street, Suite 1250 Los Angeles, CA, 90071 Telephone: (213) 381-1515 edward.choi@choiandassociates.com	Larry W. Lee DIVERSITY LAW GROUP, APC 515 South Figueroa Street, Suite 1250 Los Angeles, CA 90071 Telephone: (213) 488-6555 lwlee@diversitylaw.com
David Lee, Esq. DAVID LEE LAW, A.P.C. 515 South Flower Street, Suite 1900 Los Angeles, CA 90071 Telephone: (213) 236-3536 david@davidjleelaw.com	Brandon M. Banks BRANDON BANKS LAW, APC 340 South Lemon Ave #1409 Walnut, California 91789 Phone: (415) 289-9494 brandon@brandonbankslaw.com

You also have the right to hire an attorney (at your own cost) to represent you, or to enter an appearance and represent yourself.

THE TERMS OF THE SETTLEMENT

7. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$450,000.00 to fully and finally resolve all claims in the Lawsuit (referred to as the “Total Settlement Amount”). Class Counsel will apply to the Court for attorneys’ fees of up to \$150,000.00 (33.33% of the Total Settlement Amount); litigation costs estimated at \$25,000.00; a “Class Representative Enhancement Payment” of up to \$10,000 for Plaintiff Alexis Lakey for her work and effort in prosecuting this case, risks taken for the payment of costs in the event of loss, and a general release of all claims; settlement administration expenses to Phoenix Settlement Administrators, estimated at \$9,500; and a \$25,000.00 “PAGA Payment” to the California Labor Workforce and Development Agency (“LWDA”) and PAGA Members in settlement of claims for penalties under PAGA. The exact amount of the attorneys’ fees, litigation costs, Class Representative service payments, and settlement administration expenses will be determined by the Court at the Final Approval hearing if the Settlement is approved.

Following the Court-approved deductions, the remaining portion of the Settlement, the Net Settlement Amount (“NSA”), is estimated to be \$236,750. The NSA will be apportioned and paid out entirely, *automatically*, to all “Participating Class Members,” who are the Settlement Class Members who do not ask to be excluded from the class action settlement, as “Individual Settlement Payments.”

No portion of the Total Settlement Amount will revert to Defendant under any circumstances.

8. How will the Individual Settlement Payments be calculated and how much will my award be?

Participating Class Members will receive a pro-rata share of the NSA based on the number of pay periods they worked for Poshmark during the time period of March 8, 2018 to March 1, 2023 (the “Class Settlement Period”).

Here’s how it works – the NSA will be entirely distributed to the Participating Class Members. The NSA allocated to each individual Participating Class Member will be based on the individual’s total number of pay periods worked during the Class Settlement Period, in relation to the total number of pay periods worked by all Participating Class Members. Pay periods will be calculated according to Poshmark’s records.

Based on Poshmark’s records, you worked [REDACTED] pay periods during the Class Settlement Period and your estimated Individual Settlement Payment is \$ [REDACTED], before applicable tax withholdings, although the actual amount that is paid may be lower or higher than the amount estimated. If you wish to dispute your number of pay periods during the Class Settlement Period, you must notify the Settlement Administrator in writing, no later than forty five (45) days after the mailing of this Notice. Please provide any proof you may have that you were employed by Poshmark for a different number of pay periods during the Class Settlement Period.

Individual Settlement Payments shall be subject to applicable withholding taxes on that portion of the payment allocated to wages. Individual Settlement Payments will be allocated 10% as wages for which an IRS W-2 form will be issued, and 90% as non-wage income, penalties and interest, for which an IRS 1099 form will be issued as required. You will be responsible for the tax consequences of your Individual Settlement Payment, for filing your own returns and reporting all income received to state and federal taxing authorities, and for payment of any other applicable taxes due. You should consult with a tax advisor concerning the tax consequences of the Individual Settlement Payment you could receive under the Settlement.

