

SETTLEMENT AGREEMENT AND RELEASE

Plaintiffs Nicholas Smith and Kamillia Sargent (“Plaintiffs”) and Payscale, Inc. (“Payscale” or “Defendant”) (collectively with Plaintiffs, the “Parties”) hereby enter into this Settlement Agreement and Release (the “Agreement”) to resolve the wage and hour claims of Plaintiffs and similarly situated individuals (as set forth more fully below).

RECITALS

WHEREAS, on March 10, 2025, Plaintiffs’ Counsel sent Payscale a letter asserting that Payscale denied its Sales Development Representatives (as defined herein) overtime pay, and invited Payscale to engage in settlement negotiations;

WHEREAS, Payscale denied Plaintiffs’ allegations and denies all liability to Plaintiffs;

WHEREAS, thereafter the Parties agreed to engage in discussions regarding the possibility of a resolution of these claims through a mediation process and agreed to a limited tolling of the limitations period on claims asserted in a lawsuit brought by Plaintiffs;

WHEREAS, following the exchange of substantial data and documents, a full-day mediation session on November 21, 2025, with the assistance of experienced wage-and-hour mediator Carole Katz, Esq., and a mediator’s proposal, the Parties reached a settlement memorialized in a settlement term sheet;

WHEREAS, based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation, including the possibility that the claims, if not settled now, might not result in any recovery or might result in a recovery less favorable, and that in the event of a recovery it would not occur for several years, Plaintiffs’ Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate, and that this Agreement is in the best interests of the Plaintiffs, Putative Collective Members, and Aggrieved Employees;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties agree to a full and complete settlement of the claims on the following terms and conditions:

1. DEFINITIONS

The defined terms set forth in this Agreement have the meanings ascribed to them below.

- 1.1** “Aggrieved Employees” are Sales Development Representatives (“SDRs”) who worked in California during the PAGA Period.
- 1.2** “Agreement” means this Settlement Agreement and Release and the exhibits hereto, which the Parties understand and agree set forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.
- 1.3** “Approval Order and Judgment” means an Order to be entered by the Court which gives approval to the Settlement and this Agreement and that dismisses the Complaint, case, and claims with prejudice.

- 1.4 “Approval Motion” means the motion for settlement approval to be filed with the Court pursuant to Section 2.
- 1.5 “Attorneys’ Fees and Costs” means such funds as may be awarded by the Court to Plaintiffs’ Counsel to compensate them for their attorneys’ fees and reimbursement for out-of-pocket costs.
- 1.6 “Complaint” means the complaint filed and any amended complaint that might be filed in Suffolk County Superior Court.
- 1.7 “Court” means Suffolk County Superior Court (Massachusetts).
- 1.8 “Claim Form” means the form attached as Exhibit B that Putative Collective Members must sign and submit to opt-in to the case and participate in the settlement.
- 1.9 “Collective List” means the list of all Putative Collective Members, in electronic form, including the names, Last Known Contact Information, social security numbers, and dates and locations of employment with PayScale as SDRs, and any other information the Settlement Administrator needs to calculate and distribute amounts owed under this Agreement.
- 1.10 “Collective Period” means June 1, 2022, to November 21, 2025.
- 1.11 “Days” means calendar day(s).
- 1.12 “Defendant” or “PayScale” means PayScale, Inc.
- 1.13 “Defendant’s Counsel” means Arnold & Porter.
- 1.14 “Effective Date” means the latest of: (a) the date of final affirmance on an appeal of the Approval Order and Judgment; (b) the date of final dismissal, with prejudice, of the last pending appeal from the Approval Order and Judgment; or (c) if no appeal is filed, thirty-one days (i.e., the day following the last day to file or notice any form of appeal) after the Approval Order and Judgment.
- 1.15 “Eligible Workweek” means each calendar week worked by a SDR during the Collective Period.
- 1.16 “Employer Payroll Taxes” means all taxes and withholdings an employer is required to make pursuant to federal, state, and/or local law arising out of or based upon the payment of employment compensation in this Action, including but not limited to FICA, FUTA, and SUTA obligations.
- 1.17 “Funding Date” means twenty-one (21) Days after the Settlement Administrator’s report identifying all Participating Collective Members (i.e., those who opt-in to this proceeding) and amounts due to the Qualified Settlement Fund established by the Settlement Administrator.

- 1.18** “Last Known Contact Information” means the most recently recorded personal mailing address, personal email address, and personal telephone number for Putative Collective Members as regularly maintained in Defendant’s records.
- 1.19** “Net Fund” means the remainder of the Total Settlement Amount after deductions for: (i) the cost of settlement administration; (ii) Court-approved Plaintiffs’ Counsel’s Attorneys’ Fees and Costs, as provided for in Section 5.2; (iii) Court-approved Service Awards to Plaintiffs, as provided for in Section 5.3; and (iv) the PAGA Fund.
- 1.20** “Notice” means the Court-approved Notice of Collective Action Settlement, in the forms substantially similar to Exhibits A-1, A-2, and A-3.
- 1.21** “Notice Period” shall mean the later of: (i) the 60-day period beginning the day that the Settlement Administrator initially mails the Notice to Putative Collective Members under Section 4.2; or (ii) 30 days from any re-mailing of the Notice that is returned as undeliverable under Section 4.4, provided that no re-mailings will take place after the 60th day from the initial mailing.
- 1.22** “PAGA Check Enclosure Letter” means the letter attached hereto as Exhibit E, which the Settlement Administrator shall mail to Aggrieved Employees together with the PAGA Settlement Check.
- 1.23** “PAGA Fund” means \$5,000 of the Total Settlement Amount, with 65% of the Fund allocated to the State of California, and 35% allocated to SDRs who worked in California during the PAGA Period.
- 1.24** “PAGA Period” is June 1, 2024, through November 21, 2025.
- 1.25** “PAGA Release” means the PAGA claims pled in the complaint or that could have been pled based on the facts alleged in the complaint and that accrued during employment at Payscale as SDRs during the PAGA Period.
- 1.26** “PAGA Settlement Amount” means each Aggrieved Employee’s share of the PAGA Fund calculated in accordance with this Agreement.
- 1.27** “PAGA Settlement Check” means the check issued to Aggrieved Employees for their PAGA Settlement Amount.
- 1.28** “Participating Collective Members” means Putative Collective Members who opt in to the Settlement by signing and submitting a Claim Form electronically, via the pre-paid self-addressed stamped envelope, or otherwise within the deadline set forth by the Court.
- 1.29** “Parties” collectively means Plaintiffs and Defendant.
- 1.30** “Plaintiffs” means Nicholas Smith and Kamillia Sargent.
- 1.31** “Plaintiffs’ Counsel” means Outten & Golden LLP and Fair Work, P.C.

