

Exhibit 1

1 Jahan C. Sagafi (Cal. Bar No. 224887)
2 jsagafi@outtengolden.com

3 Relic Sun (Cal. Bar No. 306701)
4 rsun@outtengolden.com

5 OUTTEN & GOLDEN LLP
6 One Embarcadero Center, 38th Floor
7 San Francisco, California 94111
8 Telephone: (415) 638-8800
9 Facsimile: (415) 638-8810

10 Michael N. Litrownik (admitted *pro hac vice*)
11 mlitrownik@outtengolden.com
12 685 Third Avenue, 25th Floor
13 New York, New York 10017
14 Telephone: (212) 245-1000
15 Facsimile: (646) 509-2060

16 Jason C. Marsili (Cal. Bar No. 233980)
17 jmarsili@posner-rosen.com
18 Brianna M. Primozic (Cal. Bar No. 274397)
19 bprimozic@posner-rosen.com
20 POSNER & ROSEN LLP
21 3600 Wilshire Boulevard, Suite 1800
22 Los Angeles, California 90010
23 Telephone: (213) 389-6050
24 Facsimile: (213) 389-0663

25 *Attorneys for Plaintiffs and Proposed*
26 *Collective and Class Members*

27 UNITED STATES DISTRICT COURT
28 NORTHERN DISTRICT OF CALIFORNIA

22 WENDELL WALTON and MICHAEL
23 MANTONYA, individually and on behalf of
24 all others similarly situated,
25 Plaintiffs,

26 v.

27 AT&T SERVICES, INC.,
28 Defendant.

Thomas R. Kaufman (Cal. Bar. No. 177936)
tkaufman@sheppardmullin.com

Paul Berkowitz (Cal Bar. No. 251077)
pberkowitz@sheppardmullin.com

Michael T. Campbell (Cal. Bar No. 293376)
mcampbell@sheppardmullin.com
SHEPPARD, MULLIN, RICHTER
& HAMPTON LLP

1901 Avenue of the Stars, Suite 1600
Los Angeles, California 90067-6055
Telephone: (310) 228-3700
Facsimile: (310) 228-3701

Attorneys for Defendant AT&T Services, Inc.

Case No. CIVDS1601800

**STIPULATION OF CLASS
SETTLEMENT AND RELEASE**

Complaint Filed: August 11, 2015

1 This Stipulation of Class Settlement and Release (“Stipulation of Settlement” or
2 “Settlement Agreement”) is made and entered into by and between Plaintiffs Wendell Walton and
3 Michael Mantonya (“Plaintiffs” or “Class Representatives”) and AT&T Services, Inc.
4 (“Defendant” or “AT&T”), and is subject to the terms and conditions herein and the approval of
5 the Court. Plaintiffs and AT&T are referenced collectively herein as “the Parties.”

6 **BACKGROUND AND RECITALS**

7 1. On or about August 11, 2015, Plaintiffs filed a class action (“the Lawsuit”) in the
8 Northern District of California, entitled *Walton, et al. v. AT&T Services, Inc.* Plaintiff Walton had
9 previously filed a similar case in the Central District of California on May 18, 2015, but dismissed
10 that action after the Northern California action was filed. The operative complaint for the Lawsuit
11 alleged that Plaintiffs and other current and former Senior Training Manager Designers
12 (“Designers”) and Senior Training Manager Deliverers (“Deliverers”) were misclassified as
13 exempt and, as a result, were unlawfully denied overtime compensation and meal periods and rest
14 periods and that AT&T violated California Business and Professions Code section 17200, *et seq.*
15 The Complaint sought recovery of overtime compensation pursuant to the California Labor Code
16 and Fair Labor Standards Act (“FLSA”), meal period premiums, rest period premiums, penalties
17 for the failure to comply with the itemized employee wage statement provisions of Labor Code
18 section 226, penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”),
19 and attorneys’ fees and costs.

20 2. On August 17, 2017, the Parties mediated the Lawsuit before David A. Rotman, an
21 experienced class action mediator. At the mediation, the Parties reached a settlement in principle
22 memorialized by a signed Memorandum of Understanding.

23 3. For purposes of this Settlement Agreement, the “Settlement Class” shall consist of
24 all “Class Members.” “Class Members” are defined as:

25 “All individuals who worked for either AT&T Services, Inc. or AT&T Mobility
26 Services LLC who are not bound by the Management Arbitration Agreement
27 (“MAA”) and who worked in the job title of Senior Training Manager Design or
28 Senior Training Manager Delivery (1) from May 18, 2011 to March 1, 2018 or
preliminary approval (whichever is sooner) (the “California Covered Period”) for

1 California-based employees (“California Class Members”); (2) from May 18, 2012
2 to March 1, 2018 or preliminary approval (whichever is sooner) (the “Existing Opt-
3 In Covered Period”) for non-California employees who opted in to the *Walton*
4 action (“Existing Opt-Ins”); and (3) from August 18, 2014 to March 1, 2018 or
5 preliminary approval (whichever is sooner) (the “Future Opt-In Covered Period”)
6 for non-California employees who did not opt in to the *Walton* action (“Future Opt-
7 Ins”).”

8 4. For purposes of the settling the PAGA claim, the PAGA Representative Group is
9 defined as follows:

10 “All individuals who worked in California for either AT&T Services, Inc. or
11 AT&T Mobility Services LLC in the job title of Senior Training Manager Design
12 or Senior Training Manager Delivery from May 18, 2014 to March 1, 2018 or
13 preliminary approval (whichever is sooner) (the “PAGA Covered Period”) whether
14 or not they are bound by the MAA.”

15 The PAGA Representative Group overlaps partially with the California Class Members because it
16 covers the same geography for a shorter period of time, but also includes individuals who are not
17 part of the California Class because they are bound by the MAA.

18 5. For purposes of settling the Lawsuit, the Parties conditionally stipulate and agree
19 that the requisites for establishing class certification with respect to the Settlement Class have been
20 met and are met, and therefore, stipulate to FRCP 23 class certification and final FLSA collective
21 action certification. More specifically, the Parties conditionally stipulate and agree that, for the
22 Settlement Class:

- 23 a. The number of Class Members is so numerous as to make it impracticable
24 to join all Class Members.
- 25 b. There is an ascertainable class.
- 26 c. There are common questions of law and fact
- 27 d. Plaintiffs’ claims are typical of the claims of the members of the Settlement
28 Class.

1 e. Outten & Golden LLP and Posner & Rosen LLP should be deemed “Class
2 Counsel” and will fairly and adequately protect the interests of the Settlement
3 Class.

4 f. Plaintiffs Wendell Walton and Michael Mantonya should be appointed as
5 the representative of the Settlement Class and will fairly and adequately represent
6 the interests of the Settlement Class.

7 g. The prosecution of separate actions by individual members of the
8 Settlement Class would create the risk of inconsistent or varying adjudications,
9 which would establish incompatible standards of conduct.

10 h. Questions of law and fact common to the members of the Settlement Class
11 predominate over questions affecting individual members in the Settlement Class
12 and a class action is superior to other available means for the fair and efficient
13 adjudication of the controversy.

14 6. If the Court does not grant preliminary or final approval of the settlement, this
15 stipulation will have no effect and class certification will automatically be deemed not to have
16 been granted. The parties agree that this settlement stipulation is in no way an admission that
17 class certification is proper under the more stringent standard applied for litigation purposes and
18 that this stipulation will not be admissible in this or any other proceeding as evidence that a class
19 should be certified as Plaintiffs propose or that AT&T is liable in any way to Plaintiffs or the class
20 that Plaintiffs allege. AT&T expressly reserves its rights to oppose class certification of any
21 purported class should this settlement fail to become final and effective.

22 7. AT&T denies any liability or wrongdoing of any kind associated with the claims
23 alleged in the Complaint and further denies that, for any purpose other than settling the Lawsuit,
24 this action is appropriate for class treatment. AT&T contends, among other things, that it has
25 complied at all times with the FLSA, California Labor Code, and all applicable federal and
26 California law.

27 8. Plaintiffs believe that they have filed a meritorious action and that class
28 certification is appropriate of the claims asserted in the Lawsuit. Plaintiffs contend that AT&T

1 violated the FLSA and California's wage and hour laws and that this case is appropriate for class
2 certification as the requisites for class certification can be satisfied.

3 9. It is the desire of the Parties to fully, finally, and forever settle, compromise, and
4 discharge all disputes and claims which exist between them arising from the factual allegations
5 that underlie the Lawsuit concerning the alleged misclassification, failure to pay overtime
6 compensation, and other derivative claims. In order to achieve a full and complete release of
7 AT&T (and the "Releasees" as defined in Paragraph 10) of such disputes and claims, the Class
8 Representatives and Class Members (which includes any legal heirs and/or successors-in-interest
9 of each Class Member who receives Notice), through execution of the Stipulation of Settlement,
10 acknowledge that this Stipulation of Settlement is intended to include in its effect the entirety of
11 the Released Class Claims, as more fully described in Paragraphs 24 and 25 of this Stipulation of
12 Settlement.

13 10. It is the intention of the Parties that this Stipulation of Settlement shall constitute a
14 full and complete settlement and release of all claims described in Paragraphs 24 and 25 of this
15 Stipulation of Settlement. This release shall include in its effect not only AT&T, but also its
16 respective affiliates, subsidiaries, parent companies, related companies, partners, officers,
17 directors, managers, servants, agents, employees, former employees, representatives, and
18 attorneys, past or present, and all persons acting under, by, through, or in concert with any of them
19 (collectively, the "Releasees").

20 **TERMS OF SETTLEMENT**

21 11. Overview of Payment Structure. This settlement shall consist of a Gross Fund
22 Value which, in turn, is comprised of a Net Fund Value for the class, an award of attorney's fees
23 and costs, an award of administration expenses, enhancement awards to the two Class
24 Representatives for their service as representatives, witness service awards for Carolyn Castille
25 and the six individuals who submitted declarations in support of Plaintiffs' Motion for FLSA
26 Conditional Certification, and a payment to the Labor Workforce Development Agency
27 ("LWDA") to extinguish any PAGA claims arising within the scope of the release. Further
28 specifics are provided below.

1 12. Gross Fund Value. AT&T shall pay a sum not to exceed TWO MILLION SEVEN
2 HUNDRED AND FIFTY THOUSAND DOLLARS (\$2,750,000) (the “Gross Fund Value” or
3 “GFV”) to fund the settlement of this action. Payments by AT&T pursuant to this Settlement
4 Agreement shall settle all pending issues between the Parties. The settlement payments are not
5 being made for any other purpose and will not be construed as compensation for purposes of
6 determining eligibility for any health and welfare benefits or unemployment compensation.
7 Notwithstanding any other provision of this Agreement, AT&T shall be separately responsible for
8 paying any appropriate and lawfully required employer-side payroll taxes. Under no
9 circumstances shall AT&T pay more than the GFV and the employer’s portion of the applicable
10 payroll taxes.

11 13. Amounts Paid from the Gross Fund Value:

12 a. Attorneys’ Fees and Costs: Subject to review and final approval by the
13 Court, AT&T agrees that Class Counsel may separately apply for a total award not to exceed ONE
14 MILLION, ONE HUNDRED THOUSAND DOLLARS (\$1,100,000), for reasonable attorneys’
15 fees (representing 40% of the Gross Fund Value), and an additional amount to reimburse actual
16 litigation costs billed to Plaintiffs not to exceed ONE HUNDRED THOUSAND DOLLARS
17 (\$100,000). The attorneys’ fee and cost awarded by the Court shall be taken from the Gross Fund
18 Value.

19 b. Class representative and Witness Enhancement Awards: In further
20 consideration for settling this matter and in exchange for the release of all claims by the Settlement
21 Class, and subject to final approval, AT&T agrees that Class Counsel may apply for class member
22 enhancements for Wendell Walton and Michael Mantonya to compensate them for their time, risk
23 and effort on behalf of the class. The enhancement award is in addition to the claim share to
24 which Plaintiffs are otherwise entitled as a Qualified Claimant. AT&T agrees that Plaintiffs may
25 apply for enhancement award not to exceed TWENTY THOUSAND DOLLARS (\$20,000) each
26 for Mr. Walton and Mr. Mantonya. In addition, AT&T agrees that Class Counsel may apply for
27 witness service enhancement awards of up to FIVE THOUSAND DOLLARS (\$5,000) each for
28 Carolyn Castille, Gary Fujino, Janet Condon, Teresa Swigart, Ronald Hansen, Catherine Brown,

1 and Ursula Gulley (“Enhancement Witnesses”) to compensate them for their time, risk and effort
2 on behalf of the class as they either were deposed or submitted declarations in this matter. Any
3 enhancement or witness service awards granted shall be taken from the Gross Fund Value. If a
4 lower amount is awarded for these enhancements, the difference between the maximums indicated
5 above and the actual award will be allocated to the Net Fund Value.

6 c. Administration Costs: Costs required to administer the settlement will also
7 be paid from the GFV. The Parties have agreed to use JND Legal Administration as the
8 Settlement Administrator, with an expectation that the total administration costs will not exceed
9 FORTY THOUSAND DOLLARS (\$40,000), barring unforeseen circumstances. The Settlement
10 Administrator’s administration duties shall include, without limitation, mailing and remailing
11 Notices, collecting and processing claim forms, calculating individual estimated and actual
12 awards, processing requests for exclusion and objections, administering the signing of the
13 Management Arbitration Act as set forth in Paragraph 16 below, performing necessary skip traces
14 on Notices returned as undeliverable, mailing Class Member settlement checks, issuing any
15 required tax reporting forms, and providing weekly status reports to Counsel for the Parties,
16 reporting to the Court as requested by the Parties, and to send the appropriate pursuant to the Class
17 Action Fairness Act (“CAFA”), 28 U.S.C. § 1715, among other tasks set forth in this Stipulation.
18 The total administration costs will be deducted from the GFV. Defendant is not responsible or
19 liable for any errors in the calculation of workweeks or settlement amount to be awarded to each
20 class member. Defendant is also not liable or responsible for any errors made by the Settlement
21 Administrator in the administration of the settlement.

