

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (the “Agreement”) is made and entered into by and between Plaintiff JOY MACOPSON (“Plaintiff” or “Class Representative”) and Defendant PACIFIC BELL TELEPHONE COMPANY (“Defendant”) in the Action (as defined below). This Agreement is subject to the terms and conditions herein and the approval of the Court. For purposes of this Agreement, Plaintiff and Defendant are each referred to collectively as “Parties” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means *Joy Macopson v. Pacific Bell Telephone Company*, LASC Case No. 22STCV13800, initially filed on April 26, 2022, in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Atticus Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Fund to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means Class Members who actually worked in California during the PAGA Period for Defendant as a non-exempt, hourly employee or for AT&T Services, Inc. in a technician position.
- 1.5. “Class Counsel” means Mark D. Potter and James M. Treglio of Potter Handy LLP.
- 1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.7. “Class Data” means Settlement Class Member identifying information in Defendant’s possession including each Settlement Class Member’s name, last-known mailing address, Social Security number, and data sufficient for the Administrator to calculate the number of Class Membership Period Workweeks and PAGA Pay Periods.
- 1.8. “Class Member” or “Settlement Class Member” means a member of the Settlement Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

- 1.9. “Class Member Address Search” or “Settlement Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.10. “Class Membership Period” means the period from April 26, 2018 through the date of Preliminary Approval of this Settlement.
- 1.11. “Class Notices” mean the Court-approved notices of class action settlement and hearing date for final court approval, to be mailed to Class Members in English in the form, without material variation, attached as Exhibits A and B and incorporated by reference into this Agreement.
- 1.12. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.13. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14. “Court” means the Superior Court of California, County of Los Angeles.
- 1.15. “Defendant” means named Defendant Pacific Bell Telephone Company.
- 1.16. “Defense Counsel” means Matthew C. Kane, Sylvia J. Kim, Amy E. Beverlin and Kerri H. Sakaue of Baker & Hostetler LLP.
- 1.17. “Effective Date” means: (i) sixty-five (65) days after entry of the Court’s Final Approval Order and Judgment granting Final Approval of the Settlement, so long as no appeals are filed therefrom; or (ii) if a timely appeal of the Court’s Final Approval Order has been filed, thirty (30) days after the final disposition of all appellate proceedings and the exhaustion of any applicable time to seek further appellate review without doing so.
- 1.18. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.19. “Final Approval” means the Court’s granting final approval of the Settlement.
- 1.20. “Final Approval Order” means the Court’s order entered upon granting Final Approval.
- 1.21. “Gross Settlement Fund” or “GSF” means **\$2,235,000.00**, which is the total amount Defendant agrees to pay under the Settlement, subject to the provisions of Paragraphs 3.2 and 9, below, and includes the Individual Settlement Amounts

Defendant already paid to certain Class Members through their Individual Settlement Program. The Gross Settlement Fund will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment and the Administrator's Expenses.

- 1.22. "Gross Settlement Fund Payment" or "GSF Payment" means \$1,753,792.00, which is the total amount that will be paid by Defendant into the GSF and which is the aggregate sum of \$2,235,000.00 less a payment credit of \$481,208.00 for the amounts Defendant paid to certain Settlement Class Members pursuant to its Individual Settlement Program.
- 1.23. "Individual Class Payment" means the Participating Class Member's *pro rata* share of the Net Settlement Fund calculated in accordance with Paragraph 3.2.4 below.
- 1.24. "Individual PAGA Payment" means the Aggrieved Employee's *pro rata* share of 25% of the PAGA Penalties calculated in accordance with Paragraph 3.2.5 below.
- 1.25. "Individual Settlement Amount" means the approximately \$481,208.00 Defendant has already paid to certain Settlement Class Members through its Individual Settlement Program.
- 1.26. "Individual Settlement Program" refers to the individual settlement program conducted by Defendant from December 2022 to March 2023 and described in greater detail in Paragraph 2.3.
- 1.27. "Individual Settlement Share" refers to the *pro rata* share of the Individual Settlement Amount certain Settlement Class Members received through Defendant's Individual Settlement Program.
- 1.28. "Judgment" means the judgment entered by the Court based upon the Court's Final Approval Order.
- 1.29. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to the LWDA PAGA Payment, under California Labor Code § 2699, subd. (i).
- 1.30. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under California Labor Code § 2699, subd. (i).
- 1.31. "Memorandum of Understanding" means the Memorandum of Understanding entered into between Class Counsel and Defense Counsel on March 22, 2023, regarding the terms of this Settlement.

- 1.32. “Net Settlement Fund” or “NSF” means the Gross Settlement Fund, less the following payments in the amounts approved by the Court: (a) the Individual PAGA Payments, (b) the LWDA PAGA Payment, (c) the Class Representative Service Payment, (d) the Class Counsel Fees Payment, (e) the Class Counsel Litigation Expenses Payment, and (f) the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.33. “Non-Participating Class Member” means any Settlement Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.34. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee actually worked in California during the PAGA Period for Defendant as a non-exempt, hourly employee or for AT&T Services Inc. in a technician position.
- 1.35. “PAGA Period” means the period from April 10, 2021 through the end of the Class Membership Period.
- 1.36. “PAGA” means the California Labor Code Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.37. “PAGA Notice” means Plaintiff’s April 10, 2022 letter to Defendant and the LWDA, and as subsequently amended pursuant to this Agreement, which provides notice pursuant to California Labor Code § 2699.3, subd.(a).
- 1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Fund (\$60,000.00), allocated 25% to the Aggrieved Employees (\$15,000.00) and the 75% to the LWDA (\$45,000.00) in settlement of PAGA claims.
- 1.39. “Participating Class Member” means a Settlement Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.40. “Plaintiff” means Joy Macopson, the named Plaintiff in the Action.
- 1.41. “Preliminary Approval” means the Court’s order granting Preliminary Approval of the Settlement.
- 1.42. “Proposed Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.43. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

- 1.44. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.45. “Released Parties” means: Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns.
- 1.46. “Request for Exclusion” means a Settlement Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.47. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Settlement Class Members and Aggrieved Employees, and shall be the last date on which Settlement Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expired Response Deadline.
- 1.48. “Settlement” means the disposition of the Action, Released Class Claims and Released PAGA Claims effected by this Agreement and the Judgment.
- 1.49. “Settlement Class” means all individuals who are or were employed in California from April 26, 2018 through the date of Preliminary Approval of the Settlement by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position, but excluding anyone who has filed their own separate action as a named plaintiff alleging the same or similar claims being released by the Settlement and/or who has previously released such claims.
- 1.50. “Workweek” means any week during which a Settlement Class Member actually performed work in California during the Class Membership Period for Defendant as a non-exempt, hourly employee or for AT&T Services, Inc. in a technician position, except as otherwise provided in Paragraph 3.2.4 below.

2. RECITALS.

- 2.1. On April 26, 2022, Plaintiff commenced the Action by filing a Complaint (the “Complaint”) against Defendant. On June 21, 2022, Plaintiff filed a First Amended Class and Representative Action Complaint (the “FAC”). The FAC is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged. The Complaint and FAC are referred to herein collectively as the “Complaints.”