- 1.32** “Proposed Order” means a proposed Order to be submitted to the Court to approve this Agreement.
- 1.33** “Putative Collective Members” means the 135 individuals identified in the pre-mediation dataset produced by Payscale who worked for Payscale during the Collective Period as SDRs.
- 1.34** “Qualified Settlement Fund” or “QSF” means the account maintained by the Settlement Administrator.
- 1.35** “Releasees” means collectively Defendant and its current and former parents, subsidiaries, divisions, affiliates, and other related entities, as well as all of their current, former, and future successors and assigns, and all of their current, former, and future owners, shareholders, partners, members, officers, directors, managers, employees, workers, contractors, agents, attorneys, assigns, insurers, reinsurers, and employee benefit plans and programs (and the trustees, administrators, fiduciaries, insurers, and affiliates of such plans and programs).
- 1.36** “Released Collective Claims” means claims pled in the Complaint or that could have been pled arising from or based on the facts alleged in the Complaint, and that accrued from or during employment at Payscale as an SDR during the Collective Period, including, without limitations, federal, state, and local claims for unpaid wages, overtime wages, improper wage statements, missed breaks, waiting time, and related claims for penalties, interest, liquidated damages, attorneys’ fees, costs, and expenses.
- 1.37** “Released PAGA Claims” means PAGA claims pled in the complaint or that could have been pled based on the facts alleged in the Complaint and that accrued from or during employment at Payscale as an SDR during the PAGA Period.
- 1.38** “Reminder Notice” means Court-approved documents in the forms substantially similar to Exhibits C-1, C-2, and C-3.
- 1.39** “Sales Development Representatives” or “SDRs” means individuals employed in the job titles of Sales Development Representative, Inbound Sales Development Representative, Sales Development Representative – Enterprise, Sales Development Representative – Mid Market, Sales Development Representative – National, Senior Sales Development Representative, Sr SDR – National, and Strategic Sales Development Representative.
- 1.40** “Service Award” means the Court-approved award of up to \$10,000.00 each to be paid to Plaintiffs Nicholas Smith and Kamillia Sargent (up to a total of \$20,000), in recognition for their service as named Plaintiffs.
- 1.41** “Settlement” means the settlement between the Parties embodied and contained in this Agreement.
- 1.42** “Settlement Administrator” means the third-party settlement administrator selected by Plaintiffs’ Counsel subject to Defendant’s reasonable agreement.

- 1.43 “Settlement Amount” means each Putative Collective Member’s share of the Net Fund calculated in accordance with this Agreement.
- 1.44 “Settlement Check” means the check issued to Participating Collective Members for their Settlement Amount, with any reductions legally required for employee-side taxes and withholdings.
- 1.45 “Settlement Check Reminder” means Court-approved documents in the forms substantially similar to Exhibits D-1, D-2, and D-3.
- 1.46 “Settlement Packet” means the Notice and Claim Forms.
- 1.47 “Total Settlement Amount” means Six Hundred Seventy-Five Thousand dollars (\$675,000.00) which is the maximum amount that Defendant has agreed to pay to fully resolve and settle these claims (subject to the terms of Section 5.1(b)), which includes Attorneys’ Fees and Costs; any and all damages or amounts to be paid to Participating Collective Members; the PAGA Fund; the cost of settlement administration; any Court-approved Service Award; all penalties; all interest; and all liquidated damages. The Total Settlement Amount Fund does not include Employer Payroll Taxes, which Defendant shall pay separately from the Total Settlement Amount.

2. FILING OF COMPLAINT AND APPLICATION FOR SETTLEMENT APPROVAL

- 2.1 **Timing.** Plaintiffs’ Counsel shall submit the Approval Motion to the Court within 14 days of the date this Agreement is fully executed.
- 2.2 **Content.** With the Approval Motion, Plaintiffs’ Counsel will also submit the Agreement and Notice. Among other things, the Approval Motion will ask the Court to: (i) enter the Approval Order and Judgment (in a form agreed upon by the Parties) approving the Settlement as fair, adequate, and reasonable, (ii) approve the proposed Notice, Claim Form, and Reminder Notices to be sent to Putative Collective Members, (iii) incorporate the terms of this Settlement, including all payment and release terms, (iv) enter an Order dismissing the Complaint, case, and claims with prejudice, and (v) retain jurisdiction to enforce the Agreement.
- 2.3 **Effect of Court’s Failure to Approve Settlement.** If the Court denies the Approval Motion and does not enter the Approval Order and Judgment, the Parties will proceed as if this Agreement had never been executed, unless the Parties jointly agree to: (1) seek reconsideration of the Court’s decision; or (2) renegotiate the Settlement and seek Court approval of the renegotiated settlement. If the Approval Order is denied (and any mutually agreed-upon reconsideration or renegotiated settlement is denied), the Parties’ tolling agreement will be automatically terminated unless the Parties agree otherwise. The Parties otherwise will be in the same positions as if no settlement was executed or settlement approval had not been attempted.