22 d. PAGA Payment. The Parties agree that a total of EIGHTY THOUSAND
23 DOLLARS (\$80,000) shall be allocated from GFV as settlement of PAGA claims for the PAGA
24 Representative Group. Seventy-five percent (75%) of this sum will be sent to the Labor
25 Workforce Development Agency and twenty-five percent (25%) will be allocated amount the
26 PAGA Representative Group proportionally based on the number of workweeks each member of
27 that group worked during the PAGA Covered Period. PAGA Representative Group members
28 shall not be required to make claims, but shall simply be delivered a check for their share of the

1 PAGA settlement when class payments are delivered. To the extent that any member of the
2 PAGA Representative Group is not bound by the MAA, they must sign the AA in order to receive
3 their portion of the settlement funds.

4 e. Remaining Net Fund Value for Class: After all payments of attorney's fees
5 and costs, class representative and witness service enhancements, administrative costs, and PAGA
6 payments are deducted from the Gross Fund Value, the remaining portion, the "Net Fund Value"
7 or "NFV," shall be distributed to class members who do not affirmatively exclude themselves
8 from the settlement, as discussed below.

9 f. Claims Process: Class Members shall receive notice of the action and may
10 exclude themselves or "opt out" if they do not want to participate in the settlement. To receive
11 payment, each Class Member must file a Claim Form and sign an Arbitration Agreement ("AA"),
12 with the following exceptions. California Class Members and Existing Opt-Ins are deemed to
13 have already filed Claim Forms (unless they affirmatively opt out of the settlement). Although the
14 California Class Members and Existing Opt-Ins do not have to submit claim forms, they must sign
15 the AA to receive payment, as described in more detail in Paragraph 16 below. All Future Opt Ins
16 must submit a Claim Form and sign the AA to receive payment, as described in more detail in
17 Paragraph 16 below. For Future Opt Ins who fail to return a Claim Form (but not California Class
18 Members or Existing Opt-Ins), AT&T shall be entitled to retain their portion of the settlement
19 fund, because their affirmative participation in the settlement is a prerequisite to a release of their
20 FLSA claims. In consideration for settlement and a release of all claims of the Settlement Class
21 against AT&T, each California Class Member and Existing Opt-In who does not timely opt out
22 and each Future Opt Ins who submits a Claim Form (collectively, "Qualified Claimants") will
23 receive a share of the NFV.

24 g. Formula to Distribute the Net Fund Value. In consideration for settlement
25 and a release of all claims of the Settlement Class against AT&T, the Net Fund Value ("NFV")
26 will be used to pay the Individual Settlement Payments to the Qualified Claimants. The fund shall
27 be subdivided so that 86% of the NFV is allocated to the claims of California Class Members and
28 the Existing FLSA Opt-Ins ("NFV-A"). The remaining 14% of the NFV shall be allocated to the

Future Opt Ins (“NFV-B”). AT&T agrees to pay to each Qualified Claimant a proportional share of the claim fund based on the following formula:

(1) **Individual Workweek Calculations:** For each Qualified Claimant, using the data available to AT&T, the Settlement Administrator will calculate the total number of weeks that the individual worked in either the job title of Senior Training Manager Design or Senior Training Manager Delivery (1) in California during the California Covered Period; (2) outside of California during the Existing Opt-In Covered Period for the Existing Opt-Ins ; and (3) outside of California during the Future Opt-In Covered Period for the Future Opt-Ins. Each employee’s workweek count shall be calculated by the Settlement Administrator using AT&T’s official records. To the extent an employee executed a release but was re-employed in a class position thereafter, the period before the release shall be excluded from the employee’s workweek calculation. In addition, weeks in which an employee is on a leave of absence shall be excluded from the employee’s workweek calculation.

(2) **State Multipliers:** For each workweek in California, the State Multiplier shall be three. All other workweeks shall have a State Multiplier of one.

(3) **Job Position Multiplier:** For each workweek as a Senior Training Manager Delivery, the Job Position Multiplier shall be 1.5. All other workweeks shall have a Job Position Multiplier of one.

(4) **Adjusted Workweek Calculations:** The Settlement Administrator will calculate the Adjusted Workweeks by applying the appropriate multipliers to each workweek for each Qualified Claimant.

(5) **Individual Settlement Payments:** The Settlement Administrator will calculate the Individual Settlement Payments as follows. The settlement share for each Qualified Claimant who is a California Class Member or Existing FLSA Opt-In will be calculated as the (a) NFV-A times (b) his or her individual Adjusted Workweek count divided by (c) the total Adjusted Workweeks attributable to all work performed in California or by Existing Opt-Ins.- The settlement share for each potential Future FLSA Opt-In will be calculated as the

1 (a) NFV-B times (b) his or her individual Adjusted Workweek count divided by (c) the total
2 Adjusted Workweeks attributable to all work performed by Future Opt-Ins.- Only those Future
3 FLSA Opt-Ins who are Qualified Claimants (because they properly submit Claim Forms and sign
4 the AA) shall receive a settlement share.

5 14. Settlement Date: The settlement embodied in this Stipulation of Settlement shall
6 go into effect upon entry of a final Judgment by the Court approving this Stipulation of
7 Settlement.

8 15. Funding and Payout of Settlement Funds

9 a. Payment Procedure to Settlement Administrator: No later than ten (10)
10 business days after the “effective date” of final approval of the settlement, AT&T will issue to the
11 Settlement Administrator payment of the Gross Fund Value. The effective date shall be the date
12 of final approval if no objections are filed to the settlement. If objections are filed and overruled,
13 and no appeal is taken of the final approval order, then the effective date of final approval shall be
14 thirty-five (35) days after the Court enters final approval. If an appeal is taken from the Court’s
15 overruling of objections to the settlement, then the effective date of final approval shall be twenty
16 (20) days after the appeal is withdrawn or after an appellate decision affirming the final approval
17 decision becomes final. No money will be distributed unless and until the effective date of final
18 approval occurs.

19 b. Within ten (10) business days after receiving payment from AT&T, the
20 Settlement Administrator will distribute the funds from the GFV, including mailing settlement
21 checks to Qualified Claimants, making attorneys’ fees and cost payments, and making class
22 representative and witness enhancement payments. Qualified Claimants shall have 180 days after
23 mailing by the Settlement Administrator to cash their settlement checks.

24 c. Should there remain any residual from the Gross Fund Value after all
25 payments are made under this Settlement Agreement, for example, if any settlement checks
26 remain uncashed more than 180 calendar days after mailing, the Settlement Administrator shall
27 redistribute to participating class members pro rata if feasible, or else will pay the funds
28

1 represented by such un-redeemed checks to the California Industrial Relations Unclaimed Wages
2 Fund with an identification of the participating class member.

3 d. Tax Treatment of Settlement Payments: The Parties have determined that fifty
4 percent (50%) of the amount distributed to each Qualified Claimant will be treated as wages,
5 subject to IRS Form W-2 reporting and, therefore, normal payroll taxes and withholdings will be
6 deducted pursuant to state and federal law, and AT&T will make all required payroll tax
7 contributions (e.g., FICA, FUTA, etc.). Contingent upon a Qualified Claimant cashing his/her
8 settlement payment, the payment representing back wages will be reported to the IRS and the
9 Qualified Claimant under the Qualified Claimant name and social security number on an IRS
10 Form W-2. Fifty percent (50%) of the amount distributed to each Qualified Claimant will be
11 treated as penalties or interest sought in the Lawsuit. Contingent upon a Qualified Claimant
12 cashing his/her settlement payment, the payment representing interest shall be reported to the IRS
13 and the Qualified Claimant under the Qualified Claimant's name and social security number on an
14 IRS Form 1099 to the extent required by law. AT&T will pay the employer's share of payroll
15 taxes, which will be paid separate and in addition to the Gross Fund Value. In the event of an
16 audit of AT&T by any state or federal government agency, or if any tax authority should dispute
17 the characterization of this compensation, AT&T reserve all rights to indemnification permitted by
18 law. This agreement does not constitute legal advice by counsel for any of the parties to this
19 agreement concerning any federal, state or local tax issue. To the extent this agreement, or any of
20 its attachments, is interpreted to contain or constitute advice regarding any federal, state or local
21 tax issue, such advice is not intended or written to be used, and cannot be used, by any person for
22 the purpose of avoiding any tax liability or penalties.

23 e. Resolution of Disputes Relating to Amounts Owed to a Claimant: If a
24 Qualified Claimant timely disputes AT&T's records as to his or her proper settlement share, the
25 Parties' counsel will make a good faith effort to resolve the dispute informally. If counsel for the
26 Parties cannot agree, the dispute shall be resolved by the Settlement Administrator.

27 16. Arbitration Agreement: As a condition of settlement and to recover their portion of
28 the settlement funds, all Settlement Class Members (including the PAGA representative group not

1 already bound by the MAA) are required to sign the AA agreeing to arbitrate any future claims
 2 related to their employment with AT&T individually under the AA. All members of the
 3 settlement class outside of California who have not yet opted in to this action must complete the
 4 claim form in full, including signing the copy of the AA included in their Notice packet in order to
 5 receive their share of the NFV. For those individuals who do not need to submit a claim form
 6 (i.e., the California Class Members and Existing FLSA opt-ins), they must separately sign the AA
 7 that is included in the Notice packet in order to receive their share of the NFV.

8 **NOTICE TO THE CLASS**

9 17. Within ten (10) business days after preliminary approval of this settlement, AT&T
 10 will provide to the Settlement Administrator all of the following information about each Class
 11 Member in Excel format ("Class Data List"): (1) name, (2) last known home address, telephone
 12 number, and email address(es) (3) Social Security number, (4) the class member's dates of
 13 employment in a covered class position (i) as a California employee and (ii) as a non-California
 14 employee; (5) class members' job title(s) while in a covered class position and dates of the job
 15 title(s), and (6) whether the class member is an Existing Opt-In.

16 18. Within ten (10) calendar days after receipt of the "Class Data List," the Settlement
 17 Administrator will send all Class Members, by first-class mail to their last known address, and
 18 email to their last known email address(es), the Court-approved Notice of Pendency of Class
 19 Action ("Notice"), in the form attached hereto as Exhibit "A." For Future Opt-Ins, the Settlement
 20 Administrator will include with the mailing and emailing of the Notice the Court-approved Claim
 21 Form, in the form which will be attached hereto as Exhibit "B." The Notice and Claim Form will
 22 also include the Settlement Administrator's calculation of each Class Member's estimated
 23 Individual Settlement Payment.

24 **SETTLEMENT ADMINISTRATION PROCESS**

25 19. Class Members will have forty-five (45) days from the date of the Notice mailing
 26 to provide any submission (including a Claim Form (if applicable), AA, or written request for
 27 exclusion) to the Settlement Administrator or file with the Court comments or objections. For
 28 mailed submissions, any item mailed by the deadline, as evidenced by a postmark, shall be

1 deemed to be timely. Submissions may be filed by mail, fax, email, or online website submission.
2 All signed AAs (whether sent by mail, fax, email, etc.) must be legible. To be valid, requests for
3 exclusion must comply with the instructions in the Notice. A Class Member who excludes
4 himself or herself from the settlement shall lose standing to object. The Settlement Administrator
5 will perform two skip-traces on returned mail and re-mail the Notice and Claim Form (if
6 applicable) to an updated address (if any) as soon as possible upon return of the undeliverable
7 Notice, but no later than fifteen (15) days of receiving notice that a Notice was undeliverable. It is
8 the intent of the Parties that reasonable means be used to locate Class Members. The Settlement
9 Administrator will mail a follow-up reminder notice, by e-mail and mail, to those Class Members
10 who have not submitted the required forms (i.e., the Claim Form (if appropriate) and the AA)
11 approximately twenty (20) days before the expiration of the claim period encouraging Class
12 Members to submit those forms. Class Counsel can make reasonable efforts to supplement these
13 communications.

14 20. Within ten (10) days after receipt by the Settlement Administrator of each timely-
15 submitted request for exclusion, the Settlement Administrator will send a deficiency notice to the
16 Class Members for any irregularities in any request for exclusion (such as failure to sign or
17 include last four digits of Social Security Number). The deficiency notice will provide the Class
18 Members the greater of ten (10) days or the remainder of the notice period to submit a written
19 response to cure all deficiencies. The failure of a Class Member to cure all deficiencies in a timely
20 manner shall invalidate a request for exclusion and will not be subject to cure. The Settlement
21 Administrator shall promptly share information about requests for exclusion with the parties.

22 21. As part of the Class Data List, AT&T will provide the Settlement Administrator
23 with the relevant data to allow the Settlement Administrator to calculate each Class Member's
24 share of the NFV based on information contained in its payroll systems. The Settlement
25 Administrator will certify jointly which request for exclusion forms, if any, were timely submitted.
26 The Settlement Administrator shall be responsible for calculating the payments, issuing the
27 payments and any required tax reporting forms, and communicating this information to AT&T and
28 Class Counsel. Upon completion of its calculation of payments, the Settlement Administrator
shall provide Class Counsel and AT&T with a report listing the amount of all payments to be

1 made to each Qualified Claimant. Proof of payment will be filed with the Court and provided to
2 the Parties' counsel.