- 2.2. Pursuant to California Labor Code § 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant, and as amended pursuant to this Agreement will give written notice to AT&T Services, Inc., and to the LWDA by sending the PAGA Notice, as amended.
- 2.3 On December 22, 2022, Defendant initiated an Individual Settlement Program, mailing putative Settlement Class Members a packet offering to settle their claims against Defendant. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) the Operative Complaint and the operative complaints in other cases in which they could be a putative class member; and (5) a check to cash if the recipient opted to accept Defendant's offer. As of the date of this Agreement, approximately 2,462 Settlement Class Members who were recipients (roughly 60%) have accepted their offered settlement through the Individual Settlement Program, resulting in Defendant paying approximately \$481,208.00 to those Settlement Class Members.
- 2.4 On March 20, 2023, the Parties participated in an all-day mediation presided over by Hon. Gail Andler (Ret.). Following that mediation, the Class Counsel and Defense Counsel entered into the Memorandum of Understanding.
- 2.5 Prior to negotiating the Settlement, Plaintiff obtained, through informal discovery, documents and information, including, *inter alia*, data points regarding the Settlement Class Members and Aggrieved Employees. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.6 The Court has not granted class certification.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:

In Re Pacific Bell Wage and Hour Cases, Los Angeles County Superior Court, JCCP Case No. 5017

Meza v. Pacific Bell Telephone Company, Kern County Superior Court, Case No. BCV-15-101572

Garcia v. Pacific Bell Telephone Company, Tulare County Superior Court, Case No. VCU276232

Jones v. Pacific Bell Telephone Company, Los Angeles County Superior Court, Case Nos. 22STCV2949 and 22STCV35974

Hicks v. AT&T Inc. et al., Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC

Rumenapp v. Pacific Bell Telephone Company, El Dorado County Superior Court, Case No. 23CV1230

Wilson v. Pacific Bell Telephone Company, Alameda County Superior Court, Case No. 23CV046794.

3. MONETARY TERMS.

- 3.1. Gross Settlement Fund. Except as otherwise provided by Paragraphs 3.1.1 and 9 below, Defendant promises to pay **\$2,235,000.00** and no more as the Gross Settlement Fund. The Gross Settlement Fund includes the Individual Settlement Amount Defendant already paid to certain Settlement Class Members through the Individual Settlement Program. Specifically included in the Gross Settlement Fund are all payroll taxes and withholdings associated with the payments to Participating Class Members and Aggrieved Employees (as applicable), and no additional funding or payment by Defendant will be required for any such obligations. The Administrator will disburse the entire Gross Settlement Fund without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Fund will revert to Defendant.
 - 3.1.1 Gross Settlement Fund Payment. The Gross Settlement Fund is subject to a payment credit of \$481,208.00 for the amounts Defendant paid to Settlement Class Members pursuant to the Individual Settlement Program. Therefore, the amount that will be paid by Defendant into the Gross Settlement Fund is the Gross Settlement Fund amount less the Individual Settlement Payment amount, or \$1,753,792.00.
- 3.2. Payments from the Gross Settlement Fund. The Administrator will make and deduct the following further payments from the remaining Gross Settlement Fund (*i.e.* \$1,753,792.00), in the amounts specified by the Court in the Final Approval Order:
 - 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$20,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment,

Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. Subject to the provisions of Paragraph 3.2.6, if the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Fund. The Administrator will pay the Class Representatives Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for all taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33-1/3% of the Gross Settlement Fund and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. Subject to the provisions of Paragraph 3.2.6, if the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Fund. Released Parties shall have no liability to Class Counsel arising from any competing claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for all taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless and indemnify Defendant from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$75,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$75,000.00, the Administrator will allocate the remainder to the Net Settlement Fund.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated as follows:

First, the Administrator, from Defendant's records as reflected on the Class Data, shall calculate the number of Workweeks actually worked by a Settlement Class Member during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above. Each Settlement Class Member's share of the Net Settlement Fund (or Individual Class Payment) will be calculated initially for purposes of mailing the Class Notices by a pro rata share of the Net Settlement Fund based on the number of Workweeks that

they performed work for Defendant during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above. Each Participating Class Member's final Individual Class Payment for purposes of payment will be calculated by a pro rata share of the Net Settlement Fund based on the number of Workweeks they performed work for Defendant during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above.

Second, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

Third, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

- 3.2.4.1 Tax Allocation of Individual Class Payments. Each Participating Class Member's Individual Class Payment will be allocated as follows: (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"); plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Administrator (and not Defendant) will prepare and issue an IRS Form W-2 for the Wages Portion and an IRS Form 1099 for the Non-Wage Portions to Participating Class Members.

The Administrator will be responsible for preparing and issuing the IRS Form W-2 and IRS Form 1099 forms timely and correctly. Participating Class Members will be responsible for correctly characterizing the compensation that they receive pursuant to this

Agreement, including as set forth on any IRS Form W-2 or IRS Form 1099 they receive from the Administrator, and for payment of any taxes owing on said amounts.

- 3.2.4.2 Employer-Side Payroll Taxes. Prior to distribution, Individual Class Payments will be subject to adjustment and/or reduction for required payroll taxes, contributions, and withholdings with respect to the Wages Portion, resulting in a net payment. The Administrator will be responsible for appropriate payroll tax deductions.
- 3.2.4.3 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Fund for distribution to Participating Class Members on a pro rata basis.
- 3.2.4.4 The Parties acknowledge and agree that neither they nor their attorneys have made any representations regarding the tax consequences of any and all Individual Class Payments made under this Agreement. Participating Class Members will be required to pay all federal, state, or local taxes, if any, which are required by law to be paid with respect to any and all such payments made to them under the Settlement. The Parties further agree that Defendant shall have no legal obligation to pay, on behalf of Participating Class Members, any taxes, deficiencies, levies, assessments, fines, penalties, interest or costs, which may be required to be paid with respect to such payments.
- 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$60,000.00 to be paid from the Gross Settlement Fund, with 75% (\$45,000.00) allocated to the LWDA PAGA Payment and 25% (\$15,000.00) allocated to the Individual PAGA Payments.
 - 3.2.5.1 Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$15,000.00) by the total number of PAGA Pay Periods actually worked by all Aggrieved Employees during the PAGA Period, but specifically excluding therefrom all PAGA Pay Periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above, and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods, but specifically excluding therefrom all PAGA Pay Periods covered by the approved settlement in the *In Re Pacific*

Bell Wage and Hour Cases proceedings identified in Paragraph 2.7, above. Each Individual PAGA Payment will be allocated 100% as civil penalties, which will be reported on IRS Form 1099 (if applicable) prepared and issued by the Administrator (and not Defendant) to Aggrieved Employees.

The Administrator will be responsible for preparing and issuing the IRS Form 1099 forms timely and correctly. Aggrieved Employees will be responsible for correctly characterizing the compensation that they receive pursuant to this Agreement, including as set forth on any IRS Form 1099 they receive from the Administrator, and for payment of any taxes owing on said amounts.