3. SETTLEMENT ADMINISTRATION AND NOTICE TO PUTATIVE COLLECTIVE MEMBERS

3.1 The Settlement Administrator will be selected by Plaintiffs subject to Defendant's reasonable agreement.

3.2 Duties of the Settlement Administrator. The Settlement Administrator will be responsible for: (1) establishing a QSF account; (2) preparing, printing, and disseminating the Notices, Claim Forms, and Reminder Notice to Putative Collective Members and Aggrieved Employees via e-mail, text message, and mail; (3) updating addresses with the U.S. Postal Service's National Change of Address ("NCOA") database; (4) determining the Settlement Amount and PAGA settlement amount allocated to each Putative Collective Member and Aggrieved Employee in accordance with this Agreement, along with the amount of all payroll taxes to be paid and deductions to be withheld; (5) determining the number of Eligible Workweeks attributable to the Putative Collective Members and Aggrieved Employees; (6) maintaining an electronic submission option for receiving signed Claim Forms; (7) providing a report to all Parties within 15 days after the latest Claim Form deadline that identifies all Participating Collective Members and all amounts, including employer-side taxes, due from PayScale; (8) preparing and mailing Settlement Checks, PAGA Check Enclosure Letters, and PAGA Settlement Checks; (9) distributing any Court-approved Service Award and Attorneys' Fees and Costs; (10) calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms; (11) determining the tax characterization of the Service Award; (12) calculating the employer-side tax obligations of Defendant; (13) referring to Plaintiffs' Counsel all inquiries by Putative Collective Members and Aggrieved Employees regarding matters not within the Settlement Administrator's duties specified herein; (14) receiving, retaining, and reviewing the submitted Claim Forms and providing a copy of the Claim Forms endorsed by Participating Collective Members to the Parties' counsel; (15) providing to the Parties' counsel a report of any uncashed Settlement Checks after 90 days from the issuance of Settlement Checks; (16) timely responding to communications from the Parties and their counsel; (17) reporting on the status of the Settlement to the Parties on a weekly basis; and (18) such other tasks as set forth herein, or as the Parties mutually agree, or as otherwise determined by the Settlement Administrator as necessary in effectuating its duties.

3.3 Settlement Administrator Indemnity. The Settlement Administrator shall indemnify the Parties and counsel regarding any improper handling of its responsibilities, including the handling of any tax-related matters.

3.4 Access to the Settlement Administrator. The Parties will have equal access to the Settlement Administrator throughout the settlement administration period. The Settlement Administrator will provide regular weekly reports to counsel for the Parties regarding the status of the mailing of the Notice, Settlement Checks, Reminder Notices, the number of Claim Forms submitted, and Settlement Check Reminders.

- 3.5 The Parties agree to cooperate with the Settlement Administrator and provide accurate information to the extent reasonably available and necessary to calculate the amounts to be distributed pursuant to this Agreement and to locate Putative Collective Members.

4. NOTICE AND CLAIM FORMS

- 4.1 **Collective List.** Within 7 Days of the Approval Order and Judgment, Defendant's Counsel shall provide the Settlement Administrator and Plaintiffs' Counsel with the Collective List. The copy provided to Plaintiffs' Counsel may exclude social security numbers.
- 4.2 **Notice Timing.** Within twenty-one (21) Days of the Approval Order and Judgment, the Settlement Administrator shall send the Settlement Packet to each Putative Collective Member via First Class U.S. Mail. The email and text message versions of the Notice will be sent seven (7) Days after the Settlement Packets are mailed.
- 4.3 **Notice Content.** The Notice will include a description of the claims and this Agreement, information about the settlement process, the estimated pro rata settlement share, and a QR code to an electronic submission option for Claim Forms.
- 4.4 **Skip Trace and Remailing.** The Settlement Administrator will take reasonable steps to obtain the correct contact information for any Putative Collective Members for whom the Notice is returned as undeliverable. Any Notices returned undeliverable shall be traced up to two times to obtain a new address, email address, and/or cell phone number and the Settlement Administrator shall resend the Notice by U.S. Mail and/or other relevant means to any Putative Collective Members for whom it obtains a more recent address, provided that no Notices shall be re-mailed or re-sent more than 60 Days after the initial mailing date in Section 4.2.
- 4.5 **Claim Form Reminder Notice.** After thirty (30) Days from the date the Settlement Administrator initially mails the Notice under Section 4.2, the Settlement Administrator shall issue the reminder attached hereto as Exhibits C-1, C-2, and C-3 via postcard, email, and text to Putative Collective Members who have not yet submitted a Claim Form, reminding them to do so.
- 4.6 **Effective Claim Forms for Participating Collective Members.** To be effective for the purposes of becoming a Participating Collective Member, a Claim Form must be signed (with a wet or electronic signature) and post-marked, faxed, emailed, submitted/completed online, or otherwise received by the Settlement Administrator by the close of the Notice Period. To the extent a mailed Claim Form does not bear a post-mark, the Claim Form will be deemed timely if the Settlement Administrator receives it within three (3) Days of the close of the Notice Period. Claim Forms that are not signed and timely are null and void, unless otherwise agreed to in writing by the Parties or approved by the Court.
- 4.7 **Cure Notice.** If a Claim Form is returned to the Settlement Administrator during the initial 60 Days of the Notice Period and is not properly completed or submitted as described above, within five (5) business days of its receipt the Settlement Administrator shall send a notice explaining all deficiencies to the Putative Collective Member via email and First-Class United States Mail ("Cure Letter") and include a new Claim Form to be completed.

The Putative Collective Member shall then have the remainder of the initial 60 Days of the Notice Period or fifteen (15) days from the mailing of the Cure Letter (“Cure Period”), whichever is longer, to return the new Claim Form and provide the missing information. If a Claim Form is not received within that Cure Period, the Claim Form shall be null and void, unless otherwise agreed to in writing by the Parties or approved by the Court.

5. SETTLEMENT TERMS

5.1 Settlement Payments.

- a.** Defendant agrees to pay the Total Settlement Amount of \$675,000.00, subject to Section 5.1(b), minus amounts calculated for Putative Collective Members who do not become Participating Collective Members, plus legally required Employer Payroll Taxes (which Defendant will fund in addition to Total Settlement Amount).
- b. Total Workweeks.** This Settlement covers and includes 7,971 workweeks for 135 individuals identified in the pre-mediation dataset produced by Defendant. Should the total number of workweeks increase by more than 2%, the Total Settlement Amount will increase by a proportionate additional amount for each additional workweek.
- c. Funding of Settlement.** Defendant shall pay the amounts due into the QSF established by Settlement Administrator on or before the Funding Date.
- d. Timing of Payments.**
 - 1. Within 14 Days of the Funding Date, the Settlement Administrator will distribute the money in the QSF by making the following payments:
 - i. Mailing Settlement Checks to all Participating Collective Members for their Settlement Amounts, as described in Section 5.4;
 - ii. Remitting the portion of the PAGA Fund to the State of California and mailing the PAGA Settlement Amounts to Aggrieved Employees;
 - iii. Paying the Court-approved Attorneys’ Fees and Costs, as described in Section 5.2;
 - iv. Paying the Court-approved Service Awards, as described in Section 5.3; and
 - v. Paying the Settlement Administrator’s costs.

- e. **Unclaimed Funds.** Any Settlement Check that remains uncashed after robust Settlement Check Reminders as set forth in Section 5.5(h) and after the 120-Day expiration date shall be void and the associated monies shall be paid to the relevant State's unclaimed wages or unclaimed property fund within 14 days after the expiration date of the Settlement Checks. Similarly, any uncashed PAGA Settlement Checks shall revert to the California Unclaimed Property Fund.