3 22. To the extent any California Class Member or Existing FLSA Opt-In requests
4 exclusion from the settlement, his or her unclaimed portion shall remain in NFV-A, and made
5 available for distribution to the remainder of the Qualified Claimants.

6 **RIGHT TO RESCISSION IN THE EVENT OF EXCESS OPT-OUTS**

7 23. Notwithstanding any other provision of this Stipulation of Settlement, AT&T shall
8 retain the right, in the exercise of its sole discretion, to nullify the settlement within thirty (30)
9 days of expiration of the opt-out deadline, if a total of twenty-five (25) or more California Class
10 Members or Existing Opt-Ins opt out of the settlement. All signatories and their counsel must not
11 encourage opt-outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly,
12 through any means. Objective statements to Class Members who call Class Counsel with inquiries
13 regarding the settlement, or the exercise of Class Counsel's ethical obligations, shall not be
14 deemed a violation of the prohibitions contained herein. In the event of such a rescission, no party
15 may use the fact that the Parties agreed to settle this case as evidence of AT&T's liability in this
16 Lawsuit or the lack thereof. If AT&T exercises its right to rescind the settlement it will be solely
17 responsible for the Settlement Administrator's costs incurred up to that date.

18 **RELEASE OF CLAIMS**

19 24. Released Claims By Class Members: Upon final approval by the Court, the
20 Settlement Class and each Qualified Claimant will release AT&T and the Releasees from the
21 Released Class Claims defined as any and all claims asserted in the Complaint based on the cited
22 statutes and underlying facts, including those that arise from the allegation that AT&T
23 misclassified Class Members as exempt under state or federal wage and hour law. This includes
24 but is not limited to claims arising under the, California Labor Code, California Business &
25 Professions Code (including Section 17200) or any other wage and hour statute (except the
26 FLSA); the Wage Orders of the California Industrial Welfare Commission; claims for restitution
27 and other equitable relief, liquidated damages, punitive damages, waiting time penalties, penalties
28 of any nature whatsoever, whether known or unknown, during the Settlement Period, arising from

1 the underlying allegation of exempt misclassification. *Per the requirements of the FLSA,*
2 *however, the release of FLSA claims by Future FLSA Opt-Ins shall apply only to those individuals*
3 *who submit claims under this settlement.*

4 25. Released Claims By Named Plaintiffs and Enhancement Witnesses: Except as
5 specified herein, and only if an enhancement award or witness service enhancement award (of
6 whatever amount approved by the Court) is issued to the Named Plaintiffs and the Enhancement
7 Witnesses, the Named Plaintiffs and Enhancement Witnesses fully release and discharge the
8 Released Parties, from any and all actions, causes of action, obligations, costs, expenses, damages,
9 penalties, losses, claims, liabilities, suits, debts, demands, and benefits (including attorneys' fees
10 and costs), of whatever character, in law or in equity, known or unknown, suspected or
11 unsuspected, matured or unmatured, of any kind or nature whatsoever, now existing or arising in
12 the future, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of
13 time to the date of execution hereof, including but not limited to any equitable or legal claims or
14 causes of action arising out of or in any way relating to their employment or which have been or
15 could have been made in the Lawsuit, including any claims under the state and federal anti-
16 discrimination statutes, for a breach of contract, or alleging tortious conduct by the Released
17 Parties. By executing this Agreement, Named Plaintiffs and Enhancement Witnesses are also
18 consenting to and opting into the FLSA Release.

19 The Released Claims by the Named Plaintiffs and Enhancement Witnesses includes any
20 unknown claims that they do not know or suspect to exist in their favor at the time of the release,
21 which, if known by them, might have affected their settlement with, and release of, the Released
22 Parties, or might have affected their decision not to object to this Settlement. With respect to the
23 Released Claims, the Named Plaintiffs and Enhancement Witnesses stipulate and agree that, upon
24 final approval by the Court, he shall be deemed to have, and by operation of the Final Judgment
25 shall have, expressly waived and relinquished, to the fullest extent permitted by law, the
26 provisions, rights, and benefits afforded by Section 1542 of the California Civil Code, or any
27 similar provision under federal or state law, and do so understanding the significance of that
28 waiver. Section 1542 provides:

1 **“A general release does not extend to claims which the creditor does not know**
 2 **or suspect to exist in his or her favor at the time of executing the release, which**
 3 **if known by him or her must have materially affected his or her settlement**
 4 **with the debtor.”**

5 The Named Plaintiffs and Enhancement Witnesses further acknowledge and agree that
 6 they release and waive any right to become, and promise not to consent to become, a class
 7 member in any case in which claims are asserted against the Released Parties, including those that
 8 are related in any way to their employment with or termination from AT&T and for which claims
 9 arise from the beginning of time to the date of execution hereof. In that regard, the Named
 10 Plaintiffs and Enhancement Witnesses agree that they may not and will not submit a claim form as
 11 to the Released Claims in any class action in which they are included as a putative class member,
 12 if any. Nothing herein shall prohibit Named Plaintiffs and Enhancement Witnesses from filing a
 13 charge or participating in an investigation by the EEOC (or equivalent state agency) or the NLRB,
 14 provided that Plaintiffs shall not personally be entitled to recovery any monetary remedy or other
 15 relief from any matter brought by the EEOC, an equivalent state agency, or the NLRB for the
 16 claims released here.

17 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

18 26. The Parties shall promptly submit this Stipulation of Settlement to the Court in
 19 support of a request for preliminary approval and determination by the Court as to its fairness,
 20 adequacy, and reasonableness. Plaintiffs’ counsel will provide AT&T’s counsel a draft of the
 21 motion for preliminary approval at least two business days prior to filing for review and comment.
 22 Promptly upon execution of this Stipulation of Settlement, the Parties shall apply to the Court for
 23 the entry of a preliminary order, substantially in the form attached hereto as Exhibit C, which
 24 would accomplish the following:

25 a. Scheduling a final fairness hearing on the question of whether the proposed
 26 settlement, the Class Representatives’ and witness enhancement awards, the PAGA payment, and
 27 the requested attorneys’ fees and costs should be finally approved as fair, reasonable, and adequate
 28 as to the Class Members;

- 1 b. Certifying a Settlement Class for all claims;
- 2 c. Certifying this action under California law as a class action for purposes of
- 3 settlement;
- 4 d. Approving as to form and content the proposed Notice and Claim Form and
- 5 MAA;
- 6 e. Directing the mailing of the Notice and Claim Form and MAA, by first-
- 7 class mail and email, to the Class Members;
- 8 f. Preliminarily approving the settlement subject only to the objections of
- 9 Class Members and final review by the Court; and,
- 10 g. Preliminarily approving the use of a mutually agreed Settlement
- 11 Administrator for approximately \$40,000.

12 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

- 13 27. Following final approval of the settlement provided for in this Stipulation of
- 14 Settlement, Class Counsel will submit a proposed Final Order and Judgment, substantially in
- 15 the form attached hereto as Exhibit D:
- 16 a. Approving the settlement, adjudging the terms thereof to be fair, reasonable,
 - 17 and adequate, and directing consummation of its terms and provisions;
 - 18 b. Approving Class Counsel's application for an award of attorney's fees and
 - 19 costs;
 - 20 c. Approving the Class Representatives' and witness enhancement awards;
 - 21 d. Approving the payment to PAGA and the Settlement Administrator's fees
 - 22 from the Gross Fund Value.
 - 23 e. Barring all members of the Settlement Class from prosecuting against
 - 24 Releasees any of the Released Class Claims.

25 **PARTIES' AUTHORITY**

- 26 28. The signatories hereto hereby represent that they are fully authorized to enter into
- 27 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions hereof.
- 28

MUTUAL FULL COOPERATION

29. The Parties agree fully to cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Stipulation of Settlement. The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts contemplated by this Stipulation of Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the assistance and cooperation of AT&T and its counsel, take all necessary steps to secure the Court's final approval of this Stipulation of Settlement.

NO PRIOR ASSIGNMENTS

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

NO ADMISSION

31. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of AT&T. AT&T specifically denies any liability. Each of the Parties hereto has entered into this Stipulation of Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

PUBLICITY

32. Neither Plaintiffs nor Class Counsel will publicize the Settlement in any way prior to preliminary approval. The parties and their counsel agree that they will not issue any press releases or initiate any similar contact with the media about the fact, amount, or terms of the Settlement. This provision shall not prohibit Class Counsel from communicating with members of the Class. If counsel for any party receives an inquiry about the settlement from the media,

1 counsel may respond only after the motion for preliminary approval has been filed and only by
2 confirming and explaining the terms of the Settlement.

3 **NO RETALIATION**

4 33. AT&T agrees that there will be no retaliation, discrimination or adverse
5 employment action against the Plaintiffs or any member of the Settlement Class as a result of this
6 Lawsuit, the Settlement or their participation in this Lawsuit or Settlement.

7 **“NEED TO KNOW” INFORMATION SHARING**

8 34. It is the Parties’ intention that Class Members be reasonably assured that their
9 interest in maintaining the privacy of their participation in the Settlement be respected as much as
10 possible, without compromising the Parties’ ability to execute and implement the settlement in
11 good faith. Therefore, information regarding which Class Members submit Claim Forms, opt out,
12 comment on the settlement, or cash settlement checks will be shared with AT&T on a need to
13 know basis. Specifically, the dissemination of such information will be limited to AT&T’s
14 outside counsel, AT&T’s in-house counsel, and AT&T’s Human Resources Department. AT&T
15 will have no policy of disseminating such information to managers within Class Members’ chain
16 of command. These limitations will not prevent AT&T from sharing any information with any
17 AT&T employee if the sharing of such information is necessary to fulfill the requirements of this
18 Settlement.

19 **CONSTRUCTION**

20 35. The Parties hereto agree that the terms and conditions of this Stipulation of
21 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and
22 that this Stipulation of Settlement shall not be construed in favor of or against any party by reason
23 of the extent to which any party or his, her, or its counsel participated in the drafting of this
24 Stipulation of Settlement.

25 **CAPTIONS AND INTERPRETATIONS**

26 36. Paragraph titles or captions contained herein are inserted as a matter of convenience
27 and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation of
28

1 Settlement or any provision hereof. Each term of this Stipulation of Settlement is contractual and
2 not merely a recital.

3 **MODIFICATION**

4 37. This Stipulation of Settlement may not be changed, altered, or modified, except in
5 writing and signed by the Parties hereto, and approved by the Court. Notwithstanding the
6 foregoing, the Parties agree that any dates contained in this Agreement may be modified by
7 agreement of the Parties without prior Court approval if the Parties agree and cause exists for such
8 modification. This Stipulation of Settlement may not be discharged except by performance in
9 accordance with its terms or by a writing signed by the Parties hereto.

10 **INTEGRATION CLAUSE**

11 38. This Stipulation of Settlement contains the entire agreement between the Parties
12 relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous
13 agreements, understandings, representations, and statements, whether oral or written and whether
14 by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived
15 except in writing.

16 **BINDING ON ASSIGNS**

17 39. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
18 Parties hereto and their respective heirs, trustees, executors, administrators, successors and
19 assigns.

20 **CLASS COUNSEL SIGNATORIES**

21 40. The Parties agree that it is impossible or impractical to have each Class Member
22 execute this Stipulation of Settlement. The Notice, Exhibit "A," will advise all Class Members of
23 the binding nature of the release and such shall have the same force and effect as if this Stipulation
24 of Settlement were executed by each Class Member.

25 **ACKNOWLEDGEMENT THAT THE SETTLEMENT IS FAIR AND**
26 **REASONABLE**

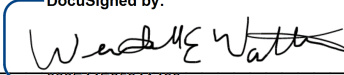
27 41. The Parties believe this Settlement Agreement is a fair, adequate and reasonable
28 settlement of the lawsuit and have arrived at this Settlement after arm's-length negotiations and in

1 the context of adversarial litigation, taking into account all relevant factors, present and potential.
2 This Settlement was also reached only after the Parties participated in a full-day mediation with an
3 experienced wage-and-hour mediator. The Parties further acknowledge that they are each
4 represented by competent counsel and that they have had an opportunity to consult with their
5 counsel regarding the fairness and reasonableness of this Settlement.

6 **COUNTERPARTS**

7 42. This Stipulation of Settlement may be executed in counterparts, and when each
8 party has signed and delivered at least one such counterpart, each counterpart shall be deemed an
9 original, and, when taken together with other signed counterparts, shall constitute one Stipulation
10 of Settlement, which shall be binding upon and effective as to all Parties.

11 Dated: 9/27/2017
12 September __, 2017

DocuSigned by:
By: 
333E44E8594A490
Wendell Walton
Plaintiff and Class Representative

13
14
15 Dated: September __, 2017

By: _____
Michael Mantonya
Plaintiff and Class Representative

16
17
18 Dated: September __, 2017

By: _____
for AT&T Services, Inc.

19
20 **Approval As To Form And Content By Counsel:**
21
22
23
24
25
26
27
28

1 the context of adversarial litigation, taking into account all relevant factors, present and potential.
2 This Settlement was also reached only after the Parties participated in a full-day mediation with an
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11 Dated: September __, 2017

By: _____

Wendell Walton
Plaintiff and Class Representative

12
13
14 9/26/2017
15 Dated: September __, 2017

DocuSigned by:
Michael Mantonya
By: _____
138D48281C79448...