9. How will the PAGA Payment be distributed?

The Parties will seek approval from the Court to designate \$25,000.00 of the Total Settlement Amount as penalties recoverable under PAGA. 75% of this amount, or \$18,750.00, will be paid to the LWDA, as required by law. The remaining 25% of this amount, or \$6,250.00, will be distributed to the PAGA Members as “Individual PAGA Payments.” The Individual PAGA Payments and are paid in addition to any Individual Settlement Payments (the Individual Settlement Payment and the Individual PAGA Payments are the “Settlement Payment”). 100% of the PAGA Payment will be treated as penalties and interest. You should consult with a tax advisor concerning the tax consequences of the Individual PAGA Payment you could receive under the Settlement.

Not all Class Members are PAGA Members entitled to an Individual PAGA Payment. You are only a PAGA Member if you worked for Poshmark during the period March 8, 2021, through March 1, 2023 (the “PAGA Settlement Period”). The Individual PAGA Payments will be calculated on a pro-rata basis based on the number of pay periods that you worked during the PAGA Settlement Period. Based on Poshmark’s records, your total number of pay periods during the PAGA Settlement Period is [REDACTED]. Based on that, your anticipated approximate Individual PAGA Payment is \$ [REDACTED]. If you wish to dispute your number of pay periods during the PAGA Settlement Period, you must notify the Settlement Administrator in writing, no later than forty five

(45) days after the mailing of this Notice. Please provide any proof you may have that you were employed by Poshmark for a different number of pay periods during the PAGA Settlement Period.

HOW TO GET PAYMENT

10. How will the Settlement Payment be distributed?

If the Settlement is approved, you do not need to do anything to receive a Settlement Payment. If the Court approves the Settlement at a final approval hearing, your Settlement Payment will be mailed to the address on file with the Settlement Administrator. **It is your responsibility to keep the Settlement Administrator informed of any change in your address, as your Settlement Payment will be mailed to the last known address it has on file for you** if the Court approves the settlement.

11. When can I expect to receive my Settlement Payment?

If the Court approves the Settlement, and there are no pending objections, your share of the Settlement will be paid approximately 30 days after the Court grants final approval of the Settlement. ***Your share of the Settlement will be mailed to the address on file for you.*** Again, if this address is not correct, or if you move after you receive this Notice, you should notify the Settlement Administrator by mail or by calling the Settlement Administrator at 800-_____.

12. What am I giving up to get a Settlement Payment?

Participating Class Members will be giving up or “releasing” the claims described below:

Release of Class Claims: After the Court grants final approval of the Settlement, each Participating Settlement Class Member will be bound by the approval and judgment and thereby releases Defendant and any of their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, franchisees, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, and all persons acting under, by, through, or in concert with any of them, and each of them (“Released Parties”) from any and all claims and/or causes of action under any state, local or federal law or administrative order that were or could have been pled based on the allegations of the original and amended Complaints in the Lawsuit and the Plaintiff’s PAGA Notice Letters, including but not limited to, any claim for: (i) any and all claims for unpaid or underpaid overtime wages; (ii) any and all claims for failure to provide meal periods; (iii) any and all claims for improper or inaccurate itemized wage statements, including any alleged violations of Labor Code Section 226(a)(1)-(9) based on the facts and legal theories contained in the Action, and including claims for injuries suffered therefrom; (iv) any and all claims for the untimely payment of final wages and associated waiting time penalties under Labor Code Section 203 based on the facts, claims, causes of action, or legal theories alleged in the Action; (v) any and all claims under the Business & Professions Code (including Section 17200 *et seq.*) premised on the facts, claims, or legal theories described herein or in the Action; any other claims or penalties under the wage and hour laws pleaded in the Action; and all damages, penalties, interest and other amounts recoverable under all Claims under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts and theories alleged in the Action, and the applicable Wage Orders as to the facts and theories alleged in the Action (collectively, the “Released Claims.”) The period of the Release shall extend to the limits of the Class Settlement Period.