5.2 Attorneys' Fees and Costs.

- a. In the Approval Motion, Plaintiffs' Counsel may ask the Court to approve payment of up to one-third of the Total Settlement Amount as an award of attorneys' fees, plus reimbursement of reasonable out-of-pocket costs and expenses. Defendant shall not oppose this application.
- b. The substance of Plaintiffs' Counsel's application for attorneys' fees and costs is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement and this Agreement. The outcome of any proceeding related to Plaintiffs' Counsel's application for attorneys' fees and costs shall not terminate this Agreement, affect the binding nature of this Agreement and the releases provided herein, or otherwise affect the Court's ruling on the Approval Motion. Any requested fee amount not approved by the Court shall become part of the Net Fund and shall be allocated among all Putative Collective Members.

5.3 Service Awards.

- a. In addition to payments to be received as a Putative Collective Member, in the Approval Motion, Plaintiffs will apply to the Court to receive \$10,000 each, for a total of \$20,000 from the Total Settlement Amount, for the services they rendered to the collective. Defendant shall not oppose this application.
- b. The substance of Plaintiffs' application for a Service Award is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement and this Agreement. The outcome of the Court's ruling on the application for a Service Award shall not terminate this Agreement, affect the binding nature of this Agreement and the releases provided herein, or otherwise affect the Court's ruling on the Approval Motion. Any requested amount not approved by the Court shall become part of the Net Fund and shall be allocated among all Putative Collective Members.
- c. Plaintiffs agree to a general release of all claims against the Releasees as detailed in Section 6.3 in exchange for receiving payment for a Service Award of any amount authorized by the Court.

5.4 Putative Collective Members' and Aggrieved Employees' Payments. Putative Collective Members and Aggrieved Employees shall be eligible for a pro-rata portion of

the Net Fund and PAGA Fund, respectively, which will be determined by the Settlement Administrator pursuant to the following formula:

- a. Each Putative Collective Member will receive 1 point for each Eligible Workweek that they worked during the Collective Period;
- b. To calculate each Putative Collective Member's proportionate settlement amount:
 1. Add all points for all Putative Collective Members together to obtain the "Denominator;"
 2. Divide their number of points by the Denominator to obtain their "Portion of the Net Fund;" and
 3. Multiply each Putative Collective Member's Portion of the Net Fund by the Net Fund to determine each Putative Collective Member's settlement amount.
- c. Each Aggrieved Employee will receive 1 point for each Eligible Workweek that they worked during the PAGA Period;
- d. To calculate each Aggrieved Employee's proportionate settlement amount:
 1. Add all points for all Aggrieved Employees together to obtain the "Denominator;"
 2. Divide their number of points by the Denominator to obtain their "Portion of the PAGA Fund;" and
 3. Multiply each Aggrieved Employee's Portion of the PAGA Fund allocated to Aggrieved Employees by the PAGA Fund allocated to Aggrieved Employees to determine each Aggrieved Employee's settlement amount.
- e. **Workweek Disputes.** The calculation of Eligible Workweeks shall be based on Defendant's business records in accordance with this Agreement. If a Collective Member disputes Defendant's records and/or the calculation of his or her settlement payment, he or she must explain any dispute and provide written documentation supporting his or her contention to the Settlement Administrator. Defendant's records are presumed to be correct unless the Putative/Participating Collective Member proves otherwise with documentary evidence. The Settlement Administrator will evaluate the information the Putative/Participating Collective Member provides and will make the final decision as to any dispute. Putative/Participating Collective Members must submit disputes before the close of the Notice Period.
- f. **Settlement Check Cashing Period.** Participating Collective Members and Aggrieved Employees will have 120 Days from the date Settlement Checks are

issued by the Settlement Administrator to cash, deposit, or otherwise negotiate their Settlement Check.

- g. **Remailings.** The Settlement Administrator will take all reasonable steps to obtain the correct contact information for any Participating Collective Members and Aggrieved Employees for whom the Settlement Check is returned undeliverable, and shall attempt re-mailings to any Participating Collective Members and Aggrieved Employees for whom it obtains more recent contact information, provided that, except in extenuating circumstances, no re-mailings shall occur after the 120th Day.
- h. **Settlement Checks Reminders.** The Parties agree that they will use robust efforts to ensure that checks are received by Participating Collective Members and Aggrieved Employees, including the administrator's use of email, text messages, U.S. Mail, and other efforts deemed prudent by the Settlement Administrator, for robust contact attempts and multiple reminders to timely negotiate checks prior to the 120-day deadline. The Settlement Administrator will send reminders substantially in the form of Exhibit D-1, D-2, and D-3 via mail, email, and text message within thirty (30), sixty (60), and ninety (90) Days after Settlement Checks and PAGA Settlement Checks are issued to Participating Collective Members and Aggrieved Employees who have not yet cashed their Settlement Checks and PAGA settlement checks, reminding them to cash their checks. After 90 days from the issuance of Settlement Checks, the Settlement Administrator shall provide an uncashed check report, and the Settlement Administrator and Plaintiffs' Counsel shall make reasonable efforts to contact Participating Collective Members who have not yet cashed checks.

5.5 Defendant's Payroll Tax Responsibility and Tax Characterization.

- a. For Participating Collective Members, 50% of the Settlement Amount shall be treated as wages (W-2) and 50% shall be treated as non-wage compensation (1099). 100% of the PAGA Settlement shall be treated as non-wage compensation (1099).
- b. Payments treated as W-2 wages shall be made net of all applicable employment taxes, including, without limitation, federal, state and local income tax withholding and the employee share of the FICA tax, and shall be reported to the Internal Revenue Service ("IRS") and the payee under the payee's name and Social Security number on an IRS Form W-2. Payments treated as non-wage compensation (1099) shall be made without withholding and shall be reported to the IRS and the payee, to the extent required by law, under the payee's name and Social Security Number on an IRS Form 1099.
- c. The Settlement Administrator shall be responsible for determining the appropriate number of exemptions to be used in calculating payroll tax and withholding, deciding the appropriate tax rate, issuing the Settlement Checks and Service Awards, and issuing IRS Forms W-2 and 1099.