Michael Mantonya
Plaintiff and Class Representative

16
17
18 Dated: September __, 2017

By: _____

for AT&T Services, Inc.

19
20 **Approval As To Form And Content By Counsel:**
21
22
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24
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26
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28

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 2 This Settlement was also reached only after the Parties participated in a full-day mediation with an
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 4 represented by competent counsel and that they have had an opportunity to consult with their
 5 counsel regarding the fairness and reasonableness of this Settlement.

6 COUNTERPARTS

7 42. This Stipulation of Settlement may be executed in counterparts, and when each
 8 party has signed and delivered at least one such counterpart, each counterpart shall be deemed an
 9 original, and, when taken together with other signed counterparts, shall constitute one Stipulation
 10 of Settlement, which shall be binding upon and effective as to all Parties.

11 Dated: September __, 2017

12 By: _____
 13 Wendell Walton
 14 Plaintiff and Class Representative

15 Dated: September __, 2017

16 By: _____
 17 Michael Mantonya
 18 Plaintiff and Class Representative

19 Dated: September 27, 2017

20 By: Elisha Paratore
 21 for AT&T Services, Inc.

22 **Approval As To Form And Content By Counsel:**
 23
 24
 25
 26
 27
 28

1 Dated: September 25, 2017

Respectfully submitted,

2 By: 
3 Jahan C. Sagafi

4 Jahan C. Sagafi (Cal. Bar No. 224887)
5 Relic Sun (Cal. Bar No. 306701)
6 OUTTEN & GOLDEN LLP
7 One Embarcadero Center, 38th Floor
8 San Francisco, CA 94111
9 Telephone: (415) 638-8800
10 Facsimile: (347) 390-2187

11 Michael N. Litrownik (admitted *pro hac vice*)
12 685 Third Avenue, 25th Floor
13 New York, NY 10017
14 Telephone: (212) 245-1000
15 Facsimile: (646) 509-2060

16 Jason C. Marsili (Cal. Bar No. 233980)
17 Brianna M. Primozic (Cal. Bar No. 274397)
18 POSNER & ROSEN LLP
19 3600 Wilshire Boulevard, Suite 1800
20 Los Angeles, CA 90010
21 Telephone: (213) 389-6050
22 Facsimile: (213) 389-0663

23 *Attorneys for Plaintiffs and Proposed Collective*
24 *and Class Members*

25 Dated: September ___, 2017

26 By: _____
27 Paul Berkowitz

28 SHEPPARD, MULLIN, RICHTER
& HAMPTON LLP
Thomas R. Kaufman (Cal. Bar. No. 177936)
Paul Berkowitz (Cal Bar. No. 251077)
Michael T. Campbell (Cal. Bar No. 293376)
1901 Avenue of the Stars, Suite 1600
Los Angeles, California 90067-6055
Telephone: (310) 228-3700
Facsimile: (310) 228-3701

Attorneys for Defendant AT&T Services, Inc.

1 Dated: September __, 2017

Respectfully submitted,

2 By: 
3 Jahan C. Sagafi

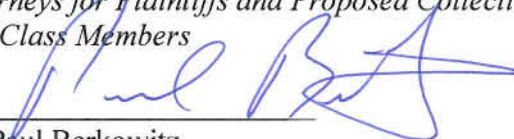
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20 Los Angeles, CA 90010
21 Telephone: (213) 389-6050
22 Facsimile: (213) 389-0663

23 *Attorneys for Plaintiffs and Proposed Collective*
24 *and Class Members*

25 Dated: September 27, 2017

26 By: 
27 Paul Berkowitz

28 SHEPPARD, MULLIN, RICHTER
& HAMPTON LLP
Thomas R. Kaufman (Cal. Bar. No. 177936)
Paul Berkowitz (Cal Bar. No. 251077)
Michael T. Campbell (Cal. Bar No. 293376)
1901 Avenue of the Stars, Suite 1600
Los Angeles, California 90067-6055
Telephone: (310) 228-3700
Facsimile: (310) 228-3701

Attorneys for Defendant AT&T Services, Inc.

Exhibit A

Walton v. AT&T Services, Inc., Case No. 15-cv-03653-VC
United States District Court for the Northern District of California

If you worked at AT&T as a Senior Training Manager Design or Senior Training Manager Delivery, you could get a payment from this class action settlement.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- The settlement will provide up to \$2,750,000 to pay claims from those who follow the proper procedures by [insert opt in deadline] to receive a payment.
- The Settlement affects the rights of AT&T Services, Inc. and AT&T Mobility Services LLC employees who are not covered by the Company's Management Arbitration Agreement and worked in the job titles of Senior Training Manager Design or Senior Training Manager Delivery either in California from May 18, 2011 through [insert Preliminary Approval date] or outside California from May 18, 2012 through [insert Preliminary Approval date].
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

Your legal rights and options in this Settlement:

Receive a payment	[version 1] According to AT&T's records, you need only sign and submit the enclosed yellow Arbitration Agreement Form to receive your estimated payment of \$XX under the settlement. Anyone who filed a consent to join form in this lawsuit (also known as "opting in"), or worked for AT&T exclusively in California during the relevant time period who wants to receive a payment must file the yellow Arbitration Agreement Form. [version 2] According to AT&T's records, you have an opportunity to receive a settlement payment. To receive the payment, you must file the enclosed green Claim Form and sign and submit the enclosed yellow Arbitration Agreement Form. Additionally, anyone who worked for AT&T outside of California during the relevant time period and has not yet opted into the lawsuit, has an opportunity to receive a settlement payment. To receive a payment, you must file the green Claim Form and sign and submit the yellow Arbitration Agreement Form.
Exclude yourself	You may exclude yourself or "opt out" if you do not wish to participate in the settlement. If you choose this option, you get no payment and will not release any claims against AT&T.
Comment	Write to the Court about what you think about the settlement.

(including Object)	
Go to the hearing	If you would like, you may ask to speak in Court about the fairness of the settlement. You do not need to do this to receive a payment.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. Please be patient.
- This is not a lawsuit against you. Your participation in this lawsuit and acceptance of money from the settlement will not affect your employment status in any way.

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Basic Information

1. Why did I get this notice package?

The purpose of this Notice is to let you know that there is a class and collective action lawsuit pending in the United States District Court, Northern District of California, entitled *Walton v. AT&T Services, Inc.*, Case No. 15-cv-03653-VC (the “Lawsuit”). You have received this Notice because AT&T’s records show that you worked as either a Senior Training Manager Design (“Designer”) or Senior Training Manager Delivery (“Deliverer”).

The Court authorized that you be sent this notice because you have a right to know about a proposed settlement of the Lawsuit, and about your options, before the Court decides whether to grant final approval of the settlement. If the Court approves it and after any objections and appeals are resolved, a third-party administrator appointed by the Court will make the payments that the settlement allows. You will be informed of the progress of the settlement.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. If you wish to receive money from, comment upon (including object to), or exclude yourself from the settlement, you must do so following the procedures described below.

2. What is this lawsuit about?

In the lawsuit, Plaintiffs claimed that AT&T misclassified Designers and Deliverers as exempt from the overtime pay requirements of federal and California state law, and consequently failed to pay them overtime pay. The lawsuit asked the Court to require AT&T to pay overtime backpay, penalties, interest, and other payments. AT&T denies that it did anything wrong and contends that, among other things, that it has complied at all times with applicable federal and California law.

3. Why is this a class action?

In a class action, one or more people, called Class Representatives (in this case, Wendell Walton and Michael Mantonya), sue on behalf of people who have similar claims. All these people with similar claims are Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. The Honorable Vince Chhabria, United States District Judge, is in presiding over this class action.

4. Why is there a settlement?

The Court did not decide in favor of either party. Instead, both sides agreed to a settlement, which, if approved, brings the litigation to an end. That way, Plaintiffs and AT&T avoid the cost, delay, and uncertainty of moving forward in litigation to trial and possible appeals, and the class members will get compensation. The Class Representatives and the attorneys for both sides think that the settlement is fair, reasonable, adequate and in the best interests of the members of the class and all parties.

Who is in the Settlement

To see if you are eligible to get money from this settlement, you first have to determine if you are a Settlement Class Member.

5. How do I know if I am part of the settlement?

Judge Chhabria determined that everyone who fits this description is a Settlement Class Member: *All individuals who worked for AT&T Services, Inc. or AT&T Mobility Services LLC who are not bound by the Management Arbitration Agreement and who worked in the job title of Senior Training Manager Design or Senior Training Manager Delivery (1) from May 18, 2011 to March 1, 2018 or preliminary approval (whichever is sooner) for California-based employees; (2) from May 18, 2012 to March 1, 2018 or preliminary approval (whichever is sooner) for non-California employees who opted in to the Lawsuit; and (3) from August 18, 2014 to March 1, 2018 or preliminary approval (whichever is sooner) for non-California employees who did not opt in to the Lawsuit.*

If you are still not sure whether you are included, you can ask for free help. You can call the Claims Administrator at [insert Claims Administrator telephone number].

The Settlement Benefits—What You Get

6. What does the settlement provide?

AT&T has agreed to pay up to \$2,750,000 to cover the claims of Class Members who follow the proper procedure to receive a share of that amount. Each Class Member who follows the proper procedure to receive a payment will receive a share of that amount. Except for those individuals who worked outside of California and did not already opt into the case, unclaimed money will be redistributed to Class Members who choose to receive a payment, if feasible, or sent to the California Industrial Relations Unclaimed Wages Fund.

[**version 1**] Your estimated share of the settlement is \$XX. Each Class Member's recovery depends on (a) whether the Class Member previously opted in to this case, (b) whether he or she worked for AT&T in California, and (c) the number of weeks worked during the time period covered by the settlement.

[**version 2**] The estimated share you will receive under the settlement is preprinted on your customized green Claim Form, which is included with this Notice. Each Class Member's recovery depends on (a) whether the Class Member previously opted in to this case or worked in California, and (b) the number of weeks worked during the time period covered by the settlement. If you believe that the information listed for you in the green Claim Form is incorrect, you should contact the Claims Administrator at [insert Claims Administrator telephone number].

7. What can I get from the settlement?

If you are a Class Member and you follow the proper procedure to receive a payment, and if the settlement is granted final approval, then you will be mailed a check for your share of the settlement. Under the current schedule, you should receive your check around [insert date].

How You Get a Payment

8. How can I get a payment?

[version 1] According to our records, you already opted in or worked exclusively in California, so you only need to submit the enclosed yellow Arbitration Agreement Form to get your share of the settlement funds. Under the Arbitration Agreement you will be required to submit any future claims against AT&T arising out of your employment to binding arbitration. You do not need to do anything else to claim your share of the settlement funds. If you fail to return a signed Arbitration Agreement, you will not receive any money until you return the signed Arbitration Agreement. You will have 180 days to return the signed Arbitration Agreement before your settlement check expires.

[version 2] According to our records, you have not yet opted in and you worked at least some time for AT&T outside of California. You now have the opportunity to participate in the settlement and receive a payment. Therefore, **YOU MUST SUBMIT THE ENCLOSED GREEN CLAIM FORM AND THE ENCLOSED YELLOW Arbitration Agreement FORM, postmarked (or received by the Claims Administrator by e-mail) by [insert deadline], to receive money under the settlement.** If the settlement is approved by the Court, and if you have properly and timely completed and submitted a qualifying Claim Form, you will be entitled to a share of the settlement funds. Claim Forms postmarked or emailed after [insert deadline] will not be paid. If do not properly submit a green Claim Form and yellow Arbitration Agreement Form, you will not receive any money.

[version 2] If you have lost your Claim Form, you can request a new Claim Form at [insert Settlement Administrator website].

9. When would I get my payment?

The Court will hold a hearing on [insert fairness hearing date], to decide whether to approve the settlement. If Judge Chhabria approves the settlement, and there are no appeals, we estimate that checks will be mailed around [insert date]. However, because it is always possible for there to be unexpected delays or appeals, it is possible that the payments will be delayed by a year or more, or that an appeals court will determine that the payments cannot be made. Please be patient. We will provide regular updates of the status of the Settlement at www.attovvertimepay.com.

10. What am I giving up to get a payment or stay in the Class?

[version 1] According to our records, you previously opted in or worked for AT&T exclusively in California. Unless you exclude yourself, you will remain as part of the Class and receive a payment if you sign the enclosed yellow Arbitration Agreement and follow the procedures described in section 8 above, which means that you cannot sue, continue to sue, or be part of any other lawsuit against AT&T over the federal and state-law wage and hour issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. In other words, you agree to the "Release of Claims" below, which describes the legal claims that you give up if you get settlement benefits.

[version 2] According to our records, you did not previously opt in and worked for AT&T at least some time outside California. You must submit a Claim Form to be part of the

Class. If you submit a Claim Form, sign the enclosed yellow Arbitration Agreement and follow the procedures described herein, which means that you cannot sue, continue to sue, or be part of any other lawsuit against AT&T over the federal and state-law wage and hour issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. In other words, you agree to the "Release of Claims" below, which describes the legal claims that you give up if you get settlement benefits.