- 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Fund.
- 3.2.5.3 Single Check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Class Payment and Individual PAGA Payment.
- 3.2.5.4 The Parties acknowledge and agree that neither they nor their attorneys have made any representations regarding the tax consequences of any and all Individual PAGA Payments made under this Agreement. Aggrieved Employees will be required to pay all federal, state, or local taxes, if any, which are required by law to be paid with respect to any and all such payments made to them under the Settlement. The Parties further agree that Defendant shall have no legal obligation to pay, on behalf of Aggrieved Employees, any taxes, deficiencies, levies, assessments, fines, penalties, interest or costs, which may be required to be paid with respect to such payments.
- 3.2.6 Plaintiff acknowledges and understands that the Court could only approve a Class Representative Service Payment to her in an amount that is a fraction of that set forth above, which will not be known until such time that the Court decides whether to grant Final Approval of the Settlement and even if the Court otherwise grants Preliminary Approval of the Settlement. In the event lesser sums are awarded for the Class Counsel Fees Payment or the Class Counsel Litigation Expenses Payment or the Class Representative Service Payment, the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class Counsel to terminate the Settlement, but such an order shall be appealable by them. In the event that such an appeal is filed, administration of the Settlement as to

the challenged amounts shall be stayed pending resolution of the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts remain that are distributable to the Participating Class Members, the cost of administration of such additional payments will be paid out of such additional amounts and will not be chargeable to or payable by Defendant. Any amount not awarded for the Class Counsel Fees Payment or the Class Counsel Litigation Expenses Payment or the Class Representative Service Payment, but which is not challenged via appeal by Plaintiff and/or Class Counsel, shall be added to the Net Settlement Fund and distributed to the Participating Class Members in accordance with the terms of this Agreement.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Data. Not later than thirty (30) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Settlement Class Members' privacy rights, the Administrator must maintain the Class Data in confidence and not disclose it except as expressly permitted under this Agreement, use the Class Data only for purposes of administering this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform work under this Agreement. The restrictions on the use and disclosure of the Class Data shall be deemed, upon entry of the Court's Order granting preliminary approval of this Settlement, to be a protective order entered by the Court subject to full enforcement by the Parties to this Agreement and the Court, and by taking on the administration of the Settlement, the Administrator agrees that it and its employees, agents and representatives are bound by such protective order. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.2 Funding of Gross Settlement Fund. Within three (3) court days of the Court entering its Final Approval Order, the Administrator will provide Defendant with wire transfer information. Defendant has already paid \$481,208.00 to certain Settlement Class Members through their Individual Settlement Program. Defendant shall fully fund the Gross Settlement Fund Payment (*i.e.*, \$1,753,792.00) by transmitting the funds to the Administrator within fifteen (15) court days after the Effective Date of the Settlement, as defined above, and the occurrence of all other conditions precedent set forth herein, provided all such conditions occur prior to the Effective Date. No funds will be payable by Defendant prior to that time.

- 4.3 Payments from the Gross Settlement Fund. Within seven (7) days after Defendant deposits the Gross Settlement Payment with the Administrator, the Administrator shall distribute payment of the approved Individual Class Payments to Participating Class Members, the Individual PAGA Payments to Aggrieved Employees, the LWDA PAGA Payment to the LWDA, the Administration Expenses Payment to the Administrator, the Class Counsel Fees Payment to Class Counsel, the Class Counsel Litigation Expenses Payment to Class Counsel, and the Class Representative Service Payment to Plaintiff in accordance with this Agreement and as ordered by the Court. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments
- 4.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notices were returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.3.2 The Administrator must conduct a Class Member Address Search for all Settlement Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Settlement Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Settlement Class Member whose original check was lost or misplaced, requested by the Settlement Class Member prior to the void date.
- 4.3.3 For any Settlement Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California State Controller Unclaimed Property fund pursuant

to governing law to be held there for the benefit of such Settlement Class Members under California's escheatment laws, and such Settlement Class Members shall nevertheless be bound to this Agreement and the Final Approval Order. The Parties agree this disposition results in no "unpaid residue" under California Civil Procedure Code § 384(b), as the entire Net Settlement Fund shall be paid to Participating Class Members, whether or not their Individual Class Payment checks are cashed.

- 4.3.4 The Individual Class Payments and Individual PAGA Payments are not being made for any other purpose and will not be construed as "compensation" for purposes of determining eligibility for any health and welfare benefits, unemployment compensation, or other compensation or benefits provided by Defendant. In addition, no individual receiving a payment based on this Settlement shall be entitled to any additional or increased health, welfare, retirement, or other benefits as a result of their participation in the Settlement and/or receipt of payment under this Settlement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Fund and Judgment is final, Plaintiff, Settlement Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1. **Plaintiff's Release.** In consideration of her Class Representative Service Payment, Individual Class Payment, and the other terms and conditions of the Settlement, Plaintiff hereby releases the Released Parties of and from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action of every kind or nature, contingent or accrued, known or unknown, which do or may exist through and including the date of Final Approval ("Plaintiff's Release").

- 5.1.1 **Plaintiff's Waiver of Rights Under California Civil Code § 1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of California Civil Code § 1542, which reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

- 5.2. **Release by Participating Class Members.** All Participating Class Members, on behalf of themselves and their respective former and present representatives,

agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties of any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring after the date of Final Approval of the Settlement.

- 5.3 Release of PAGA Claims. In consideration of the PAGA Penalties, Plaintiff—on behalf of the State of California, the LWDA, and the Aggrieved Employees—releases and discharges the Released Parties of any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement.

All Aggrieved Employees are therefore deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

6. MOTION FOR PRELIMINARY APPROVAL. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklists for Preliminary Approvals.

6.1. Plaintiff’s Responsibilities.

6.1.1 Concurrently with the filing of the Motion for Preliminary Approval of this Settlement, and solely for purposes of this Settlement, Plaintiff will submit an amended version of the PAGA Notice adding AT&T Services, Inc. as an employer about which notice is being given, and adding alleged violations of Labor Code sections 233, 234 and 246.5 based on the employers’ policies allegedly treating the use of accrued kin-care and accrued paid sick days as unprotected absences subject to discipline. Solely for purposes of this settlement, Defendant and AT&T Services, Inc. waive any defenses to the timeliness of such amended letter and the pursuit of the amended claims against them under PAGA. In the event this Settlement is not granted final approval by the Court, then the amended notice letter will be deemed irrevocably withdrawn and of no further effect.

6.1.2 Pursuant to PAGA, Plaintiff and Class Counsel will also submit a copy of this Agreement to the LWDA on the same day Plaintiff files the Motion for Preliminary Approval, and promptly provide Defendant with written confirmation demonstrating that the submission has been made. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void or avoid the Settlement under PAGA.

6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Order granting Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns. The Court’s decision to award less

than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Atticus Administration to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4. Notices to Class Members.
 - 7.4.1 No later than three (3) court days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Settlement Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data, as calculated by the Administrator.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notices substantially in the forms attached to this Agreement as Exhibits A and B. The Class Notices shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Settlement Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Settlement Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than three (3) court days after the Administrator’s receipt of any Class Notices returned by the USPS as undelivered, the Administrator shall re-mail those Class Notices using any forwarding address provided by the

USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notices to Settlement Class Members whose Class Notices are returned by the USPS a second time.

7.4.4 The deadlines for Settlement Class Members' written objections; challenges to Individual Settlement Program participation, Workweeks, and/or Pay Periods; and Requests for Exclusion will be extended an additional fourteen (14) days beyond the thirty (30) days otherwise provided in the Class Notice for all Settlement Class Members whose notice is re-mailed. The Administrator will inform the Settlement Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Settlement Class Members. If the Parties agree, such persons will be Settlement Class Members entitled to the same rights as other Settlement Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Settlement Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Settlement Class Members whose Class Notices are re-mailed). A Request for Exclusion is a letter from a Settlement Class Member that reasonably communicates the Settlement Class Member's election to be excluded from the Settlement and includes the Settlement Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Settlement Class Member's desire to be excluded. The

Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Settlement Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, except in connection with the Court's proceedings on Final Approval of the Settlement.

7.5.3 Every Settlement Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Settlement Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims belong to the State of California and are thus subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

However, any Non-Participating Class Member who negotiated the check representing his or her Individual Settlement Share will remain bound by his or her release of claims through Defendant's Individual Settlement Program.