- d. Payments of Attorneys' Fees and Costs, pursuant to Section 5.2, shall be made without withholding and shall be reported to the IRS and to Plaintiffs' Counsel on an IRS Form 1099.
- e. Payment of Service Awards pursuant to Section 5.3 shall be reported as deemed appropriate by the Settlement Administrator.
- f. Defendant and the Settlement Administrator shall exchange such information as is necessary for the Settlement Administrator to make proper tax withholdings and comply with its tax reporting obligations.
- g. The employee portion of all applicable income and payroll taxes will be the sole responsibility of the individual Participating Collective Member. The Parties make no representations, and it is understood and agreed that the Parties have made no representations, as to the taxability of any portions of the settlement payments to any Participating Collective Members or any payments to the Plaintiff. Neither Plaintiffs' Counsel nor Defendant's Counsel intends anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor will it be relied upon as such.

6. RELEASE OF CLAIMS

- 6.1 Collective Release.** Conditioned upon the Court's entry of the Approval Order and Judgment, as part of the consideration for this Agreement, and in exchange for monetary consideration as provided under this Agreement, each Participating Collective Member fully, finally, and forever releases, settles, compromises, relinquishes, and discharges any and all of the Releasees of and from all Released Collective Claims.
- 6.2 PAGA Release.** Conditioned upon the Court's entry of the Approval Order and Judgment, as part of the consideration for this Agreement, and in exchange for monetary consideration as provided under this Agreement each Aggrieved Employee fully, finally, and forever releases, settles, compromises, relinquishes, and discharges any and all of the Releasees of and from all Released PAGA Claims.
- 6.3 Release by Plaintiffs.** Conditioned upon the Court's approval of a Service Award and Plaintiffs receiving a Service Award of any amount, each Plaintiff fully, finally, and forever releases, settles, compromises, relinquishes, and discharges any and all of the Releasees of and from all demands, claims, and actions, whether known or unknown, including but not limited to claims under the Americans With Disabilities Act, Fair Labor Standards Act (including but not limited to claims for overtime compensation), Equal Pay Act, Title VII of the Civil Rights Act of 1964, Civil Rights Acts of 1866, 1871 and 1991, Family and Medical Leave Act, and any other federal, state or local statute, regulation, and order, and in common law or equity, through the date they sign this Agreement; provided, however, that Plaintiffs do not waive the right to file a charge or complaint with any administrative agency, but do waive any right to recover or receive any damages or other personal relief based on any demand, claim or action waived in this Section brought on their own behalf or by any third party, including as a member of any collective or class action. Plaintiffs

also do not release any claim or right for workers' compensation, unemployment compensation, under the Age Discrimination in Employment Act, or that, as a matter of law, cannot be released with or without court supervision or by an order of the court. For purposes of this release, Plaintiffs acknowledge and agree that they have read, understand, and are expressly waiving and relinquishing all rights under Section 1542 of the California Civil Code, which states:

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

7. PARTIES' AUTHORITY

- 7.1** The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions hereof.

8. MUTUAL COOPERATION

- 8.1** The Parties agree to reasonably cooperate with each other and to take all steps necessary and appropriate to obtain the Court's approval of this Agreement and all of its terms and to effectuate the terms of this Agreement, 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 Agreement. The Parties further agree that they will take all reasonable steps necessary to facilitate the Notice process and Settlement participation. The Parties to this Agreement shall use their commercially reasonable efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein.

9. NO ADMISSION OF LIABILITY

- 9.1** Defendant denies all of the allegations made by Plaintiffs and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted in the Complaint or discussed in this Agreement. Nonetheless, without admitting or conceding any liability or damages whatsoever, Defendant has agreed to settle these claims on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of litigation.
- 9.2** The Parties stipulate and agree that, for settlement purposes only, the requisites for establishing collective action certification under the FLSA pursuant to 29 U.S.C. § 216(b) are met. Should this Settlement not become final, such stipulation to conditional certification shall become null and void and shall have no bearing on, and shall not be referenced or admissible in connection with, the issue of whether or not conditional certification would be appropriate in a non-settlement context.

10. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS

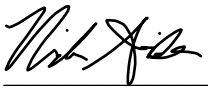
- 10.1 Further Acts.** Each party, upon the request of any other party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.
- 10.2 No Assignment.** Plaintiffs represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein, including, but not limited to, any interest in their claims, or any related action, and any attempt to do so shall be of no force or effect.
- 10.3 Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement except as specified in this Section 10.3. The Parties' separate tolling agreement shall remain fully effective and is not merged with this Agreement, but is modified as provided in Sections 2.3 and 10.14.
- 10.4 Binding Effect.** Upon the entry of the Approval Order and Judgment, this Agreement shall be binding upon the Parties and all Participating Collective Members; and, with respect to Defendant, its affiliates, parents, subsidiaries, predecessors, successors, employees, and agents; and, with respect to Plaintiffs and Participating Collective Members, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, and assigns.
- 10.5 Arms' Length Transaction; Materiality of Terms.** The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.
- 10.6 Captions.** The captions or headings of the Sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.
- 10.7 Construction.** The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each party participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any party by virtue of draftsmanship.
- 10.8 Governing Law.** This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of Massachusetts, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.
- 10.9 Continuing Jurisdiction.** The Court shall retain jurisdiction over any disputes between Plaintiffs, Defendant, and Participating Collective Members as to the interpretation and implementation of this Agreement as well as any and all matters arising out of, or related

to, the interpretation or implementation of this Agreement and of the Settlement contemplated thereby. The Parties shall not petition the Court to modify the terms of the Agreement, except by mutual agreement of such Parties.

- 10.10 Waivers, etc. to Be in Writing.** No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification, or amendment, with any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.
- 10.11 Counterparts.** The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.
- 10.12 Facsimile, Electronic, and E-mail Signatures.** Any party may execute this Agreement by signing, including by electronic means, or by causing its counsel to sign on the designated signature block below and transmitting that signature page via facsimile, e-mail, or electronic signature technology to counsel for the other party. Any signature made and transmitted by facsimile, e-mail, or electronic signature technology for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party whose counsel transmits the signature page by facsimile, e-mail, or electronic signature technology.
- 10.13 Signatories.** This Agreement is valid and binding if signed by Defendant's authorized representatives and the Plaintiffs.
- 10.14 Tolling Agreement Termination.** The Parties agree that (absent further agreement of the Parties) their tolling agreement, and any further tolling pursuant to the tolling agreement, shall terminate on the Effective Date if the Approval Order and Judgment is entered or, if the Approval Motion is denied, on the date of such denial. The Parties agree not to terminate the tolling agreement prior to the Court's approval or denial of the Approval Motion or June 1, 2026, whichever occurs earlier. The Parties shall confer prior to either Party cancelling the tolling agreement. If tolling is cancelled, both Parties shall reserve all rights to proceed with the litigation.