Release of Claims: With the exception of claims under the Fair Labor Standards Act ("FLSA") for Class Members who do not make claims, each member of the Settlement Class releases AT&T and any parent, subsidiary, affiliate, predecessor or successor, and all agents, employees, officers, directors and attorneys thereof from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorney's fees, damages, action or causes of action contingent or accrued for, which would arise from the allegation that AT&T misclassified Class Members as exempt under state or federal wage and hour law for that individual's time period covered by the settlement, tied to the allegations in the complaint. This would include but not be limited to claims arising under the California Labor Code, California Business & Professions Code (including Section 17200) or any other wage and hour statute (except the FLSA); the Wage Orders of the California Industrial Welfare Commission; claims for restitution and other equitable relief, liquidated damages, punitive damages, waiting time penalties, penalties of any nature whatsoever, whether known or unknown, during the Settlement Period, arising from the underlying allegation of exempt misclassification. *Per the requirements of the FLSA, however, the release of FLSA claims shall apply only to those Class Members who submit or are deemed to have already submitted claims under this settlement.*

Excluding Yourself From the Settlement

If you do not want a payment from this settlement, and you want to keep the right to sue or continue to sue AT&T, on your own, about the legal issues in this case, then you may need to take steps to get out. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately, because you may have to exclude yourself from this Class to continue your own lawsuit. This is called excluding yourself from – or opting out of – the settlement Class.

11. How do I get out of the settlement?

To exclude yourself from (opt out of) the settlement and not release any claims, you must send a letter saying that you want to be excluded from *Walton v. AT&T Services, Inc.* and that you understand that you will not receive money from it. You must include your name, address, telephone number, and your signature, as well as your AT&T employee ID number or the last four digits of your Social Security number. You must submit your exclusion (or opt-out) request postmarked no later than [insert date] (or received by the Settlement Administrator if sent by e-mail) to:

Walton v. AT&T Settlement Administrator
XXXX [including email address]

You cannot exclude yourself (opt out) by phone. If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. You will not be legally

bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) AT&T in the future.

12. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive money. But you may sue, continue to sue, or be part of a different lawsuit against AT&T on your own.

Your privacy

13. Will my manager know whether or how I responded to this Notice?

Claim Forms and settlement checks are being handled by an independent, experienced Settlement Administrator. Exclusion requests and comments on the settlement (including objections) are also to be sent to the Settlement Administrator. The Settlement Administrator will report to AT&T (as well as your lawyers, called Class Counsel) regarding which Claim Forms, exclusion requests, and comments (including objections) were submitted.

AT&T has agreed that no information about these submissions (or lack thereof) will be shared within the company unless there is a need-to-know in order to implement the settlement or conduct business. For example, this information may be viewed by a small number of people in Human Resources who need to process the information for tax purposes.

The Lawyers Representing You

14. Do I have a lawyer in this case?

The Court appointed the following attorneys to represent you and the other Class Members: Jahan C. Sagafi, Michael N. Litrownik, and Relic Sun of Outten & Golden, LLP; and Jason C. Marsili and Brianna M. Primoizic of Posner & Rosen LLP.

Together, the lawyers are called Class Counsel or Plaintiffs' Counsel. You will not be charged for these lawyers' work in securing the settlement benefits for you and the other Class Members. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will Class Counsel and the Named Plaintiffs be paid?

Class Counsel will ask the Court for attorneys' fees of up to 40% of the \$2,750,000 fund (which is \$1,100,000), and out-of-pocket costs of up to \$100,000, according to the terms of the Settlement Agreement. The attorneys' fees and costs, as awarded by the Court, shall be paid from the \$2,750,000 fund created by the settlement. In addition, Class Counsel will apply to the Court for a service award of up to \$20,000 for the lead Plaintiffs, Wendell Walton and Michael Mantonya, and \$5,000 each for seven additional Class Members who provided evidence in this case. These service awards are being requested in recognition of the time, effort, and risk incurred by the Plaintiffs and Class Members in securing this settlement for you and the other Class Members. In addition, these Plaintiffs are subject to a broader release of legal claims than you and the other Class Members are.

Commenting on (including objecting to) the settlement

You can tell the Court what you think about the settlement.

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

If you're a Class Member and you decide to participate in the settlement, you can comment on (including objecting to) the settlement. You can give reasons why you think the Court should or should not approve it.

The Court cannot order a larger settlement; it can only approve or deny the settlement. If the Court denies approval, there will be no settlement at this time, no settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object.

You may comment on and object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written comments and objections and supporting papers must (a) clearly identify the case name and number (*Walton v. AT&T Services, Inc.*, Case Number 15 Civ. 3653), (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489, or by filing them in person at any location of the United States District Court for the Northern District of California, and (c) be filed or postmarked on or before [insert deadline].

The Court will only require substantial compliance with the requirements for submitting an objection.

17. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

The Court's Fairness Hearing

The Court will hold a fairness hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to.

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

The Court will hold a fairness hearing at [insert time and date], at the United States District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, California 94102, before the Honorable Vince Chhabria, United States District Judge. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Chhabria will listen to people who have asked to speak at the hearing, if any. The Court may also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take. The fairness hearing may be postponed without further

notice to the Class. If you plan to attend the hearing, you should check www.attovvertimepay.com or the Court's PACER site at <https://ecf.cand.uscourts.gov> to confirm that the date has not been changed.

19. Do I have to come to the hearing?

No. Class Counsel represents you and will answer questions Judge Chhabria may have. But you are welcome to come at your own expense. If you send a comment (including an objection), you do not have to come to Court to talk about it. As long as you mailed it on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

20. May I speak at the hearing?

You may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter to the Settlement Administrator at the address listed in section 11, saying that it is your "Notice of Intention to Appear at the Fairness Hearing in *Walton v. AT&T Services, Inc.*" You must include your name, address, telephone number, and signature. Your Notice of Intention to Appear must be postmarked or emailed no later than [insert deadline]. This requirement may be excused upon a showing of good cause.

You cannot speak at the hearing if you excluded yourself, because the case no longer affects you.

If You Do Nothing

21. What happens if I do nothing at all?

[version 1] According to our records, you previously opted in or worked for AT&T exclusively in California. If you do nothing, you will release your claims as described above in section 10 and will not receive any money from the settlement.

[version 2] According to our records, you have not previously opted in and worked for AT&T at least some time outside California. If you do nothing, you will not receive a settlement payment, nor will you release any claims.

You are not required to take any action or not take any action. It is your choice.

Getting More Information

22. Are there more details about the settlement?

This Notice is intended to be a summary of the terms of the Settlement. The Settlement Agreement, Fourth Amended Complaint, and this Notice are all available at www.attovvertimepay.com.

You may also obtain this information by contacting the Settlement Administrator at [insert phone number], class counsel at Outten & Golden LLP at (415) 638-8800, by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the

Court for the United States District Court for the Northern District of California at 450 Golden Gate Avenue, San Francisco, CA 94102-3489, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

By order of the United States District Court for the Northern District of California.

Dated: [DATE]

Settlement Administrator
for U.S. District Court
[insert address]

**Notice of class action settlement to
certain AT&T Services, Inc. employees**

[window]

**According to our records,
you can only receive a payment from this settlement
if you submit a claim form (enclosed green form)
by [insert opt in deadline].**

Details are in the legal notice (enclosed white form).

Exhibit B

CLAIM FORM

for your \$ [REDACTED] share of the

Walton v. AT&T Services, Inc. Class Action Settlement

YOU MUST SUBMIT THIS CLAIM FORM BY [insert opt-in deadline] to receive your \$ [REDACTED] share of the settlement. You can submit this claim form by following the instructions below in Section 3.

NOTE: Please read the enclosed Notice before completing this Claim Form. This Claim Form is being sent by the Claims Administrator, [insert Claims Administrator name].

YOUR SETTLEMENT SHARE: Your estimated settlement share is \$ [REDACTED]. If you properly submit this Claim Form by the deadline, sign the enclosed Arbitration Agreement, and the Court approves the settlement, you should receive approximately this amount, minus applicable taxes, in approximately six months. Please be patient.

1. Your Contact Information

Please review, correct, and complete your contact information so that we can get your Settlement check to you, once the Court grants final approval of the Settlement. The address listed is where we will send your Settlement check.

<<Name>> _____

<<Address>> _____

<<City>> <<State>> <<Zip Code>> _____

<<Email>> _____

AT&T Employee ID #: << Employee ID #>> _____

Last four digits of Social Security number: <<SSN>> _____

The following additional information will help us reach you if we have questions or difficulty sending you your settlement check.

Telephone number (cell): _____

Telephone number (home): _____

Additional E-mail: _____

Please do not provide your AT&T work e-mail addresses or other AT&T work contact information.

2. Signature and Confirmation of Consent to Join Collective Action

I declare that:

1. The information set forth above regarding my employment with AT&T (including any corrections I have made), is true and correct, to the best of my knowledge.

2. I have read the Notice and I understand that, in signing this form, I consent to join this collective action pursuant to the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 216(b). I also understand that I am releasing any and all federal and state claims arising from the claims in this litigation through the date of the Court's Final Approval Order, including but not limited to claims based on the failure to pay overtime or any other type of wages; failure to provide meal and rest periods; failure to timely pay all wages due at termination; failure to provide itemized wage statements; and all other claims that are contained in the complete Release set forth in the Settlement and in section 10 of the Notice.
3. I wish to receive my share of the proposed Settlement.

Signed: _____ Dated: _____, 2017

3. **Postmark Deadline**

Your Claim Form must be POSTMARKED (or e-mailed/faxed) by [insert opt in deadline]. Late Claim Forms will not be accepted absent good cause shown. A self-addressed, postage pre-paid stamped envelope has been enclosed for your convenience. This Claim Form must be mailed or delivered to the Claims Administrator at:

Walton v. AT&T Class Action Settlement
[insert Claims Administrator's contact information]

You can also email the Claim Form to [insert email] or fax it to
[insert fax #]

4. **Questions?**

If you have questions regarding this Claim Form or the Settlement, please contact the Claims Administrator at the number above or Class Counsel (the attorneys who represent you and the other Class Members) at <http://www.attvertimepay.com/>, rsun@outtengolden.com, or (415) 638-8800.

MANAGEMENT ARBITRATION AGREEMENT

Please carefully review this Management Arbitration Agreement.

Summary

Under this Agreement, you and the AT&T company that employs you ("the Company") agree that any dispute to which this Agreement applies will be decided by final and binding arbitration instead of court litigation. Arbitration is more informal than a lawsuit in court, and may be faster. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Under this Agreement, Arbitrators can award the same damages and relief that a court can award. Any arbitration under this Agreement will take place on an individual basis; class arbitrations and class actions are not permitted. Except for a filing fee if you initiate a claim, the Company pays all the fees and costs of the Arbitrator. Moreover, in arbitration you are entitled to recover attorneys' fees from AT&T to the same extent as you would be in court.

How This Agreement Applies

This Agreement is governed by the Federal Arbitration Act, 9 U.S.C. § 1 and following, and evidences a transaction involving commerce. This agreement applies to any claim that you may have against any of the following: (1) any AT&T company, (2) its present or former officers, directors, employees or agents in their capacity as such or otherwise, (3) the Company's parent, subsidiary and affiliated entities, and all successors and assigns of any of them; and this agreement also applies to any claim that the Company or any other AT&T company may have against you. Unless stated otherwise in this Agreement, covered claims include without limitation those arising out of or related to your employment or termination of employment with the Company and any other disputes regarding the employment relationship, trade secrets, unfair competition, compensation, breaks and rest periods, termination, defamation, retaliation, discrimination or harassment and claims arising under the Uniform Trade Secrets Act, Civil Rights Act of 1964, Americans With Disabilities Act, Age Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Genetic Information Non-Discrimination Act, and state statutes and local laws, if any, addressing the same or similar subject matters, and all other state and local statutory and common law claims. This Agreement survives after the employment relationship terminates. Nothing contained in this Agreement shall be construed to prevent or excuse you from utilizing the Company's or employee benefit plans' existing internal procedures for resolution of complaints.

Except as it otherwise provides, this Agreement is intended to apply to the resolution of disputes that otherwise would be resolved in a court. This Agreement requires all such disputes to be resolved only by an arbitrator through final and binding arbitration and not by way of a court or jury trial. Such disputes include without limitation disputes arising out of or relating to interpretation or application of this Agreement, but not as to the enforceability, revocability or validity of the Agreement or any portion of the Agreement, which shall be determined only by a court of competent jurisdiction.

Limitations On How This Agreement Applies

This Agreement does not apply to claims for workers compensation, state disability insurance and unemployment insurance benefits. In order to ensure that employee benefit plan claims procedures comply fully with Department of Labor regulations (for example, 29 C.F.R. § 2560.503-1(c)(4)), this Agreement also does not apply to claims arising under the Employee Retirement Income Security Act (“ERISA”).

Regardless of any other terms of this Agreement, you may still bring certain claims before administrative agencies or government offices or officials if applicable law permits access to such an agency, office, or official, notwithstanding the existence of an agreement to arbitrate. Examples would include, but not be limited to, claims or charges brought before the Equal Employment Opportunity Commission (www.eeoc.gov), the U.S. Department of Labor (www.dol.gov), the National Labor Relations Board (www.nlr.gov), or the Office of Federal Contract Compliance Programs (www.dol.gov/esa/ofccp). Nothing in this Agreement shall be deemed to preclude or excuse a party from bringing an administrative claim before any agency or employee benefit plan in order to fulfill the party's obligation to exhaust administrative remedies before making a claim in arbitration.

Disputes that may not be subject to a pre-dispute arbitration agreement, such as provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) or the Franken Amendment (Section 8116 of the Defense Appropriations Act of 2010, Section 8096 of the Consolidated Appropriations Act of 2014 and any other law or regulation that extends the application of this amendment), also are excluded from the coverage of this Agreement.