7.5.5 Aggrieved Employees will not have the right to exclude themselves from (opt-out of) receiving their pro rata share of the PAGA Penalties portion of the Net Settlement Fund, which will be based on their PAGA Pay Periods actually worked during the PAGA Period (as defined above), and will have checks for their share mailed to them upon Final Approval by the Court, occurrence of the Effective Date of the Settlement, and funding of the Gross Settlement Fund Payment by Defendant.

7.6 Challenges to Calculations. Each Settlement Class Member shall have forty-five (45) days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Class Members whose Class Notices are re-mailed) to challenge whether he or she participated in the Individual Settlement Program by cashing or otherwise depositing the check representing their Individual Settlement Share, and/or the number of Workweeks and PAGA Pay Periods (if any) allocated to the Settlement Class Member in the Class Notice. For the avoidance of doubt, the Parties agree that Settlement Class Members who challenge whether they

participated in the Individual Settlement Program by cashing or depositing the individual payment they received cannot use such a challenge to nullify their release of claims through the Individual Settlement Program. The Settlement Class Member may mount these challenges by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Settlement Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that (1) the Settlement Class Member did participate in the Individual Settlement Program; and/or (2) the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Settlement Class Member's participation in the Individual Settlement Program, as well as allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge, except in connection with the Court's proceedings on Final Approval of the Settlement. The Administrator shall promptly provide copies of all challenges to Individual Settlement Program participation, as well as the calculation of Workweeks and/or Pay Periods, to Defense Counsel and Class Counsel and the Administrator's determination on the challenges.

7.7 Objections to Settlement

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notices (plus an additional fourteen (14) days for Settlement Class Members whose Class Notices were re-mailed).

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to provide notice and information about the Settlement to Class Members (the "Settlement Website"). The Settlement Website is to be established by the

Administrator solely for purposes of the administration of the Settlement, and the domain name used for the website will be subject to Defendant's reasonable approval. Not later than the date that the Administrator must remit any funds associated with uncashed and canceled Individual Class Payment or Individual PAGA Payment checks, as set forth in Paragraph 4.4.3, the Settlement Website will be taken down. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed; Class Notices returned undelivered; Requests for Exclusion (whether valid or invalid) received; objections received; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek, Pay Period, and Individual Settlement Program Participation Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over their participation in the Individual Settlement Program, as well as the calculation of Workweeks and/or Pay Periods, except in connection with the Court's proceedings on Final Approval of the Settlement. In the event of such a dispute, Defendant will have the right to review Defendant's payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Settlement Class Member, and Defendant, the Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Settlement Class Member, and non-appealable, except in connection with the Court's proceedings on Final Approval of the Settlement.

- 7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notices, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Calculations Prior to Disbursing Funds. Within seven (7) days after the Effective Date, the Administrator will provide Class Counsel and Defense Counsel with the following information for each Class Member: (a) whether the Settlement Class Member opted-out or objected to the Settlement; (b) the number of Workweeks used to calculate the Individual Class Payment and whether the Settlement Class Member participated in Defendant's Individual Settlement Program; (c) the number of PAGA Pay Periods used to calculate the Individual PAGA Payment, if any; (d) the amount of the Individual Class Payment; and (e) the amount of the Individual PAGA Payment.
- 7.8.7 Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Fund, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- 7.8.8 Tax Obligations. The Administrator (and not Defendant) will remit all federal and state taxes owed by Defendant and issue all IRS Form W-2s and 1099s on all funds distributed from the Gross Settlement Fund and the Net Settlement Fund.
- 7.8.9 Employer-Side Payroll Taxes. The Administrator will coordinate the calculations of any necessary payroll taxes and deductions with Defendant to ensure that, to the extent such taxes and deductions are or could be deemed to have been made by the Administrator on behalf of Defendant by

government taxing authorities, they are made in compliance with Defendant's tax withholding and remittance obligations for such payments.

8. **CLASS SIZE ESTIMATES.** Based on a review of its records to date, Defendant has estimated there are approximately 10,945 Settlement Class Members who collectively worked a total of approximately 808,632 Workweeks from the start of the Class Membership Period to September 30, 2023. However, approximately 2,462 Settlement Class Members have participated in Defendant's Individual Settlement Program, covering approximately 428,887 Workweeks. Accordingly, there are approximately 8,483 Settlement Class Members, and 379,745 Workweeks for which Defendant's Individual Settlement Program has not secured releases.

Based on a review of its records to date, Defendant also has estimated there are 9,879 Aggrieved Employees who worked a total of 194,854 PAGA Pay Periods from the start of the PAGA Period to September 30, 2023.

The Gross Settlement Fund will not be increased based on the final contents of the Class Data because Plaintiff and Class Counsel has extrapolated the projected Settlement Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods through Preliminary and Final Approval of the Settlement in deciding to enter into the Settlement set forth herein.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Settlement Class Members who did not participate in the Individual Settlement Program, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. However, Settlement Class Members who participated in the Individual Settlement Program will still be bound by their Individual Settlement Program releases. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) court days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will—subject to Defendant's review and approval—file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under California Labor Code § 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than five (5) court days prior to filing the Motion for Final Approval with the Court. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.
- 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Fund.
- 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this

paragraph, as long as the Gross Settlement Fund remains unchanged. Further, any release secured through the Individual Settlement Program will remain valid and binding notwithstanding an appellate decision to vacate, reverse, or modify the Judgment.

11. INJUNCTION BARRING PURSUIT OF RELEASED CLAIMS. As part of the Final Approval of the Settlement, Plaintiff, Participating Class Members, the LWDA, and Aggrieved Employees shall be enjoined from filing, initiating, or continuing to prosecute any actions, claims, complaints, or proceedings in court, arbitration, with the California Division of Labor Standards Enforcement (“DLSE”), with the LWDA, or with any other entity, with respect to the claims released as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above. This Settlement is conditioned upon the release by Participating Class Members, Plaintiff, Aggrieved Employees, and the LWDA as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above, and upon covenants by each of them that they will not and cannot bring or participate in any actions, lawsuits, proceedings, complaints, or charges brought individually, by the DLSE, the LWDA, or by any other agency, persons or entity in any court, arbitration or before any administrative body with respect to the claims released as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above, nor will any of them contest or interfere with efforts by Defendant or by any other Released Parties to oppose any attempt to bring such Released Claims against any of them. Additionally, it is agreed herein that neither injunctive nor declaratory relief, nor any equitable relief, will be ordered by the Court against Defendant in Final Approval of the Settlement, which will otherwise be grounds for Defendant rescinding and terminating this Agreement.

12. AMENDED JUDGMENT. If any amended judgment is required under California Civil Procedure Code § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

13. ADDITIONAL PROVISIONS.

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint or LWDA Notice have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserve the right to move for class certification on any grounds available and to contest Defendant’s defenses. The Settlement, this Agreement and Parties’ willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members after Preliminary Approval is granted in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. Publication. No information about the Action or the settlement may be posted on any of Class Counsel's websites except as expressly set forth herein without Defendant's prior written consent. Defendant consents to Class Counsel listing the case name, number, and a short description of the claims in declarations filed in court listing their prior cases to provide their qualifications to be appointed as class counsel.
- 13.5. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.6. Attorney Authorization. The Parties separately warrant and represent that they are authorized to take all appropriate action required or permitted to be taken by them pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 13.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying this Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 13.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's

obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 13.16 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.17 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To **POTTER HANDY LLP**
Plaintiff: c/o Mark D. Potter
James M. Treglio
100 Pine Street, Suite 1250
San Francisco, CA 94111

E-Mail:
mark@potterhandy.com
jimt@potterhandy.com

To **BAKER & HOSTETLER LLP**
Defendant: c/o Matthew C. Kane
Sylvia J. Kim
Amy E. Beverlin
Kerri H. Sakaue
11601 Wilshire Blvd., Suite 1400
Los Angeles, CA 90025

E-Mail:
mkane@bakerlaw.com
sjkim@bakerlaw.com
abeverlin@bakerlaw.com
ksakaue@bakerlaw.com

- 13.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for

purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.