IN WITNESS HEREOF, the Parties certify that they have viewed the foregoing Settlement Agreement and Release, know its contents, have conferred with their counsel of choice, and are hereto knowingly and voluntarily executing this Settlement and agreeing to the terms set forth in this Agreement between Plaintiffs (on behalf of themselves and the Participating Collective Members, California Labor and Workforce Development Agency, and Aggrieved Employees) and Defendant.

The Parties have executed this Agreement on the respective dates set forth below.

By: 

Nicholas Smith

Dated: 01/06/, 2026

By: _____
Kamillia Sargent

Dated: _____, 2026

By: _____
Payscale, Inc.
Mike Moesel, General Counsel

Dated: _____, 2026

The Parties have executed this Agreement on the respective dates set forth below.

By: _____
Nicholas Smith

By: _____
Payscale, Inc.
Mike Moesel, General Counsel

Dated: _____, 2026

Dated: _____, 2026

By:  _____
Kamillia Sargent

Dated: 01-06, 2026

The Parties have executed this Agreement on the respective dates set forth below.

By: _____
Nicholas Smith

Dated: _____, 2026

By: _____
Kamillia Sargent

Dated: _____, 2026

By: Mike Moesel
Payscale, Inc.
Mike Moesel, General Counsel

Dated: January 6, 2026

Exhibit A-1 (Collective Notice – Mail)

OFFICIAL NOTICE OF SETTLEMENT AND OPPORTUNITY TO JOIN

[NAME]
[ADDRESS]
[CITY, STATE ZIP]

If you worked as a Sales Development Representative at Payscale you may be entitled to a payment from a settlement.

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

- You received this Notice because records indicate that you were employed by Payscale as a Sales Development Representative (“SDR”) between June 1, 2022, and November 21, 2025.
- Two former SDRs filed a case asserting that Payscale violated the law by failing to pay SDRs overtime wages. Payscale denies the allegations. The Court has not decided who is right, but it has approved the parties’ settlement of the dispute.
- Under the settlement’s allocation formula, you can receive an estimated payment of \$[AMOUNT], subject to deductions for applicable taxes and withholdings.
- **To receive a settlement payment, you must sign and submit a Claim Form by [DATE].** You may submit a Claim Form online at [insert link and QR code] or use the return envelope included in this mailing. If you fail to sign and return a Claim Form post-marked or submitted online by [DATE], you will not receive money from the settlement.

Your legal rights may be affected by this settlement, and you have a choice to make:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM AND OBTAIN A PAYMENT	If you wish to participate in the settlement and receive a settlement payment of approximately \$[AMOUNT], subject to applicable taxes and withholdings, you must submit a claim form by [DATE]. You may submit a Claim Form online at [insert link and QR code] or use the return envelope included in this mailing. If you choose to participate in the settlement, you will release the Releasees from the Released Collective Claims discussed in Section 10 below.
DO NOTHING	If you do nothing, you will not receive a settlement payment. You will retain your right to pursue your claims, if any, if you so choose.

- These rights and options – **and the deadlines to exercise them** – are explained in greater detail in this Notice.

BASIC INFORMATION

1. Why did I get this notice?

The Court ordered that you be sent this Notice explaining all of your options because you have a right to know about the settlement of a lawsuit that was filed as a collective action in which you are eligible to participate. This Notice explains the case, the settlement, your legal rights, and what benefits are available.

The lawsuit is entitled *Smith and Sargent v. Payscale, Inc.*, 2584CV03484.

2. Am I covered by this settlement?

Payscale's records state that you were employed by Payscale as an SDR at some time between June 1, 2022, and November 21, 2025, and you are thus covered by the Settlement.

3. What is the case about?

The case is about whether Payscale failed to pay SDRs proper wages for all hours worked. More specifically, Plaintiffs assert that Payscale failed to instruct SDRs to properly record all hours worked, including overtime hours, and failed to properly calculate and pay SDRs all overtime wages owed.

The Court has not made any ruling on the merits of the claims, and no party has prevailed in this action. The parties have agreed to settle the claims to avoid the expense and risk of litigation.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the settlement provide?

Payscale has agreed to pay up to \$675,000.00 (the "Total Settlement Amount") to be allocated among up to 135 SDRs covered by the settlement (after the deductions for attorneys' fees of one-third of the Total Settlement Amount, reasonable costs, service awards of \$10,000 to each Plaintiff, settlement administration costs, and the California Private Attorneys' General Act ("PAGA") Fund of \$5,000).

7. How much will my settlement payment be and how was it calculated?

Based on the formula that has been preliminarily approved by the Court, your settlement payment is estimated to be \$[AMOUNT], half of which is subject to payroll deductions for applicable taxes and withholdings like any other paycheck, for which you will receive an IRS Form W-2, and half of which is not subject to deductions and will be reported on an IRS Form 1099. Neither Plaintiffs' counsel nor Payscale's counsel can advise you regarding the tax consequences of the settlement. You may wish to consult with your own personal tax advisor in connection with the settlement.

The formula that has been approved by the Court and used to calculate your settlement payment considers the number of weeks you worked as an SDR during the relevant period. The Settlement

Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by contacting Plaintiffs' Counsel using the information in Section 13 below.

The Settlement Administrator used information from Payscale's records to calculate your payment. If you have questions about your calculation, you may contact the Settlement Administrator at [insert email] and [insert phone number] or using the information in Section 8 below. If you dispute Payscale's records and/or the calculation of your settlement payment, please inform the Settlement Administrator, explain why, and provide written documentation supporting your contention in connection with submitting your Claim Form. Any dispute regarding Payscale's records and/or the calculation of your settlement payment must be submitted by [DATE] to the Settlement Administrator, who will make the final determination regarding the dispute.