To the maximum extent permitted by law, you hereby waive any right to bring on behalf of persons other than yourself, or to otherwise participate with other persons in: any class action; collective action; or representative action, including but not limited to any representative action under the California Private Attorneys General Act (“PAGA”) or other, similar state statute. You retain the right, however, to bring claims in arbitration, including PAGA claims, but only for yourself as an individual. If a court determines that you cannot waive your right to bring a representative action under PAGA, any such claim may only be brought in court and not in arbitration.

Arbitration Rules, Selecting The Arbitrator, And Location Of Hearing

The arbitration will be held under the auspices of a third party which will manage the arbitration process: JAMS, Inc. or any successor. The arbitration shall be in accordance with its Employment Arbitration Rules & Procedures (and no other JAMS rules), which are currently available at <http://www.jamsadr.com/rules-employment-arbitration>. The Company will supply you with a printed copy of those rules upon your request. Unless you and the Company mutually agree otherwise, the Arbitrator shall be either a retired judge, or an attorney who is experienced in employment law and licensed to practice law in the state in which the arbitration is convened (the “Arbitrator”), selected pursuant to JAMS rules or by mutual agreement of the parties.

The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator is without jurisdiction to apply any different substantive law or law of remedies. The Federal Rules of Evidence shall apply. The arbitration shall be final and binding upon the parties, except as provided in this Agreement.

Unless each party to the arbitration agrees in writing otherwise, the location of the arbitration proceeding shall be a facility chosen by JAMS within the county (or parish) where you work or last worked for the Company. If you so choose, and if your residence is not in the same county (or parish) where you work or last worked for the Company, you may designate that the proceeding will occur within the county (or parish) where you reside.

Notice Requirements And Starting An Arbitration

The Company must, and you may, notify the other party of a claim to be arbitrated by using the forms provided on the JAMS website (<http://www.jamsadr.com>). Alternatively, you may commence an arbitration against the Company, its officers, directors, employees, or agents by sending to the Company a written Notice of Dispute ("Notice"). The Notice to AT&T should be addressed to: AT&T Legal Department, 208 S. Akard St., Room 3305, Dallas, TX 75202 ("Notice Address"). The Notice must (a) identify all parties, (b) describe the nature and basis of the claim or dispute; and (c) set forth the specific relief sought ("Demand"). Any party giving written notice of a claim to be arbitrated must do so no later than the expiration of the statute of limitations (deadline for filing) that the law prescribes for the claim.

The Arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration. To the extent permitted by law, a party may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief in connection with an arbitrable controversy, but only upon the ground that the award to which that party may be entitled would be rendered ineffectual without such provisional relief.

Paying For The Arbitration

The Company will be responsible for paying any filing fee and the fees and costs of the Arbitrator; provided, however, that if you are the party initiating the claim, you will contribute an amount equal to the filing fee to initiate a claim in the court of general jurisdiction in the state in which you are (or were last) employed by the Company. Each party shall pay in the first instance its own litigation costs and attorneys' fees, if any. However, if any party prevails on a statutory claim which affords the prevailing party attorneys' fees and litigation costs, or if there is a written agreement providing for attorneys' fees and/or litigation costs, the Arbitrator shall rule upon a motion for attorneys' fees and/or litigation costs under the same standards a court would apply under the law applicable to the claim(s) at issue.

How Arbitration Proceedings Are Conducted

In arbitration, the parties will have the right to conduct limited civil discovery, bring dispositive motions, and present witnesses and evidence as needed to present their cases and defenses, and any disputes in this regard shall be resolved by the

Arbitrator.

Each party shall have the right to take depositions of up to three fact witnesses and any expert witness designated by another party. Each party also shall have the right to make one request for production of documents to any party. Requests for additional depositions or discovery may be made to the Arbitrator selected pursuant to this Agreement. The Arbitrator may grant such additional discovery if the Arbitrator finds the party has demonstrated that it needs the requested discovery to adequately arbitrate the claim, taking into account the parties' mutual desire to have a fast, cost-effective dispute-resolution mechanism. Each party shall have the right to subpoena documents and witnesses from third parties subject to any limitations the Arbitrator shall impose for good cause shown.

The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person, as the Arbitrator deems advisable. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure.

Should any party refuse or neglect to appear for, or participate in, the arbitration hearing, the Arbitrator shall have the authority to decide the dispute based upon whatever evidence is presented.

Either party shall have the right to file a post-hearing brief. The time for filing such a brief shall be set by the Arbitrator.

The Arbitration Award

The Arbitrator may award any party any remedy to which that party is entitled under applicable law, but such remedies shall be limited to those that would be available to a party in his or her individual capacity in a court of law for the claims presented to and decided by the Arbitrator.

The Arbitrator will issue a decision or award in writing, stating the essential findings of fact and conclusions of law. A court of competent jurisdiction shall have the authority to enter a judgment upon the award made pursuant to the arbitration.

Non-Retaliation

It is against Company policy for any Employee to be subject to retaliation if he or she exercises his or her right to assert claims under this Agreement. If you believe that you have been retaliated against by anyone at the Company, you should immediately report this to the AT&T Hotline at 1-888-871-2622, or go to www.tnwgrc.com/att.

Sole and Entire Agreement

This is the complete agreement of the parties on the subject of arbitration of disputes. This Agreement supersedes any prior or contemporaneous oral or written understandings on the subject. No party is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

Construction and Severability

If any provision of this Agreement is adjudicated to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement. All provisions shall remain in full force and effect based on the parties' mutual intent to create a binding agreement to arbitrate their disputes.

Voluntary Agreement

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT, THAT I UNDERSTAND ITS TERMS, THAT ALL UNDERSTANDINGS AND AGREEMENTS BETWEEN THE COMPANY AND ME RELATING TO THE SUBJECTS COVERED IN THE AGREEMENT ARE CONTAINED IN IT, AND THAT I HAVE ENTERED INTO THE AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS BY THE COMPANY OTHER THAN THOSE CONTAINED IN THIS AGREEMENT ITSELF.

I UNDERSTAND THAT BY SIGNING THIS AGREEMENT I AM GIVING UP MY RIGHT TO A JURY TRIAL.

I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF OF THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

DATED: _____, 2017

[insert plaintiff name]

Exhibit C

Jahan C. Sagafi (Cal. Bar No. 224887)
jsagafi@outtengolden.com
Relic Sun (Cal. Bar No. 306701)
rsun@outtengolden.com
OUTTEN & GOLDEN LLP
One Embarcadero Center, 38th Floor
San Francisco, California 94111
Telephone: (415) 638-8800
Facsimile: (415) 638-8810

Jason C. Marsili (Cal. Bar No. 233980)
jmarsili@posner-rosen.com
Brianna M. Primoizic (Cal. Bar No. 274397)
bprimoizic@posner-rosen.com
POSNER & ROSEN LLP
3600 Wilshire Boulevard, Suite 1800
Los Angeles, California 90010
Telephone: (213) 389-6050
Facsimile: (213) 389-0663

Michael N. Litrownik (*pro hac vice*)
mlitrownik@outtengolden.com
685 Third Avenue, 25th Floor
New York, New York 10017
Telephone: (212) 245-1000
Facsimile: (646) 509-2060

*Attorneys for Plaintiffs, the Collective,
and Proposed Class Members*

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

WENDELL WALTON and MICHAEL
MANTONYA, individually and on behalf
of all others similarly situated,

Plaintiffs,

v.

AT&T SERVICES, INC.,

Defendant.

Case No. 15-cv-03653-VC

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL TO
PROPOSED CLASS ACTION
SETTLEMENT**

On October 12, 2017, a hearing was held on the motion of Plaintiffs Wendell Walton and Michael Mantonya (“Plaintiffs”) for an order to (1) conditionally certify a settlement class; (2) preliminarily approve the parties’ proposed class action settlement (the “Settlement”); (3) appoint Plaintiffs as the Class Representatives, their counsel as Class Counsel, and JND Legal Administration, as Settlement Administrator; (4) approve the forms of notice to the class of the settlement and the Claim Form; and (5) schedule a hearing on the final approval of the Settlement for January 25, 2018 (the “Preliminary Approval Motion”). Jahan C. Sagafi, Relic Sun, Michael Litrownik, Jason Marsili, and Brianna Primozic appeared for Plaintiffs. Thomas Kaufman, Paul Berkowitz, and Michael Campbell appeared for Defendant AT&T Services, Inc. (“AT&T”).

The Court’s scrutiny of the proposed settlement is as rigorous at the preliminary approval stage as at the final approval stage. *See Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1036-37 (N.D. Cal. 2016). Having considered the papers on the motion, the arguments of counsel, and the law, the Court now enters this Preliminary Approval Order and FINDS, CONCLUDES, and ORDERS as follows:

I. NATURE OF ACTION

Plaintiffs allege that AT&T violated wage and hour laws by misclassifying class members as exempt, and, as a result, unlawfully denying overtime compensation and violating meal and rest period laws and related California laws.

AT&T disputes and denies all of Plaintiffs’ claims. AT&T contends that it has fully complied with all applicable laws at issue in this matter.

II. CONDITIONAL CERTIFICATION OF CALIFORNIA SETTLEMENT CLASS UNDER RULE 23

A. Rule 23 Settlement Class And FLSA Collectives

For settlement purposes only, the Parties have proposed conditional certification of the settlement class comprising all individuals who worked for AT&T who are not bound by the Management Arbitration Agreement (“MAA”), and who worked as a Designer or Deliverer (1) from May 18, 2011 to March 1, 2018 or preliminary approval of the settlement (whichever is sooner) for California-based employees (“California Class Members”) (a Rule 23 class); (2) from

May 18, 2012 to March 1, 2018 or preliminary approval of the settlement (whichever is sooner) for non-California employees who have already opted in to the collective action (“Existing Opt-Ins”) (an FLSA collective); or (3) from August 18, 2014 to March 1, 2018 or preliminary approval of the settlement (whichever is sooner) for non-California employees who have not yet opted in to the collective (“Future Opt-Ins”) (an FLSA collective). The Parties also propose a PAGA Representative Group defined as all those who have worked as a Designer or Deliverer in California from May 18, 2014 to March 1, 2018 or preliminary approval of the settlement (whichever is sooner), regardless of whether they are bound by the MAA.

B. Conditional Rule 23 Certification

The Court hereby finds and concludes that for purposes of the Settlement only, the California Settlement Class (item 1 of the three listed above) satisfies all of the requirements for certification under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure.

1. The California Settlement Class is sufficiently numerous that joinder is impracticable.

2. The members of the California Settlement Class share common issues of fact and law regarding (i) whether AT&T’s practice of classifying Class Members as exempt violates the FLSA and state wage laws; (ii) whether AT&T failed to pay overtime compensation in violation of the FLSA and state wage laws; (iii) whether AT&T’s policies and lack thereof violate the California meal period or rest break laws; and (iv) the proper method of calculating damages if the above violations are proven.

3. Each Class Representative’s claims are typical of those of the Class he proposes to represent, because they arise out of the same policies and practices and course of conduct complained of by all California Class Members.

4. Each Class Representative is an adequate representative of the Class he proposes to represent, because his interests are co-extensive with those of the California Class Members, and he has retained experienced counsel to represent him and the California Class Members.

1 5. Questions of law or fact common to the California Settlement Class predominate
2 over individualized issues, and a class action is superior to other available methods for the fair
3 and efficient adjudication of this controversy.

4 6. Because certification of the California Settlement Class is proposed in the context
5 of a settlement, the Court need not inquire whether the case, if tried as a class action, would
6 present intractable management problems.

7 Accordingly, the Court hereby certifies the Class under Rule 23(a) and (b)(3).

8 **III. APPOINTMENT OF CLASS REPRESENTATIVES AND CLASS COUNSEL**

9 **A. Class Representatives**

10 The Court finds and concludes that each Class Representative has claims typical of the
11 Members of the Class he proposes to represent, and he is an adequate representative of the Class
12 he seeks to represent. The Court hereby appoints Plaintiffs to serve as Class Representatives.

13 **B. Class Counsel**

14 The Court finds and concludes that Outten & Golden LLP and Posner & Rosen LLP have,
15 separately and collectively, extensive experience and expertise in prosecuting wage-and-hour
16 class actions and collective actions. The Court appoints these firms as Class Counsel.

17 **IV. PRELIMINARY APPROVAL OF SETTLEMENT**

18 The Court has reviewed the terms of the Settlement, including the plan of allocation and
19 the release of claims. The Court has also read and considered the declarations of Jahan C. Sagafi
20 and Jason C. Marsili in support of preliminary approval. Based on review of those papers and the
21 Court's familiarity with this case, the Court finds and concludes that the Settlement is the result of
22 arms-length negotiations between the Parties conducted after Class Counsel had adequately
23 investigated Plaintiffs' claims and become familiar with their strengths and weaknesses. The
24 assistance of an experienced mediator in the settlement process supports the finding that the
25 Settlement is non-collusive. Based on all of these factors, the Court concludes that the proposed
26 Settlement meets the criteria for preliminary settlement approval. The Settlement has no obvious
27 defects and falls within the range of possible approval as fair adequate, and reasonable, such that
28

1 notice to the Class Members is appropriate. Accordingly, the Settlement is hereby preliminarily
2 approved.

3 **V. APPROVAL OF THE NOTICE PLAN**

4 The Parties have also submitted for this Court's approval a proposed class notice (Exhibit
5 A to the Settlement Agreement). After carefully reviewing these documents, the Court finds and
6 concludes as follows:

7 **A. Best Notice Practicable**

8 The Class Notice is the best notice practicable under the circumstances and allows Class
9 Members a full and fair opportunity to consider the Settlement.