- 13.20 Severability. If any provision of this Agreement is unenforceable, for any reason, the remaining provisions will nevertheless be of full force and effect, subject to the limitations set out in Paragraphs 6.4, 9, and 10.2 regarding the effect of disapproval, termination, modification or cancellation by the Court of any material term or condition of this Agreement.
- 13.21 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to California Civil Procedure Code § 583.330 to extend the date to bring a case to trial under California Civil Procedure Code § 583.310 for the entire period of this settlement process.
- 13.22 Advice of Counsel. The Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties to this Agreement agree that it reflects their good faith compromise of the claims raised in this action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.
- 13.23 Non-Evidentiary Use. Neither the fact of this Agreement, the existence of this Agreement, the terms of this Agreement, nor any order or action pursuant thereto may be referred to, relied upon, cited, or used as evidence by any of the Parties, Class Members, or their respective counsel in the Action or in any other action or proceeding; provided, however, that nothing contained in this section shall prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.
- 13.24 Each Party to Bear Own Costs. Except as specifically provided herein, the Parties hereto will bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of or related to this Action, and will not seek reimbursement thereof from any Party to this Agreement.

EACH OF THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IT IS SO STIPULATED AND AGREED:

DATED: 10/27/2023

Joy Macopson

AE7C1DE7BC1DDA77C18F368820548A6F

ready**sign**

JOY MACOPSON
Plaintiff and Proposed Class Representative

DATED: _____

PACIFIC BELL TELEPHONE COMPANY

By: _____

Name: _____

Title: _____

AGREED AND APPROVED AS TO FORM AND CONTENT:

DATED: October 27, 2023

POTTER HANDY LLP

By:  _____

Mark D. Potter
James M. Treglio

Attorneys for Plaintiff
JOY MACOPSON

DATED: _____

BAKER & HOSTETLER LLP

By: _____

Matthew C. Kane
Sylvia J. Kim
Amy E. Beverlin
Kerri H. Sakaue

Attorneys for Defendant
PACIFIC BELL TELEPHONE COMPANY

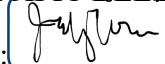
IT IS SO STIPULATED AND AGREED:

DATED: _____

JOY MACOPSON
Plaintiff and Proposed Class Representative

DATED: 10/26/2023 | 4:37 PM EDT

PACIFIC BELL TELEPHONE COMPANY

By: 
D062595BC79D44B...

Name: Jody Garcia

Title: Vice President - Customer Care

AGREED AND APPROVED AS TO FORM AND CONTENT:

DATED: _____

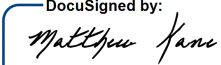
POTTER HANDY LLP

By: _____
Mark D. Potter
James M. Treglio

Attorneys for Plaintiff
JOY MACOPSON

DATED: 10/26/2023 | 4:11 PM EDT

BAKER & HOSTETLER LLP

By: 
A77DB75EF933433
Matthew C. Kane
Sylvia J. Kim
Amy E. Beverlin
Kerri H. Sakaue

Attorneys for Defendant
PACIFIC BELL TELEPHONE COMPANY

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Joy Macopson v. Pacific Bell Telephone Company
Superior Court of California for the County of Los Angeles, Case No. 22STCV13800

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class and representative action lawsuit ("Action") against Pacific Bell Telephone Company ("Defendant") for alleged wage and hour violations. The Action was filed by Joy Macopson ("Plaintiff"), an employee of Defendant, and seeks payment of (1) back wages, unreimbursed business expenses, penalties, and other relief on behalf of all individuals who are or were employed in California at any time during the Class Period (April 26, 2018 through and including [date of Preliminary Approval]) by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position ("Class Members"); and (2) civil penalties under the California Labor Code Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") on behalf of all Class Members who actually worked in California at any time during the PAGA Period (April 10, 2021 through and including [INSERT DATE OF PRELIMINARY APPROVAL]) ("Aggrieved Employees").

Defendant and Plaintiff have entered into a Class Action and PAGA Settlement Agreement ("Class Action and PAGA Settlement Agreement"). The proposed Class Action and PAGA Settlement Agreement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ [INSERT AMOUNT] (less applicable withholdings) and your Individual PAGA Payment is estimated to be \$ [INSERT AMOUNT]**. The actual amount you may receive may be different and will depend on a number of factors. If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work in a covered position during the PAGA Period.

The above estimates are based on Defendant's records showing that **you worked [INSERT AMOUNT] qualifying Workweeks** during the Class Period and **you worked [INSERT AMOUNT] qualifying Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks or Pay Periods, you can submit a challenge by the deadline to do so in accordance with **Section 4** of this Notice. Please note that if you participated in the court approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.

The Court has already preliminarily approved the proposed Class Action and PAGA Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Class Action and PAGA Settlement and how much of the Class Action and PAGA Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Class Action and PAGA Settlement and requires Class Members, Aggrieved Employees, and the State of California to give up their rights to assert certain claims against Defendant.

If you worked in a covered position during the Class Period and/or the PAGA Period, you have two basic options under the Class Action and PAGA Settlement.

Option 1 Do Nothing. You don't have to do anything to participate in the proposed Class Action and PAGA Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. Class Members who do not submit a timely and valid Request for Exclusion (the "Participating Class Members") will give up their right to assert any claims covered by the Class Action and PAGA Settlement, which claims are identified in **Sections 3.9–3.10** of this Notice ("Released Claims").

Option 2 Opt-Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue those Class Period wage claims identified in **Section 3.9** of this Notice against Defendant. If you are an Aggrieved Employee, you will also remain eligible for an Individual PAGA Payment, as you cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Class Action and PAGA Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert Released Claims.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Class Action and PAGA Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of

The Opt-out Deadline is [INSERT DATE]	the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue those claims identified in Section 3.10 of this Notice.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [INSERT DATE]	All Participating Class Members (<i>i.e.</i>, Class Members who do not opt-out) can object to any aspect of the proposed Class Action and PAGA Settlement. The Court’s decision whether to finally approve the Class Action and PAGA Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [INSERT DATE] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [INSERT DATE]. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Class Action and PAGA Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [INSERT DATE]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Workweeks you actually worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods that you worked, according to Defendant’s records, is stated on the first page of this Notice. You may challenge either of these numbers if you disagree with them. Your challenge must be made by [INSERT DATE]. See Section 4 of this Notice. As noted above, if you participated in the court approved settlement in the <i>In Re Pacific Bell Wage and Hour Cases</i> proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a current employee of Defendant. The Action alleges that Defendant violated California wage and hour laws by failing to (1) pay regular, minimum, or overtime wages for all hours worked; (2) provide legally compliant meal periods, or compensation in lieu thereof; (3) timely pay all final wages upon separation of employment; (4) furnish written, accurate, itemized wage statements; and (5) reimburse necessary business expenses. Based on the same claims, Plaintiff has also asserted claims for civil penalties under PAGA and for restitution under California's Unfair Competition Law (Business & Professions Code §§ 17200, et seq.). Plaintiff is represented by the following attorneys in the Action (*i.e.*, Class Counsel):

POTTER HANDY LLP

Mark D. Potter [mark@potterhandy.com]
James M. Treglio [jimt@potterhandy.com]
100 Pine Street, Suite 1250
San Francisco, CA 94111
(858) 375-7385 * (888) 422-5191 FAX