HOW YOU GET A PAYMENT

8. How can I get my payment?

You must sign and submit a Claim Form by [DATE] to receive a settlement payment. You can submit your claim form online at [LINK AND QR CODE LINKING TO ONLINE CLAIM FORM SUBMISSION]

The Settlement Administrator is XX. You may return the Claim Form by mail using the pre-stamped envelope enclosed, or by mailing, emailing, or faxing it to:

[INSERT SETTLEMENT ADMINISTRATOR CONTACT]

If you do not sign and submit a Claim Form or submit an incomplete or invalid Claim Form, you will not receive a settlement payment and you will not release any claims.

9. When will I get my settlement payment?

Settlement checks will be mailed approximately seven (7) weeks after the close of the period for submission of all claim forms. Please keep the Settlement Administrator updated with changes to your mailing address.

10. What am I giving up by releasing my claims?

If you sign and return a Claim Form, you will give up (also called "release") any and all federal Fair Labor Standards Act, state, and local wage and hour claims alleged in the complaint or that could have been alleged based on the facts alleged and that arose during your employment as an SDR between June 1, 2022, through November 21, 2025 including, without limitations, federal, state, and local claims for unpaid wages, overtime wages, improper wage statement, missed breaks, waiting time, and related claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

Another former employee has filed a separate putative collective action involving the same claims against Payscale in federal court in Western Washington, entitled *Dunnevant v. Payscale*, Case No. 2:25-cv-02425 (W.D.WA.). That case is in its early stages and, as of the date of this notice, that court has not made any decisions regarding the claims asserted in that case.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The law firms of Outten & Golden LLP and Fair Work P.C. have been designated as legal counsel to represent you and other SDRs who participate in the settlement. You will not be charged separately for these lawyers; their fees are being covered by the settlement fund. You do not need to retain your own attorney to participate, but you are free to do so, at your own expense. The contact information for Plaintiff's Counsel is in Section 13 below.

GETTING MORE INFORMATION

12. Are there more details about the settlement?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement from the Settlement Administrator or Plaintiff's Counsel using the contact information below, or at [www.\[website\].com](http://www.[website].com).

13. How do I get more information?

If you have other questions about the settlement or want more information, you can contact the Settlement Administrator, or Plaintiffs' Counsel at:

Melissa L. Stewart
OUTTEN & GOLDEN LLP
685 Third Ave, 25th Floor
New York, NY 10017
Telephone: [insert]
XXX@outtengolden.com

Grace Anzalone
Jennifer Davidson
OUTTEN & GOLDEN LLP
1225 New York Ave. NW, Suite 1200
Washington, D.C. 20005
Telephone: [insert]
XXX@outtengolden.com

DATED: _____, 20____

Do not contact the Court directly for any reason.

Exhibit A-2 (Collective Notice – Email)

Subject: Payscale – Notice and Opportunity to Join Settlement (Deadline: [date])

From the Settlement Administrator:

Recently you should have received a mailed Notice advising you that you are eligible to participate in the Payscale overtime settlement. Under the allocation formula created by the settlement, your potential settlement payment is estimated to be approximately \$[AMOUNT], subject to deductions for applicable taxes and withholdings.

To participate in the settlement and receive a settlement check, you must sign and submit a Claim Form by [date]. You can submit your Claim Form online at [link] or by mail using the self-addressed stamped envelope provided in the Notice packet.

More details are available in the full Notice. If you did not receive or no longer have the Notice, please contact the Settlement Administrator at [administrator email] to email you a copy of the notice or resend it by mail.

If you submit a signed and timely Claim Form, a settlement check will be mailed to you. Please keep the Settlement Administrator updated with changes to your mailing address.

For questions about the settlement or your legal rights, contact Outten & Golden LLP at [insert] or [insert]@outtengolden.com.

Settlement Administrator

Exhibit A-3 (Collective Notice – Text Message)

From the Settlement Administrator: You are receiving this message because you are eligible to participate in an overtime settlement with Payscale. Recently, you should have received a notice about the settlement. To receive a check, you must sign and submit a Claim Form by [date]. You can sign and submit a Claim Form online at [link]. If you did not receive or no longer have the notice, please contact the Settlement Administrator at [insert email]. For questions about the case or your legal rights, you may contact the attorneys at Outten & Golden LLP at [insert number] or xxxx@outtengolden.com. Reply *STOP* to prevent further notifications.

Exhibit B (Claim Form)

CONSENT TO JOIN SETTLEMENT, RELEASE, AND CLAIM FORM

This signed form must be returned to the Settlement Administrator so that it is postmarked or submitted online by **[DATE].**

I hereby consent to join and opt-in as a plaintiff in the Payscale Overtime Settlement and to be bound by any adjudication of this action by the Court. I hereby designate the law firm of Outten & Golden LLP to represent me in this action. I understand by returning this Claim Form, I will fully and completely waive, release, and discharge the Releasees (as defined in the Settlement Agreement) from the Released Collective Claims (as defined in the Settlement Agreement). The release covers claims pled in the complaint or that could have been pled arising from or based on the facts alleged in the complaint, and that accrued during my employment at Payscale as a SDR from June 1, 2022, through November 21, 2025, including, without limitations, federal, state, and local claims for unpaid wages, overtime wages, improper wage statement, missed breaks, waiting time, and related claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses. I understand that, in exchange for the release, I will be entitled to a settlement payment as calculated under the Settlement Agreement.

Full Legal Name (print)

Signature

Street Address

City, State and Zip Code

Cell phone

Email Address

Date

You may sign and submit this claim form online at **[LINK AND QR CODE LINKING TO ONLINE CLAIM FORM]**

Exhibit C-1 (Collective Claim Form Reminder Postcard)

**IMPORTANT REMINDER
PAYSCALE OVERTIME SETTLEMENT**

If you are receiving this notice, it is because you are eligible to receive a payment from the Payscale Overtime Settlement, and the Settlement Administrator has not received a claim form from you. To receive a settlement check, you must sign and submit a claim form by **[DATE].**

Recently you should have received a Notice advising you about a settlement with Payscale about overtime claims. As of the date of this mailing, the Settlement Administrator has **not** received a claim form from you. This is to remind you that in order to receive a check, you must complete, sign, and return a claim form. If you did not receive or no longer have the Notice and Claim Form, you may contact the Settlement Administrator to request another form:

PAYSCALE SETTLEMENT ADMINISTRATOR

<ADDRESS>

<PHONE>

<FAX>

<E-MAIL>

<WEBSITE>

You may sign and submit a claim form online at **[link and QR code linking to Claim Form]**

IMPORTANT DEADLINE: If you wish to submit a Claim Form, you must do so by **[DATE]**.