10 The Class Notice fairly, plainly, accurately, and reasonably informs Class Members of
11 appropriate information about: (1) the nature of this action, the definition of the Class, the
12 identity of Class Counsel, and the essential terms of the Settlement, including the plan of
13 allocation; (2) Plaintiffs' forthcoming application for the Class Representative and Witness
14 Enhancement Awards, and the Class Counsel Attorneys' Fees and Costs Award; (3) how Class
15 Members' settlement shares will be calculated; (4) this Court's procedures for final approval of
16 the Settlement, and about Class Members' right to appear through counsel if they desire; (5) how
17 to submit a claim form (if applicable), comment on or opt out of the Settlement, if a Class
18 Member wishes to do so, (6) the requirement that each Class Member who wishes to recover
19 money must sign the Arbitration Agreement agreeing to individual arbitration of any future
20 claims against AT&T; and (7) how to obtain additional information regarding this action and the
21 Settlement.

22 The proposed plan for distributing the Class Notice likewise is a reasonable method
23 calculated to reach all individuals who would be bound by the Settlement. Under this plan, the
24 Settlement Administrator will distribute the Class Notice to all Class Members by first-class mail
25 and e-mail to their last known mailing and e-mail addresses. There is no additional method of
26 distribution that is cost-effective and would be reasonably likely to notify Class Members who
27 may not receive notice pursuant to the proposed distribution plan. In addition, the Settlement
28

1 Administrator will send reminder notices by mail and email to those who have failed to opt out or
2 submit all required forms (including the Arbitration Agreement) by the time the response deadline
3 approaches.

4 **B. CAFA Notice of Proposed Settlement**

5 Within ten days after Plaintiffs' Preliminary Approval Motion was filed, notice of the
6 Settlement was mailed to the Attorney General of the United States of America and the
7 appropriate state official in each state in which, based on AT&T's records of last known mailing
8 address, Class Members reside; and the notice contains the documents required by 28 U.S.C.
9 section 1715(b)(1)-(8). On this basis, the notice of the Settlement is approved and the Court finds
10 that AT&T has discharged its obligations under CAFA to provide notice to the appropriate
11 federal and state officials.

12 **C. Approval**

13 Accordingly, the Court finds and concludes that the proposed plan for distributing the
14 Class Notice will provide the best notice practicable, satisfies the notice requirements of Rule
15 23(e), and satisfies all other legal and due process requirements. Accordingly, the Court hereby
16 orders as follows:

- 17 1. The Class Notice, Claim Form, Notice Envelope, and Reminder Postcard are
18 approved.
- 19 2. The CAFA Notice of Proposed Settlement is approved.
- 20 3. The manner of distributing the Class Notice to the Class Members is approved.
- 21 4. Promptly following the entry of this order, the Settlement Administrator will
22 prepare final versions of the Class Notice, incorporating into them the relevant dates and
23 deadlines set forth in this order.
- 24 5. Within ten (10) business days following entry of this order, AT&T will provide the
25 Settlement Administrator with a database in Excel format ("Class Data List"), that lists, for each
26 Class Member, the Class Member's name, Social Security number, last known home address,
27 telephone number, and e-mail address(es), the Class Member's dates of employment in a covered
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class position (a) as a California employee and (b) as a non-California employee, Class Members' job title(s) while in a covered class position and dates of the job title(s), and whether the class member is an Existing Opt-In.

6. Within ten (10) calendar days after receipt of the Class Data List, the Settlement Administrator will send the Notice to all Class Members, by first-class mail to their last known address, and by email to their last known email address(es).

7. The Settlement Administrator will perform two skip-traces on returned mail and re-mail the Notice and Claim Form (if applicable) to an updated address (if any) as soon as possible upon return of the undeliverable Notice, but no later than fifteen (15) days of receiving notice that a Notice was undeliverable. Class Counsel may make reasonable efforts to supplement the Settlement Administrator's communications.

8. Plaintiffs will file with their motion for final approval a declaration from the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Notice, and will file prior to the hearing on the motion a supplemental declaration from the Settlement Administrator as applicable.

9. The Settlement Administrator will take all other actions in furtherance of settlement administration as are specified in the Settlement.

VI. PROCEDURES FOR FINAL APPROVAL OF THE SETTLEMENT

A. Final Approval Hearing

The Court hereby schedules a hearing to determine whether to grant final approval of the Settlement (the "Final Approval Hearing") for January 25, 2018, at 10:00 a.m. The date of the hearing may be changed without further notice to the Class. However, Plaintiffs are responsible for promptly updating the case website with information about any such change.

B. Deadline to Opt In to the Settlement

California Class Members and Existing Opt-Ins are deemed to have already filed Claim Forms (unless they affirmatively opt out of the settlement). Although the California Class Members and Existing Opt-Ins do not have to submit claim forms, they must sign the Arbitration

1 Agreement to receive payment. All Future Opt Ins must submit a Claim Form to be covered by
2 the lawsuit (i.e., release claims) and sign the Arbitration Agreement to receive payment.

3 Class Members will have forty-five (45) days from the date of the Notice mailing to
4 submit a Claim Form (if applicable) to the Settlement Administrator. For mailed submissions,
5 any item mailed by the deadline, as evidenced by a postmark, shall be deemed to be timely.
6 Submissions may be filed by mail, fax, email, or online website submission.

7 **C. Deadline to Opt Out of the Settlement**

8 **1. Form of Opt-Out Request**

9 Any Class Member may opt out of participating in the Settlement by submitting a signed
10 letter to the Settlement Administrator stating that he or she wishes to be excluded from the
11 Settlement. The letter must include the Class Member's name, address, telephone number, and
12 signature, as well as the Class Member's AT&T employee ID number or last four digits of the
13 Class Member's Social Security number.

14 **2. Deadline for Submitting Opt-Out Request**

15 A completed opt-out request will be deemed timely submitted to the Settlement
16 Administrator if it is mailed to the Settlement Administrator by first-class mail and postmarked
17 by not later than forty-five (45) days after the Settlement Administrator first mails the Class
18 Notice to Class Members. Only those Class Members who submit their opt-out request within the
19 time and by the manner set forth in this Order will be excluded from the Settlement. Pursuant to
20 Federal Rule of Civil Procedure 23(b)(3) and (c)(2), the Settlement will have no binding effect on
21 any Class Member who properly opts out of the Settlement in the manner required by this Order.

22 **D. AT&T's Right to Rescind Agreement**

23 If twenty-five (25) or more of the eligible Class Members validly opt out pursuant to the
24 process set forth herein, AT&T will have the right to rescind the Settlement within thirty (30)
25 days of expiration of the opt-out deadline, and the Settlement and all actions taken in its
26 furtherance will be null and void. If AT&T exercises this option, it will be solely responsible for
27 the Settlement Administrator's costs incurred up to that date.

28

1 **E. Deadline for Filing Comments on or Objections to Settlement**

2 Any Class Member who wishes to comment on or object to the fairness, reasonableness,
3 or adequacy of the Settlement must do so in writing. Class Members who have timely
4 commented on or objected to the Settlement in writing may also appear at the Final Approval
5 Hearing, in person or through counsel, but only if they (a) have given written notice of their intent
6 to appear at the hearing as provided in the Class Notice or (b) can show good cause why they
7 could not provide such notice. To be considered, any comment on or objection to the final
8 approval of the Settlement must (a) clearly identify the case name and number (*Walton v. AT&T*
9 *Services, Inc.*, Case Number 15 Civ. 3653), (b) be submitted to the Court either by mailing the
10 comment or objection to the Class Action Clerk, United States District Court for the Northern
11 District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489, or by filing
12 them in person at any location of the United States District Court for the Northern District of
13 California, and (c) be filed or postmarked within forty-five (45) days after the date of the Notice
14 mailing. Any Class Member who does not timely submit such a written comment or objection
15 will not be permitted to raise such comment or objection or appear at the Final Approval Hearing,
16 except for good cause shown, and any Class Member who fails to object in the manner prescribed
17 by this order will be deemed to have waived, and will be foreclosed from raising, any such
18 comment or objection, except for good cause shown. The Court will only require substantial
19 compliance with the requirements for submitting an objection.

20 **F. Deadline for Mailing and Cashing Settlement Share Checks**

21 Every Class Member who does not opt out of the Settlement will be eligible to receive his
22 or her share of the Net Fund Value. No later than ten (10) business days after the “effective date”
23 of final approval of the settlement, as defined in the Settlement, AT&T will issue to the Claims
24 Administrator payment of the Gross Fund Value. Within ten (10) business days after receiving
25 payment from AT&T, the Claims Administrator will distribute the funds from the GFV, including
26 mailing settlement checks to Qualified Claimants, making attorneys’ fees and cost payments, and
27 making class representative and witness enhancement payments. Qualified Claimants will have
28 one hundred eighty (180) calendar days from the date of issuance written on the check to cash

their Settlement Share checks, after which time the checks will expire. Should there remain any residual from the Gross Fund Value after all payments are made under this Settlement, for example, if any settlement checks remain uncashed more than 180 calendar days after mailing, the Claims Administrator shall redistribute to participating class members pro rata if feasible, or else will pay the funds represented by such un-redeemed checks to the California Industrial Relations Unclaimed Wages Fund with an identification of the participating class member.

G. Deadline for Submitting Motion Seeking Final Approval

Not later than thirty-five (35) days before the Final Approval Hearing, Plaintiffs will file a motion for final approval of the Settlement.

H. Deadline for Motion for Approval of Class Representative Payment

Not later than fourteen (14) days before the expiration of the 45-day opt-out and objection period, Class Counsel may file a motion for approval of Class Representative Payments. Not later than fourteen (14) days before the Final Approval Hearing, Class Counsel may file a reply brief providing additional information and argument and/or responding to any opposition to the motion.

I. Deadline for Motion for Class Counsel Attorneys' Fees and Costs Award

Not later than fourteen (14) days before the expiration of the 45-day opt-out and objection period, Class Counsel may file a motion for approval of their Class Counsel Attorneys' Fees and Costs Payment. Not later than fourteen (14) days before the Final Approval Hearing, Class Counsel may file a reply brief providing additional information and argument and/or responding to any opposition to the motion.

VII. PLAINTIFFS' AND CLASS MEMBERS' RELEASE

If, at the Final Approval Hearing, this Court grants final approval to the Settlement, Plaintiffs and every Class Member who does not opt out will, pursuant to the Settlement, be adjudicated to have granted the release of Covered Claims as set forth in the Settlement. Each Qualified Claimant, by cashing his or her Settlement Check, releases all Covered Claims under as set forth in the Settlement.

VIII. APPOINTMENT OF SETTLEMENT ADMINISTRATOR

JND Legal Administration is hereby appointed Settlement Administrator to carry out the duties set forth in this Preliminary Approval Order and the Settlement.

IX. SCHEDULING ORDER

The following schedule sets for the sequence for the relevant dates and deadlines based on the preliminary approval of the Settlement on October 19, 2017.

Event	Date
AT&T sends Class Data List to Settlement Administrator	Thursday, November 2, 2017
SA sends out Class Notice	Monday, November 13, 2017
SA sends out remailings	Tuesday, December 8, 2017
Final approval and fee motions due	Thursday, December 14, 2017
Deadline to submit Claim Forms, Exclusions, and/or Objections	Thursday, December 28, 2017
SA submits report to parties	Thursday, January 4, 2018
AT&T decides whether to rescind the settlement	Wednesday, January 17, 2018
Class Counsel reply brief(s) in support of final approval motion and/or fee application	Thursday, January 11, 2018
Fairness Hearing	Thursday, January 25, 2018, 10:00 a.m.
Settlement is final	Thursday, January 25, 2018 ¹
AT&T funds QSF	Wednesday, January 31, 2018
SA mails settlement checks to Qualified Claimants, makes attorneys' fees and cost payments, and makes class representative and witness enhancement payments	Wednesday, February 14, 2018
Qualified Claimants' deadline to cash checks	Monday, August 13, 2018

IT IS SO ORDERED.

Dated: October 19, 2017

The Honorable Vince Chhabria
United States District Judge

¹ This date assumes that the Final Approval Order is entered on the date of the Final Fairness Hearing and no appeal is filed.

Exhibit D

Jahan C. Sagafi (Cal. Bar No. 224887)
jsagafi@outtengolden.com
Relic Sun (Cal. Bar No. 306701)
rsun@outtengolden.com
OUTTEN & GOLDEN LLP
One Embarcadero Center, 38th Floor
San Francisco, California 94111
Telephone: (415) 638-8800
Facsimile: (415) 638-8810

Jason C. Marsili (Cal. Bar No. 233980)
jmarsili@posner-rosen.com
Brianna M. Primozic (Cal. Bar No. 274397)
bprimozic@posner-rosen.com
POSNER & ROSEN LLP
3600 Wilshire Boulevard, Suite 1800
Los Angeles, California 90010
Telephone: (213) 389-6050
Facsimile: (213) 389-0663

Michael N. Litrownik (*pro hac vice*)
mlitrownik@outtengolden.com
685 Third Avenue, 25th Floor
New York, New York 10017
Telephone: (212) 245-1000
Facsimile: (646) 509-2060

*Attorneys for Plaintiffs, the
Collective, and Class Members*

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

WENDELL WALTON and MICHAEL
MANTONYA, individually and on behalf
of all others similarly situated,
Plaintiffs,

v.