Defendant strongly denies all of the claims in the action and contends that it has complied with all applicable laws at all times.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant negotiated an end to the case by agreement (settled the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Class Action and PAGA Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Class Action and PAGA Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Class Action and PAGA Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Class Action and PAGA Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Class Action and PAGA Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant has agreed to pay \$2,235,000 as the gross settlement amount ("Gross Settlement Fund"), which includes payments Defendant made through the Individual Settlement Program that it initiated in December 2022 offering to settle claims. Defendant has agreed to deposit the remaining funds comprising the Gross Settlement

Fund (*i.e.* \$1,753,792) into an account controlled by the Settlement Administrator of the Class Action and PAGA Settlement. The Settlement Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, a Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Settlement Administrator's expenses, all applicable payroll taxes, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 court days after the Effective Date of the Settlement. The Judgment will then be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Class Action and PAGA Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. Defendant has already paid \$481,208 to certain Class Members through its Individual Settlement Program. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following additional deductions from the remaining Gross Settlement Fund (*i.e.*, \$1,753,792), the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$745,000 (*i.e.*, 33% of the gross settlement amount) to Class Counsel for attorneys' fees and up to \$25,000 to Class Counsel for reimbursement of reasonable litigation costs and expenses (collectively, the "Attorneys' Fees and Costs").
 - B. Up to \$20,000 to Plaintiff as a Class Representative Service Payment for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$75,000 to the Settlement Administrator for services administering the Class Action and PAGA Settlement.
 - D. Up to \$60,000 for PAGA Penalties, allocated 75% (\$45,000) to the LWDA PAGA Payment and 25% (\$15,000) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods (the "Aggrieved Employees' Payment").

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections

3. Net Settlement Distributed to Class Members. Again, Defendant has already paid approximately \$481,208 to certain Class Members through its Individual Settlement Program. After making the above deductions from the remaining Gross Settlement Amount (*i.e.*, \$1,753,792) in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement Fund (the "Net Settlement Fund") by making Individual Class Payments to Participating Class Members based on

their eligible Class Period Workweeks and whether they participated in Defendant's Individual Settlement Program.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"), plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant's share of payroll taxes and contributions with respect to the Wages Portion of Individual Class Payments shall be paid from the Gross Settlement Fund.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Class Action and PAGA Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Class Action and PAGA Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name.

If the money represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **[INSERT DATE]**, that you wish to opt-out. Your written request ("Request for Exclusion") must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual

Class Payment”; and (iv) be submitted by mail to the Settlement Administrator at the specified address below, postmarked on or before **[Response Deadline]**.

Excluded Class Members (*i.e.*, Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue those Class Period claims identified in **Section 3.9** of this Notice against Defendant.

You cannot opt-out of the PAGA portion of the Class Action and PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right (if any) to assert PAGA claims against Defendant based on facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Class Action and PAGA Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Class Action and PAGA Settlement will be void: Defendant will not pay any additional money and Class Members will not release any claims against Defendant. However, anyone who participated in Defendant’s Individual Settlement Program will remain bound by their release of claims through that Program.
8. Settlement Administrator. The Court has appointed a neutral company Atticus Administration (the “Settlement Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over Workweeks, Pay Periods, and Individual Settlement Program Participation; prepare, mail and re-mail settlement checks and tax forms; and perform other tasks necessary to administer the Class Action and PAGA Settlement. The Settlement Administrator’s contact information is contained in **Section 9** of this Notice.
9. Participating Class Members’ Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, Participating Class Members will be legally barred from asserting any of the claims released under the Class Action and PAGA Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns (collectively, “Released Parties”) for any Released Class Claims.

“Released Class Claims” means any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys’ fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other

monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

10. Aggrieved Employees' PAGA Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, the State of California—and, by extension, all Aggrieved Employees, whether or not they exclude themselves from the Class Action and PAGA Settlement—will be barred from asserting PAGA claims against the Released Parties. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against any Released Parties (as defined above) for any Released PAGA Claims.

“Released PAGA Claims” means any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement. All Aggrieved Employees are therefore deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

You will be bound by the Aggrieved Employees' PAGA Release whether or not you opt-out of the Class Settlement.

11. Other Actions Potentially Impacted by Settlement. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:

- *In Re Pacific Bell Wage and Hour Cases*, Los Angeles County Superior Court, JCCP Case No. 5017;
- *Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572;
- *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232;
- *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case Nos. 22STCV29492 and 22STCV35974;
- *Hicks v. AT&T Inc. et al.*, Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC;
- *Rumenapp v. Pacific Bell Telephone Company*, El Dorado County Superior Court, Case No. 23CV1230; and
- *Wilson v. Pacific Bell Telephone Company*, Alameda County Superior Court, Case No. 23CV046794.

4. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. Participating Class Members are eligible to receive payment under the Class Settlement of their pro rata share of the Net Settlement Fund (“Individual Class Payment”) based on the number of Workweeks actually worked by each Class Member in California during the Class Period in a covered position, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “Workweeks”). The Settlement Administrator will calculate Individual Class Payments as follows:

First, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

Second, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share issued through Defendant's Individual Settlement Program, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

2. Individual PAGA Payments. Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their pro rata share of the Aggrieved Employees' Payment ("Individual PAGA Payment") based on the number of pay periods actually worked by each Aggrieved Employee in California during the PAGA Period in a covered position, but specifically excluding therefrom all pay periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the "PAGA Pay Periods"). The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$15,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.
3. Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [INSERT DATE] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweeks and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Settlement Administrator's decision is final, but subject to final approval by the Court. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (*i.e.*, every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the amounts of your Individual Class Payment and Individual PAGA Payment.

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (*i.e.*, every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); and (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment." The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by [INSERT DATE], or it will be invalid. **Section 9** of the Notice has the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Action and PAGA Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least [XX] days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Class Action and PAGA Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in **Section 9** of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website [INSERT URL] or the Court's website <https://www.lacourt.org/>. Fees and other charges may apply in order to obtain copies of court records from the Court's website.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may submit a written and signed objection ("Objection") to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the objecting Class Member; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement indicating the legal and factual grounds for the objection; (iv) include a statement indicating whether the objecting Class Member is

represented by counsel and identifying any such counsel; and (v) include a statement indicating whether the objecting Class Member intends to appear for and wishes to be heard at the Final Approval Hearing. The deadline for sending written objections to the Settlement Administrator is [INSERT DATE]. **Section 9** of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [INSERT DATE] at [INSERT TIME] in Department 1 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Class Action and PAGA Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information. Please note that there may be deadlines to reserve a remote appearance and fees or charges may apply.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website [INSERT URL] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Class Action and PAGA Settlement. The easiest way to read the Agreement, the Judgment or any other Class Action and PAGA Settlement documents is to go to the Settlement Administrator's website at [INSERT URL]. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/documentimages/civilimages/publicmain.aspx>. You can also make an appointment to personally review court documents at the Spring Street Courthouse by calling (213) 310-7000. Fees and other charges may apply in order to obtain copies of court records from the Court.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION
ABOUT THE SETTLEMENT.**

Class Counsel: **POTTER HANDY LLP**
Mark D. Potter
[mark@potterhandy.com]
James M. Treglio
[jimt@potterhandy.com]
100 Pine Street, Suite 1250
San Francisco, CA 94111
(858) 375-7385
(888) 422-5191 FAX

Settlement **ATTICUS**
Administrator: **ADMINISTRATION**
P.O. Box 64053
Saint Paul, MN 55164
Phone: [INSERT]
Fax: [INSERT]
E-Mail: [INSERT]

10. WHAT IF I LOSE MY SETTLEMENT CHECK

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California State Controller's Unclaimed Property Fund (https://www.sco.ca.gov/upd_msg.html) for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Joy Macopson v. Pacific Bell Telephone Company
Superior Court of California for the County of Los Angeles, Case No. 22STCV13800

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class and representative action lawsuit ("Action") against Pacific Bell Telephone Company ("Defendant") for alleged wage and hour violations. The Action was filed by Joy Macopson ("Plaintiff"), an employee of Defendant, and seeks payment of (1) back wages, unreimbursed business expenses, penalties, and other relief on behalf of all individuals who are or were employed in California at any time during the Class Period (April 26, 2018 through and including [date of Preliminary Approval]) by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position ("Class Members"); and (2) civil penalties under the California Labor Code Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") on behalf of all Class Members who actually worked in California at any time during the PAGA Period (April 10, 2021 through and including [INSERT DATE OF PRELIMINARY APPROVAL]) ("Aggrieved Employees").