If you have any questions about your legal rights, you may contact the attorneys at Outten & Golden LLP at XXXX@outtengolden.com or [phone].

Exhibit C-2 (Collective Claim Form Reminder Email)

From: Payscale Overtime Settlement ([XX]@[XXX].com)

Subject: IMPORTANT REMINDER - PAYSCALE OVERTIME SETTLEMENT

Body of Email:

<<Name1>>,

If you are receiving this notice, it is because you are eligible to receive a payment from the Payscale Overtime Settlement, and the Settlement Administrator has not received a claim form from you. To receive a settlement check, you must sign and submit a claim form by **[DATE]**.

Recently you should have received a Notice advising you about a settlement with Payscale about overtime claims. As of the date of this mailing, the Settlement Administrator has **not** received a claim form from you. This is to remind you that in order to receive a check, you must complete, sign, and return a claim form. If you did not receive or no longer have the Notice and Claim Form, you may contact the Settlement Administrator to request another form:

PAYSCALE SETTLEMENT ADMINISTRATOR

<ADDRESS>

<PHONE>

<FAX>

<E-MAIL>

<WEBSITE>

You may sign and submit a Claim Form online at **[SUBMIT A CLAIM FORM BUTTON]**.

IMPORTANT DEADLINE: If you wish to submit a Claim Form, you must do so by **[DATE]**.

If you have any questions about your legal rights, you may contact the attorneys at Outten & Golden LLP at XXXX@outtengolden.com or [phone].

Exhibit C-3 (Collective Claim Form Reminder Text)

From the Settlement Administrator: If you are receiving this notice, it is because you are eligible to receive a payment from the Payscale Overtime Settlement, and the Settlement Administrator has not received a claim form from you. **To receive a settlement check, you must sign and submit a claim form by [DATE].** You may sign and submit a Claim Form online at **[SUBMIT A CLAIM FORM LINK]**. If you have any questions about your legal rights, you may contact the attorneys at Outten & Golden LLP at XXXX@outtengolden.com or [phone]. Reply *STOP* to prevent notifications.

Exhibit D-1 (Check Cashing Reminder Postcard)

**IMPORTANT REMINDER
PAYSCALE OVERTIME SETTLEMENT -- CHECK CASHING DEADLINE**

Dear <<Name1>>:

On [DATE], you were mailed a settlement check for your portion of the Payscale Overtime Settlement. Our records reflect that you have **not** cashed your settlement check. **This is to remind you that you must cash your settlement check by [DATE]** or your check will be void and you will not be entitled to recover any portion of the settlement in the future.

If you did not receive, no longer have, or have questions regarding your settlement check, you should contact the Settlement Administrator at [insert email] to request a replacement check.

Exhibit D-2 (Check Cashing Reminder Email)

From: Payscale Overtime Settlement ([XX]@[XXX].com)

**Subject: IMPORTANT REMINDER –PAYSCALE OVERTIME SETTLEMENT --
CHECK CASHING DEADLINE**

Body of Email:

<<Name1>>

On [DATE], you were mailed a settlement check for your portion of the Payscale Overtime Settlement. Our records indicate that you have **not** cashed or deposited your settlement check. If you did not receive, no longer have, or have questions regarding the settlement check, you should contact the Settlement Administrator at [insert email] to request a replacement check.

You must cash or deposit your settlement check on or before [DATE], or your check will become void and you will not be entitled to recover any portion of the settlement in the future.

Exhibit D-3 (Check Cashing Reminder Text Message)

From the Settlement Administrator: Recently you should have received a settlement check from the Payscale Overtime Settlement. Our records indicate that you have not cashed or deposited your settlement check. If you don't cash your check by **[DATE]**, it will be void. If you did not receive, no longer have, or have questions regarding the settlement check, you should contact the Settlement Administrator at [insert email] to request a replacement check. Reply *STOP* to prevent notifications.

Exhibit E – PAGA Enclosure

Dear [PAGA Member Name]:

The enclosed check includes your share of the California Private Attorneys General Act (“PAGA”) settlement payment in *Smith and Sargent v. Payscale, Inc.*, a collective action settlement. You are receiving this check because you are a member of the settlement’s PAGA Aggrieved Employee group, which is defined to include individuals employed by Payscale in California as Sales Development Representatives at any time from June 1, 2024, and through November 21, 2025.

The Plaintiffs alleged that Payscale failed to pay SDRs all overtime wages owed due to its failure to instruct and ensure SDRs recorded all overtime hours worked. The Plaintiffs brought related claims against Payscale seeking penalties for alleged violations of the California Labor Code, including claims for unpaid wages, missed breaks, failure to provide timely payment of wages upon separation from employment, and failure to provide timely, accurate, and itemized wage statements.

The action included a PAGA claim brought on behalf of the State of California that sought penalties from Payscale for all violations Plaintiffs alleged. Payscale denies that it did anything wrong and contends that, among other things, it has complied with all applicable laws.

To settle the PAGA claim, Payscale agreed to pay up to \$5,000.00 (out of the Total Settlement Amount of \$675,000), which will be distributed according to PAGA’s requirement that 65% be distributed to the California Labor Workforce Development Agency and the remaining 35% be paid to members of the California PAGA Group. Your individual PAGA settlement payment is determined by your proportional share of the \$1,750 PAGA Payment, based on the number of weeks you worked during the covered period. This PAGA settlement check is separate from and in addition to any other individual settlement payment you may receive in this case.

Because the State of California has released its PAGA claims through this settlement, you are precluded from bringing claims for PAGA penalties that were pled in the operative demand or that could have been pled based on the facts alleged in the demand and that accrued during your employment with Payscale from June 1, 2024, through November 21, 2025. There is no option to exclude yourself from the PAGA portion of the settlement, and you are bound by the PAGA Release (full details of the released claims are available at [URL]).

Enclosed you will also find an IRS Form 1099 for 100% of this payment. Please note that neither the Settlement Administrator nor Class Counsel can provide tax advice. If you have questions about the tax treatment of this payment, we suggest that you consult your tax advisor or accountant.

Please cash or deposit the check on or before its printed void date. Checks will not be re-issued after the void date and will revert to the California unclaimed property fund. If you have any questions about the calculation of your payment, please contact the Settlement Administrator at [insert number] or [insert email] or Class Counsel, Outten & Golden LLP, at [insert number] or XXX@outtengolden.com.

Regards,

Payscale Settlement Administrator