PAGA Members and the State of California will be giving up or “releasing” claims for civil penalties under PAGA:

Release of PAGA Claims: After the Court grants final approval of the Settlement, then Plaintiff, as representative of the State of California and on behalf of the LWDA and the PAGA Members, will fully and finally release the Released Parties from all claims and causes of action for PAGA penalties against the Released Parties that were alleged or that could have been alleged based on the facts asserted in the Action as well as in any and all of the PAGA Notice Letters for violations of Labor Code sections 201-203, 226, 226.7, 1174, 1194, 1198, 1199, and 2698 *et seq.*, and sections of the applicable wage order, as well as any and all claims for attorneys’ fees, litigation costs, and interest allocated to those claims. The Released PAGA Claims include (i) any and all claims for unpaid or underpaid overtime wages; (ii) any and all claims for failure to provide meal periods; (iii) any and all claims for improper or inaccurate itemized wage statements; and (2) any other claims and penalties under the wage and hour laws alleged in the Action and in the PAGA Notice Letters. The period of the Released PAGA Claims will be the PAGA Settlement Period.

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

13. Can I exclude myself from the class settlement?

If you wish not to participate in the class settlement for whatever reason, you could exclude yourself from the class settlement (that is, “opt out” of the Settlement). However, you cannot opt out of the PAGA portion of the Settlement. To opt out and exclude yourself from the Class and this Settlement so that you do not become a Participating Settlement Class Member, you must provide a signed and dated letter to the Administrator requesting to be excluded from the Class. The letter must state in substance:

“I have read and understand the Notice of Settlement of Class and Representative Action and I wish to exclude myself from the Settlement described in the Notice.”

Your letter requesting to exclude yourself must include the case name, *Lakey et al. v. Poshmark, Inc. et al.*, Case No. 22CV395084, your full name, current address and telephone number. It must be addressed to the Settlement Administrator at [address], postmarked on or before [redacted], 2023. [45 days from mailing of Notice] Requests for exclusion postmarked after this date may be disregarded.

14. If I don’t exclude myself from the class settlement, can I sue Defendant for the same thing later?

No. Unless you exclude yourself from the class settlement, you give up any right to sue Poshmark for the claims that this Settlement resolves. ***If you have a separate lawsuit already against the Defendant, you should speak to your lawyer in that case immediately.*** You may need to exclude yourself from this Class and this case by the above deadline in order to continue your separate lawsuit.

15. If I exclude myself from the class settlement, can I get money from this settlement?

If you request to be excluded from the Settlement, you will not receive an Individual Settlement Payment. You also will not be able to object to the Settlement as explained below. The Individual Settlement Payment you would have been entitled to receive will be redistributed to the Participating Class Members. However, if you are a PAGA Member, you will receive an Individual PAGA Payment regardless of whether you exclude yourself from the class settlement.

No portion of the Total Settlement Amount will go back to Poshmark as a result of any person requesting to be excluded from the Settlement.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the Settlement?

If you don't think the Settlement is fair, and you don't request to be excluded from the class settlement, you can object to the Settlement and tell the Court that you don't agree with the Settlement or some part of it before the Court decides whether to grant final approval of the Settlement.

To object in writing, you must submit a timely written objection to the Settlement Administrator. Your objection must state that you object to the proposed Settlement of this case entitled *Lakey et al. v. Poshmark, Inc. et al.*, Case No. 22CV395084. Be sure to include your name, address, telephone number, and signature, and the specific reasons you object to the Settlement. You must mail your written objection to the Settlement Administrator at [address] postmarked on or before _____, 2023. [45 days from mailing of Notice Packet]. Requests for objection postmarked after this date may be disregarded.

Any attorney who will represent you for purposes of objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant with this notice no later than the Response Period Deadline.

You may also appear at the Final Fairness Hearing to object to the settlement in person (or other method of personal appearance permitted by the court, e.g., Zoom), without first serving a written objection.

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

If you have questions regarding this Settlement, you should contact the Settlement Administrator or the attorneys for Plaintiff and the Class (see Paragraph 6). Please **DO NOT** contact attorneys for Defendant or any of Defendant's managers and supervisors, or owners.