On December 22, 2022, Defendant initiated an Individual Settlement Program, mailing you (and other Class Members) a packet offering to settle their claims against Defendant. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) a link to, or copies of, the operative complaint(s); and (5) a check to cash if the recipient opted to accept Defendant's offer. Defendant's records indicate you accepted Defendant's offer by cashing or depositing that check.

Separate from the Individual Settlement Program, Defendant and Plaintiff have entered into a Class Action and PAGA Settlement Agreement ("Class Action and PAGA Settlement"). The proposed Class Action and PAGA Settlement has two main parts: (1) a "Class Settlement" requiring Defendant to fund Individual Class Payments, and (2) a "PAGA Settlement" requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA"). Though you have already participated in the Individual Settlement Program, the Parties have agreed to pay you a **minimum of an additional \$25 (less applicable withholdings) as your Individual Class Payment in connection with the Class Settlement portion of the Class Action and PAGA Settlement**, unless you participated as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* (see Section 3.11, below) settlement approved by the court in those proceedings. However, depending on the amount of your qualifying Workweeks and Pay Periods, you could be entitled to a higher payment under this settlement.

You may also be eligible to receive a payment under the PAGA Settlement portion of the Class Action and PAGA Settlement. **Your Individual PAGA Payment is estimated to be \$ [INSERT AMOUNT] based on Defendant's records showing you worked [INSERT AMOUNT] qualifying Pay Periods** during the PAGA Period. The actual amount you may receive may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work in a covered position during the PAGA Period.) If you believe that you didn't participate in Defendant's Individual Settlement Program and/or worked more Pay Periods during the PAGA Period, you can submit a challenge by the deadline to do so in accordance with **Section 4** of this Notice. Please note that if you participated in the court approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.

The Court has already preliminarily approved the proposed Class Action and PAGA Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Class Action and PAGA Settlement and how much of the Class Action and PAGA Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Class Action and PAGA Settlement and requires Class Members, Aggrieved Employees, and the State of California to give up their rights to assert certain claims against Defendant.

If you worked in a covered position during the Class Period and/or the PAGA Period, you have two basic options under the Class Action and PAGA Settlement.

Option 1 Do Nothing. You don't have to do anything to participate in the proposed Class Action and PAGA Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. You will remain bound by your release of claims through Defendant's Individual Settlement Program. Class Members who do not submit a timely and valid Request for Exclusion (the "Participating Class Members") will also give up their right to assert any other claims covered by the Class Action and PAGA Settlement, which claims are identified in **Sections 3.9–3.10** of this Notice ("Released Claims").

Option 2 Opt-Out of the Class Settlement. You can exclude yourself from the Class Action Settlement (opt-out) by submitting the written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program. If you are an Aggrieved Employee, you will also remain eligible for an Individual PAGA Payment, as you cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Class Action and PAGA Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). You will remain bound by your release of claims through Defendant's Individual Settlement Program. And, as a Participating Class Member, you will also give up your right to assert any other Released Claims.
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [INSERT DATE]	If you don't want to fully participate in the proposed Class Action and PAGA Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and you will not receive any additional payment. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program. Non-Participating Class Members also cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue those claims identified in Section 3.10 of this Notice.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [INSERT DATE]	All Participating Class Members (<i>i.e.</i>, Class Members who do not opt-out) can object to any aspect of the proposed Class Action and PAGA Settlement. The Court's decision whether to finally approve the Class Action and PAGA Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [INSERT DATE] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [INSERT DATE]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Class Action and PAGA Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge Whether You Participated in Defendant's Individual Settlement Program and the Calculation of Your Pay Periods Written Challenges Must be Submitted by [INSERT DATE]	Defendant's records indicate you participated in Defendant's Individual Settlement Program by accepting Defendant's offer and cashing or depositing the check Defendant sent to you. If you believe this is an error because you did not cash or deposit that check, you must submit a written challenge by [INSERT DATE]. See Section 4 of this Notice. The amount of your PAGA Payment (if any) depends on how many Pay Periods you actually worked at least one day during the PAGA Period. The number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by [INSERT DATE]. See Section 4 of this Notice. As noted above, if you participated in the court approved settlement in the <i>In Re Pacific Bell Wage and Hour Cases</i> proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.
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1. WHAT IS THE ACTION ABOUT?

Plaintiff is a current employee of Defendant. The Action alleges that Defendant violated California wage and hour laws by failing to (1) pay regular, minimum, or overtime wages for all hours worked; (2) provide legally compliant meal periods, or compensation in lieu thereof; (3) timely pay all final wages upon separation of employment; (4) furnish written, accurate, itemized wage statements; and (5) reimburse necessary business expenses. Based on the same claims, Plaintiff has also asserted claims for civil penalties under PAGA and for restitution under California's Unfair Competition Law (Business & Professions Code §§ 17200, et seq.). Plaintiff is represented by the following attorneys in the Action (*i.e.*, Class Counsel):

POTTER HANDY LLP

Mark D. Potter [mark@potterhandy.com]
James M. Treglio [jimt@potterhandy.com]
100 Pine Street, Suite 1250
San Francisco, CA 94111
(858) 375-7385 * (888) 422-5191 FAX

Defendant strongly denies all of the claims in the action and contends that it has complied with all applicable laws at all times.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant negotiated an end to the case by agreement (settled the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement

(“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Class Action and PAGA Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Class Action and PAGA Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Class Action and PAGA Settlement is a good deal for you because they believe that: (1) you were already paid an Individual Settlement Program Payment, which means you already released certain claims against Defendant by participating in Defendant’s Individual Settlement Program; (2) Defendant has agreed to pay you an additional fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (3) this Class Action and PAGA Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Class Action and PAGA Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant has agreed to pay \$2,235,000 as the gross settlement amount (“Gross Settlement Fund”), which includes payments Defendant made through the Individual Settlement Program that it initiated in December 2022 offering to settle claims. Defendant has agreed to deposit the remaining funds comprising the Gross Settlement Fund (*i.e.* \$1,753,792) into an account controlled by the Settlement Administrator of the Class Action and PAGA Settlement. The Settlement Administrator will use the Gross Settlement Fund to pay the Individual Class Payments, Individual PAGA Payments, a Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Settlement Administrator’s expenses, all applicable payroll taxes, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 court days after the Effective Date of the Settlement. The Judgment will then be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Class Action and PAGA Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. Defendant has already paid \$481,208 to you and certain Class Members through its Individual Settlement Program. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following additional deductions from the remaining Gross Settlement Fund (*i.e.*, \$1,753,792), the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$745,000 (*i.e.*, 33% of the gross settlement amount) to Class Counsel for attorneys’ fees and up to \$25,000 to Class Counsel for reimbursement of reasonable litigation costs and expenses (collectively, the “Attorneys’ Fees and Costs”).