AT&T SERVICES, INC.,
Defendant.

Case Number: 15-cv-03653-VC

**[PROPOSED] ORDER GRANTING
FINAL APPROVAL OF SETTLEMENT
AND FINAL JUDGMENT**

On _____, 2017, a hearing was held on the unopposed motion of Plaintiffs Wendell Walton and Michael Mantonya (“Plaintiffs”) for final approval of the class settlement; and on the separate motion of Plaintiffs and their counsel for awards of the Class Representative Service Payments and the Class Counsel Attorneys’ Fees and Costs Payment. Jahan C. Sagafi and Relic Sun [check] appeared for Plaintiffs. Thomas Kaufman [check] appeared for Defendant AT&T Services, Inc. (“AT&T”).

The Parties have submitted their Stipulation of Class Settlement and Release (the “Settlement”), which this Court preliminarily approved in its October 19, 2017 order (the “Preliminary Approval Order”). In accordance with the Preliminary Approval Order, Class Members have been given notice of the terms of the Settlement and the opportunity to submit a claim form, comment on the settlement, and/or opt out of its provisions. In addition, pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715 (“CAFA”), AT&T has given the Attorney General of the United States and the appropriate state officials in the states in which the Class Members reside timely notice of the Settlement.

Having received and considered the Settlement, the supporting papers filed by the Parties, and the evidence and argument received by the Court at the final approval hearing on January 25, 2018, by means of this order (the “Final Approval Order”) the Court grants final approval to the Settlement, and HEREBY ORDERS and MAKES DETERMINATIONS as follows:

Definitions

1. Except as otherwise specified herein, the Court for purposes of this Final Approval Order adopts all defined terms set forth in the Settlement.

Jurisdiction

2. This Court has jurisdiction over the subject matter of this litigation and all related matters and all state and federal claims raised in this action and released in the Settlement, and personal jurisdiction over AT&T and all Class Members (except for those who timely filed opt out requests). Specifically, this Court has federal question jurisdiction over this action pursuant to 28 U.S.C. section 1331 and section 16(b) of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 216(b).

3. This Court also has supplemental jurisdiction over all state-law claims asserted by Plaintiffs because the state-law claims derive from a common nucleus of operative fact and form part of the same case or controversy as those claims over which the Court has primary jurisdiction. See 28 U.S.C. § 1367 (providing for supplemental jurisdiction over related state-law claims that “form part of the same case or controversy”); *United Mine Workers v. Gibbs*, 383 U.S. 715, 726 (1996) (holding that federal courts have supplemental jurisdiction over state law claims that arise from the same “common nucleus of operative fact” such that the parties “would ordinarily be expected to try them all in one judicial proceeding”).

4. This Court also has jurisdiction to approve the Settlement’s release of claims by Class Members over which the Court has jurisdiction, even if the Court would not independently have jurisdiction over those released claims. See *Reyn’s Pasta Bella, LLC v. Visa USA, Inc.*, 442 F.3d 741, 748 (9th Cir. 2006) (quoting *Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1287-88 (9th Cir. 1992) (“[A] federal court may release not only claims alleged in the complaint, but also state claims arising from the same nucleus of operative facts over which the court would not have jurisdictional competence.”)).

Dissemination of Notice to Class Members

5. Pursuant to the Preliminary Approval Order, the notice documents were sent to each Class Member by email and by first-class mail. The notice was clear and organized, following the model forms provided by the Federal Judicial Center at www.fjc.gov. The notice materials informed Class Members of the terms of the Settlement, how their settlement share would be calculated, how to receive their settlement share, the requirement of signing the Arbitration Agreement to receive payment, their right to comment on (including object to) the Settlement or opt out of the Settlement to pursue their claims individually, and their right to appear in person or by counsel at the final approval hearing and be heard regarding approval of the Settlement. Adequate periods of time were provided by each of these procedures.

6. The Court finds and determines that this notice procedure afforded adequate protections to Class Members and provides the basis for the Court to make an informed decision regarding approval of the Settlement based on the responses of Class Members. Notice was

1 accomplished in the manner prescribed by the Settlement. The Court finds and determines that
 2 the notice provided in this case was the best notice practicable, which satisfied the requirements
 3 of law and due process.

4 **Notice to Attorneys General Pursuant to CAFA**

5 7. Pursuant to CAFA, within 10 days after the filing of the motion seeking
 6 preliminary approval of the Settlement, JND Legal Administration, on behalf of AT&T, served
 7 upon the Attorney General of the United States and the appropriate state officials of the states in
 8 which the Class Members reside a notice of the Settlement consisting of: a copy of the complaint
 9 in this action; a notice of the scheduled judicial hearings in this class action; copies of the
 10 Settlement; the proposed Notice; and the names of Class Members and their estimated
 11 proportionate share of the entire Settlement. The Notice of Settlement also invited comment on
 12 the Settlement. This Final Approval Order is being entered at least 90 days after the later of the
 13 dates on which the appropriate federal and state officials were served with the notice of proposed
 14 settlement.

15 8. The Court finds and determines that AT&T's notice of Settlement was timely,
 16 adequate, and compliant with the statutory requirements of CAFA. Accordingly, 28 U.S.C.
 17 §1715(e) has no application to the Settlement.

18 **Certification Under Fed. R. Civ. P. 23 and The FLSA**

19 9. For the reasons stated in the Preliminary Approval Order, this Court finds and
 20 determines that the proposed Settlement Class, as defined in paragraph 3 of the Settlement and in
 21 section II of its Preliminary Approval Order, meets all of the legal requirements for class
 22 certification under Federal Rule of Civil Procedure 23 ("Rule 23") (a) and (b)(3), and it is hereby
 23 ordered that the Settlement Class is finally approved and certified as a Class for purposes of
 24 settlement of this action.

25 10. For the reasons stated in the Preliminary Approval Order, this Court finds and
 26 determines that the action meets all of the legal requirements for certification as a collective
 27 action under section 16(b) of the FLSA, 29 U.S.C. § 216(b), for the three-year period preceding
 28

1 the filing of Plaintiffs' complaint, and it is hereby ordered that the action is certified as a
2 collective action for purposes of settlement of this action.

3 **Fairness**

4 11. Pursuant to Rule 23(e), the Court further finds and determines that the terms of
5 the Settlement are fair, reasonable and adequate to the Class and to each Class Member and that
6 the Class Members who have not opted out will be bound by the Settlement, that the Settlement
7 is ordered finally approved, and that all terms and provisions of the Settlement should be and
8 hereby are ordered to be consummated. The Court specifically finds that the Settlement is
9 rationally related to the strength of Plaintiffs' claims given the risk, expense, complexity, and
10 duration of further litigation. This Court also finds that the Settlement is the result of arms-
11 length negotiations between experienced counsel representing the interests of the Class Members
12 and AT&T, under the supervision of an experienced and independent third-party mediator, after
13 thorough factual and legal investigation. *Staton v. Boeing*, 327 F.3d 938, 960 (9th Cir. 2003);
14 *Class Plaintiffs*, 955 F.2d at 1291.

15 12. The Court finds and determines that the payments to be made to the Class
16 Members as provided for in the Settlement are fair and reasonable. The proposed plan of
17 allocation bases each Class Member's recovery on (a) the number of weeks during the Covered
18 Period the Class Member worked, (b) the Class Member's job position, and (c) whether the Class
19 Member worked in California. The plan of allocation is rational. The Court hereby gives final
20 approval to and orders the payment of those amounts be made to the claimants out of the Net
21 Fund Value in accordance with the terms of the Settlement.

22 **Class Member Response**

23 13. The Court further finds that the response of the Class Members to the Settlement
24 supports settlement approval. Of the _____ Class Members, only _____ opted out of the
25 Settlement. _____ Class Members objected to the Settlement.
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27
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Appointment of Class Representative; Class Representative and Witness Service Awards

14. The Court confirms as final the appointment of Wendell Walton and Michael Mantonya as Class Representatives of the Rule 23 Class and the nationwide FLSA Class under section 16(b). The Court finds and determines that the award of \$20,000 each to Mr. Walton and Mr. Mantonya for their services as Class Representatives, in addition to their Individual Settlement Payments, is fair and reasonable. The Court also finds and determines that the witness service award of \$5,000 each to Carolyn Castille, Gary Fujino, Janet Condon, Teresa Swigart, Ronald Hansen, Catherine Brown, and Ursula Gulley for their services as witnesses, in addition to their Individual Settlement Payments, is fair and reasonable.

15. The Plaintiffs have satisfied the criteria as set forth in *Staton v. Boeing Co.*, 327 F.3d 938 (9th Cir. 2003). Under *Staton*, such awards should be evaluated using “relevant factors, includ[ing] the actions the plaintiff has taken to protect the interests of the class, the degree to which the class has benefitted from those actions, . . . the amount of time and effort the plaintiff expended in pursuing the litigation . . . and reasonabl[e] fear[s of] workplace retaliation.” *Staton*, 327 F.3d at 977 (quoting *Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir. 1998)) (internal quotation marks omitted) (alterations in original). Here, the Class Representatives’ initiation of this suit caused them personal exposure and potential adverse consequences with future employers. Likewise, Messrs. Fujino and Hansen and Meses. Castille, Condon, Swigart, Brown, and Gulley have taken risks by affiliating themselves publicly with the lawsuit; their testimony enhanced the case’s value overall by providing support for Plaintiffs’ motion to certify the FLSA collective.

16. The Class Representative’s assertion of state law claims on behalf of their fellow Class Members tolled the statutes of limitations for those state law claims, to the benefit of the Class Members who worked or work in those states. Furthermore, Class Counsel attest that Messrs. Walton and Mantonya were substantially involved throughout the litigation, educating Class Counsel regarding Class Members’ job duties and AT&T’s policies and procedures. Messrs. Walton and Mantonya also sat for depositions in this case. The Court hereby approves

the Class Representative and Witness Service Awards as set forth herein be made to Class Representatives, Messrs. Fujino and Hansen, and Meses. Castille, Condon, Swigart, Brown, and Gulley out of the Qualified Settlement Fund in accordance with the terms of the Settlement.

Appointment of Class Counsel; Attorneys' Fees and Costs

17. Class counsel attest to performing substantial work on behalf of the class members, totaling \$_____ in lodestar. The Court finds the hours worked by Class Counsel to be reasonably incurred, for the benefit of the class members. Class Counsel's hourly rates, ranging from \$____ to \$____ for staff and \$____ to \$____ for attorneys, are reasonable in light of the market for legal services of this type and quality. The Court confirms as final the appointment of the following law firms and attorneys as class counsel ("Class Counsel") for the Rule 23 and FLSA Classes: Jahan C. Sagafi, Michael N. Litrownik, and Relic Sun of Outten & Golden LLP and Jason Marsili and Brianna Primozic of Posner & Rosen LLP. The Court finds and determines that the payment of \$_____ in attorneys' fees and \$_____ in litigation costs and expenses, for a total payment of \$_____ to Class Counsel, is fair and reasonable and consistent with Ninth Circuit fee jurisprudence. *See, e.g., Vizcaino v. Microsoft Corp.*, 290 F.3d 1043 (9th Cir. 2002); *Chemical Bank v. City of Seattle (In re Washington Public Power Supply Sec. Litig.)*, 19 F.3d 1291, 1297 (9th Cir. 1994). This fee is ____% of the total fund, which is consistent with the Ninth Circuit's 25% benchmark for megafund class action settlements of \$50-200 million, recognizing that the benchmark is typically adjusted downward for larger cases and upward for smaller cases. Under a lodestar cross-check, the lodestar multiplier is ____x, which strongly supports the fee award. The Court hereby gives final approval to and orders that that payment of that amount be made to Class Counsel out of the Gross Fund Value in accordance with the terms of the Settlement.

Settlement Administrator Report

18. Upon completion of administration of the Settlement, the Settlement Administrator will provide written certification of such completion to the Court and counsel for the Parties.

Release

19. By operation of the entry of this Final Approval Order and pursuant to the Settlement, all Qualified Claimants are permanently barred from prosecuting against AT&T any Participating Class Member Released Claim as set forth in paragraph 24 of the Settlement. The Court has reviewed the release in paragraph 24 of the Settlement and finds it to be fair, reasonable, and enforceable under Rule 23, the FLSA, and all other applicable law.

Contingency on Finality

20. If, for any reason, the Settlement ultimately does not become Final (as defined in the Settlement, paragraph 15.a.), this Final Approval Order will be vacated; the Parties will return to their respective positions in this action as those positions existed immediately before the parties executed the Settlement; and nothing stated in the Settlement or any other papers filed with this Court in connection with the Settlement will be deemed an admission of any kind by any of the Parties or used as evidence against, or over the objection of, any of the Parties for any purpose in this action or in any other action.

Final Judgment and Dismissal

22. By means of this Final Approval Order, this Court hereby enters final judgment in this action, as defined in Federal Rule of Procedure 58(a)(1).

23. Without affecting the finality of the Court's judgment in any way, the Court retains jurisdiction over this matter for purposes of resolving issues relating to interpretation, administration, implementation, effectuation and enforcement of the Settlement. Nothing in this Final Approval Order will preclude any action to enforce the Parties' obligations under the Settlement or under this order, including the requirement that AT&T make the settlement payments in accordance with the terms of the Settlement.

24. The Parties are hereby ordered to comply with the terms of the Settlement.

25. This action is dismissed with prejudice, each side to bear its own costs and attorneys' fees except as provided by the Settlement and the Court's orders.

Dated: _____, 2018

The Honorable Vince Chhabria
United States District Judge

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