THE COURT'S FINAL FAIRNESS HEARING

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval hearing in Department 1 of the Superior Court of California, County of Santa Clara located at 191 N. First Street, San Jose, California 95113 on _____, 2023, at _____ a.m./p.m. At this hearing the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative Enhancement Award, and the Settlement Administrator's fees and expenses. The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has submitted an objection or indicated an intention to speak at the Final Approval Hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Fairness hearing.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense to support or object to the settlement. If you send an objection, you don't have to come to Court to object but you can if you wish to. As long as you mailed your written objection on time, the Court will consider it. You may also hire and if required pay your own lawyer to attend if you so desire.

19. May I speak at the hearing?

You may appear at the Final Approval Hearing and ask the Court for permission to speak.

GETTING MORE INFORMATION

20. Who may I contact if I have questions about the settlement?

This Notice is only a summary of the Lawsuit and proposed Settlement. For more information, you may personally inspect the files and the Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online at the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org, or in person at Records, Superior Court of California, County of Santa Clara, 191 N. First Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m. You may also contact Class Counsel if you need more information or have questions. You may also contact the Settlement Administrator by calling toll free 1-_____, or you can write to Settlement Administrator, at _____
[insert address].

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.

ADDITIONAL IMPORTANT INFORMATION

A. **It is your responsibility to ensure that the Settlement Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Settlement Payment will be sent if the Settlement is approved.

B. **Settlement Payment checks should be cashed promptly upon receipt.** Proceeds of checks which remain uncashed after 180 days from the date of issuance will be paid to Legal Aid at Work as a *cy pres* pursuant to California Code of Civil Procedure section 384.

EXHIBIT B



CASE ASSUMPTIONS

Class Members	410
Opt Out Rate	1%
Opt Outs Received	4
Total Class Claimants	406
Subtotal Admin Only	\$9,500.00

Not-to-Exceed Total \$9,500.00

For 410 Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

December 15, 2022

Case: Lakey v. Poshmark Opt-Out

Phoenix Contact: Jarrod Salinas

Contact Number: 800-523-5773

Email: Jarrod@phoenixclassaction.com

Requesting Attorney: Edward Choi

Firm: Law offices of Choi & Assoc.

Contact Number: 213.381.1515

Email: Edward.Choi@choiandassociates.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly.

Estimate is based on 410 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	2	\$200.00
Programming Database & Setup	\$100.00	2	\$200.00
Toll Free Setup*	\$140.00	1	\$140.00
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$200.00	1	\$200.00
Total			\$772.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	3	\$300.00
Data Merge & Duplication Scrub	\$0.25	410	\$102.50
Notice Packet & Opt-Out Form	\$1.25	410	\$512.50
Estimated Postage (up to 2 oz.)*	\$0.84	410	\$344.40
Static Website	\$225.00	1	\$225.00
Total			\$1,484.40

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$2.00	82	\$164.00
Remail Notice Packets	\$1.25	82	\$102.50
Estimated Postage	\$0.84	82	\$68.88
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$545.38

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	3	\$405.00
Non Opt-Out Processing	\$200.00	1	\$200.00
Case Associate	\$55.00	2	\$110.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	2	\$170.00
Total			\$915.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	3	\$405.00
Disbursement Review	\$135.00	3	\$405.00
Programming Manager	\$95.00	3	\$285.00
QSF Bank Account & EIN	\$100.00	3	\$300.00
Check Run Setup & Printing	\$135.00	2	\$270.00
Mail Class Checks *	\$1.50	406	\$608.85
Estimated Postage	\$0.61	406	\$247.60
Total			\$2,521.45

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	4	\$500.00
Remail Undeliverable Checks (Postage Included)	\$1.50	81	\$121.77
Case Associate	\$50.00	5	\$250.00
Reconcile Uncashed Checks	\$75.00	4	\$300.00
Conclusion Reports	\$115.00	2	\$230.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$120.00	2	\$240.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,150.00	1	\$1,150.00
Check to Cy-Pres	\$150.00	1	Included
Uncashed Checks to the State of California Controllers Office	\$300.00	1	\$300.00
Estimated 7 Total Class Members			
Total			\$3,261.77

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$9,500.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.