- B. Up to \$20,000 to Plaintiff as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$75,000 to the Settlement Administrator for services administering the Class Action and PAGA Settlement.
- D. Up to \$60,000 for PAGA Penalties, allocated 75% (\$45,000) to the LWDA PAGA Payment and 25% (\$15,000) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods (the "Aggrieved Employees' Payment").

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. Again, Defendant has already paid approximately \$481,208 to certain Class Members through its Individual Settlement Program. After making the above deductions from the remaining Gross Settlement Amount (*i.e.*, \$1,753,792) in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement Fund (the "Net Settlement Fund") by making Individual Class Payments to Participating Class Members based on their eligible Class Period Workweeks and whether they participated in Defendant's Individual Settlement Program.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"), plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant's share of payroll taxes and contributions with respect to the Wages Portion of Individual Class Payments shall be paid from the Gross Settlement Fund.

This allocation applies only to the additional payments you will receive as a Participating Class Member; it does not apply to the payments you already received through the Individual Settlement Program. Instead, the amount you already received through the Individual Settlement Program has been reported on an IRS 1099 Form, which you received with the rest of the Individual Settlement Program packet described above.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Class Action and PAGA Settlement; as well as the payment you received through the Individual Settlement Program. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Class Action and PAGA Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name.

If the money represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **[INSERT DATE]**, that you wish to opt-out. Your written request ("Request for Exclusion") must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment"; and (iv) be submitted by mail to the Settlement Administrator at the specified address below, postmarked on or before **[Response Deadline]**. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program.

You cannot opt-out of the PAGA portion of the Class Action and PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right (if any) to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Class Action and PAGA Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either

case, the Class Action and PAGA Settlement will be void: Defendant will not pay any additional money and Class Members will not release any claims against Defendant. However, anyone who participated in Defendant's Individual Settlement Program (including you) will remain bound by their release of claims through that Program.

8. Settlement Administrator. The Court has appointed a neutral company Atticus Administration (the "Settlement Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over Workweeks, Pay Periods, and Individual Settlement Program Participation; prepare, mail and re-mail settlement checks and tax forms; and perform other tasks necessary to administer the Class Action and PAGA Settlement. The Settlement Administrator's contact information is contained in **Section 9** of this Notice.
9. Participating Class Members' Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, Participating Class Members will be legally barred from asserting any of the claims released under the Class Action and PAGA Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns (collectively, "Released Parties") for any Released Class Claims.

"Released Class Claims" means any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

You will remain bound by the release you agreed to by participating in Defendant's Individual Settlement Program regardless of whether or not you opt-out of the Class Settlement.

10. Aggrieved Employees' PAGA Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, the State of California—and, by extension, all Aggrieved Employees, whether or not they exclude themselves from the Class Action and PAGA Settlement—will be barred from asserting PAGA claims against the Released Parties. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant, or any Released Parties (as defined above) for any Released PAGA Claims.

"Released PAGA Claims" means any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement. All Aggrieved Employees are therefore deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

You will be bound by the Aggrieved Employees' PAGA Release whether or not you opt-out of the Class Settlement.

11. Other Actions Potentially Impacted by Settlement. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:
- *In Re Pacific Bell Wage and Hour Cases*, Los Angeles County Superior Court, JCCP Case No. 5017;
 - *Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572;
 - *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232; and
 - *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case Nos. 22STCV29492 and 22STCV35974;

- *Hicks v. AT&T Inc. et al.*, Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC;
- *Rumenapp v. Pacific Bell Telephone Company*, El Dorado County Superior Court, Case No. 23CV1230; and
- *Wilson v. Pacific Bell Telephone Company*, Alameda County Superior Court, Case No. 23CV046794.

4. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. Participating Class Members are eligible to receive payment under the Class Settlement of their pro rata share of the Net Settlement Fund (“Individual Class Payment”) based on the number of Workweeks actually worked by each Class Member in California during the Class Period in a covered position, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “Workweeks”). The Settlement Administrator will calculate Individual Class Payments as follows:

First, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

Second, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

2. Individual PAGA Payments. Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their pro rata share of the Aggrieved Employees’ Payment (“Individual PAGA Payment”) based on the number of pay periods actually worked by each Aggrieved Employee in California during the PAGA Period in a

covered position, but specifically excluding therefrom all pay periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “PAGA Pay Periods”). The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$15,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.

3. Challenges to Estimated Payments.

- 3.1 Challenging ISP Participation. As the first page of this Notice explains, Defendant’s records indicate you participated in Defendant’s Individual Settlement Program by accepting Defendant’s offer of settlement and cashing or depositing the check Defendant sent to you.

If you believe you did not participate in the Individual Settlement Program by cashing or otherwise depositing the check Defendant sent to you, you have until [INSERT DATE] to challenge whether you participated in the Individual Settlement Program. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator’s contact information. Please note that, if you participated in the Individual Settlement Program by cashing or depositing the check Defendant sent to you, you cannot nullify your release through this challenge.

You need to support your challenge by sending copies of records showing you did not participate in the Individual Settlement Program. The Settlement Administrator will accept Defendant’s records indicating your participation as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Individual Settlement Program Participation challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant’s Counsel. The Settlement Administrator’s decision is final, but subject to final approval by the Court. You can’t appeal or otherwise challenge its final decision.

- 3.2 Challenging PAGA Pay Periods. The number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant’s records, are also stated on the first page of this Notice.

You have until [INSERT DATE] to challenge the number of Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Settlement Administrator's decision is final, but subject to final approval by the Court. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (*i.e.*, every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the amounts of your Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (*i.e.*, every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); and (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment." The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by [INSERT DATE], or it will be invalid. **Section 9** of the Notice has the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Action and PAGA Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least [XX] days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Class Action and PAGA Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in **Section 9** of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website [INSERT URL] or the Court's website <https://www.lacourt.org/>. Fees and other charges may apply in order to obtain copies of court records from the Court's website.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may submit a written and signed objection ("Objection") to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the objecting Class Member; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement indicating the legal and factual grounds for the objection; (iv) include a statement indicating whether the objecting Class Member is represented by counsel and identifying any such counsel; and (v) include a statement indicating whether the objecting Class Member intends to appear for and wishes to be heard at the Final Approval Hearing. The deadline for sending written objections to the Settlement Administrator is [INSERT DATE]. **Section 9** of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [INSERT DATE] at [INSERT TIME] in Department 1 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Class Action and PAGA Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>).

Check the Court's website for the most current information. Please note that there may be deadlines to reserve a remote appearance and fees or charges may apply.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website [INSERT URL] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Class Action and PAGA Settlement. The easiest way to read the Agreement, the Judgment or any other Class Action and PAGA Settlement documents is to go to the Settlement Administrator's website at [INSERT URL]. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/documentimages/civilimages/publicmain.aspx>. You can also make an appointment to personally review court documents at the Spring Street Courthouse by calling (213) 310-7000. Fees and other charges may apply in order to obtain copies of court records from the Court.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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(858) 375-7385
(888) 422-5191 FAX

Settlement
Administrator: **ATTICUS**
ADMINISTRATION
P.O. Box 64053
Saint Paul, MN 55164
Phone: [INSERT]
Fax: [INSERT]
E-Mail: [INSERT]

10. WHAT IF I LOSE MY SETTLEMENT CHECK

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California State

Controller's Unclaimed Property Fund (https://www.sco.ca.gov/upd_msg.html) for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.