

**ARBITRATION
BEFORE HUNTER R. HUGHES III, ARBITRATOR
HUNTER HUGHES ADR**

Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez, individually and on behalf all others similarly situated,

Claimants,

v.

Squire Technologies, Inc.,

Respondent.

**CLAIMANTS' UNOPPOSED MOTION FOR APPROVAL OF SETTLEMENT,
SERVICE AWARDS, AND ATTORNEYS' FEES AND COSTS**

I. INTRODUCTION

Following an investigation, informal discovery, and extensive arm's-length negotiations between experienced counsel, Claimants Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez ("Claimants"), individually and on behalf of all other Inside Sales Employees,¹ and Respondent, Squire Technologies, Inc. ("Squire" or "Respondent"), agreed, subject to Arbitrator approval, to resolve this wage and hour action for valuable consideration. The settlement satisfies the criteria for approval of a Fair Labor Standards Act ("FLSA") settlement and for a Private Attorney General Act ("PAGA")

¹ "Inside Sales Employees" refers to any individual who worked for Squire as an exempt-classified Account Executive, Sr. Account Executive, Customer Product Specialist, Customer Support Specialist, Director of Enterprise Sales, Sales Representative, Sales Development Representative, Sr. Sales Development Team Lead, and Lead Acquisition Specialist or similar variations of any of the foregoing.

settlement because it resolves a bona fide dispute, was the result of arm's-length settlement negotiations conducted by counsel well-versed in wage and hour law with the assistance of an experience mediator, and is fair, reasonable, and adequate.

Accordingly, Claimants respectfully request that the Arbitrator enter the Proposed Award: (1) approving the \$900,000.00 settlement amount as fair, adequate, and reasonable; (2) approving the PAGA settlement; (3) authorizing the distribution of the proposed Notices, Reminder Notices, and PAGA Check Enclosure Letter,² in accordance with the terms of the Settlement Agreement; (4) approving a Service Award of \$8,500.00 to each of the Claimants for their service to the collective (\$59,500.00 total); (5) approving Claimants' request for one-third of the settlement fund for attorneys' fees; (6) approving reimbursement of \$7,750.05 to Claimants' Counsel for reasonably incurred costs and expenses; (7) dismissing the case with prejudice; (8) incorporating the terms of the Settlement Agreement; and (9) retaining jurisdiction to enforce the Settlement.

II. FACTUAL AND PROCEDURAL BACKGROUND

A. Factual Dispute

Claimants and those similarly situated are current and former employees of Squire who worked as Inside Sales Employees for Squire. Claimants allege that Squire violated the FLSA by failing to pay them and other Inside Sales Employees proper overtime compensation for all hours worked over forty in a workweek. Statement of Claim ¶ 72. Claimant Balagot also brings PAGA claims stemming from Squire's alleged failure to pay her and other Inside Sales

² The Settlement Agreement and Release ("Settlement Agreement") is attached hereto as Exhibit 1. Unless otherwise noted, all capitalized terms used in this motion have the same definition as provided in the Settlement Agreement. The Notices, Reminder Notices, and PAGA Check Enclosure Letter are attached as Exhibits A, B, and C to the Settlement Agreement, respectively. The Proposed Award is attached as Exhibit 2.

Employees proper overtime. *Id.* ¶¶ 114-16. Claimants bring their own individual claims under relevant state laws. *Id.* ¶¶ 87-113. Squire denies these allegations and denies that it committed any wrongdoing or violated any federal, state, or local laws pertaining to payment of wages or hours worked or any other wage-related claim or allegation, and otherwise disputes all claims asserted in the Statement of Claim.

B. Overview of Investigation, Arbitration and Settlement Negotiations

Before the initiation of this arbitration, Claimants' Counsel conducted a thorough investigation into the merits of the potential claims and defenses. Claimants' Counsel focused their investigation and legal research on the underlying merits of the potential collective action members' claims, the damages to which they were entitled, and the propriety of collective action certification. Claimants' Counsel also conducted in-depth interviews with the Claimants and other former Inside Sales Employees.

On November 27, 2023, in an effort to explore a potential pre-litigation resolution, Plaintiffs informed Squire of the claims and invited it to consider the possibility of settlement discussions. The Parties subsequently agreed to explore settlement through pre-suit mediation and executed an agreement to toll the statute of limitations on behalf of Plaintiffs effective as of December 15, 2023. The parties selected Martin F. Scheinman, Esq., an experienced class and collective action wage and hour mediator, to mediate the dispute.

Squire produced summary compensation and personnel information for approximately 143 current and former Inside Sales Employees. This data allowed the parties to calculate damages, including data related to the number of persons in the Inside Sales Employees job title, their annual compensation (including bonuses and incentive pay), and the number of workweeks within the period at issue. Squire also produced Claimants' arbitration agreements and other

personnel documents. Claimants' Counsel analyzed the personnel data and constructed a damages model. Claimants' Counsel also produced detailed declarations from Claimants in support of their claims. In preparation for mediation, the parties drafted mediation briefs setting forth their respective positions as to liability and damages, which the parties exchanged pre-mediation. The parties also engaged in pre-mediation discussions with the mediator and each other to ensure a productive mediation session would follow.

On March 7, 2024, the parties attended a good-faith, arm's length mediation via video conference with Mediator Scheinman. The parties were unable to reach a settlement during the mediation, however, the mediator made a proposal which the parties accepted on March 14, 2024. Following the mediation, the parties negotiated a term sheet which was fully executed on May 13, 2024. Claimant Balagot submitted a PAGA letter to the LWDA on May 17, 2024. The parties continued negotiating the terms of the final Settlement Agreement, which was fully executed on August 28, 2024.

On September 6, 2024, Claimants filed the Statement of Claims and this Approval Motion with the Arbitrator to obtain approval of the Settlement. Claimant Balagot will submit the proposed settlement to the LWDA at the same time this motion is submitted.

III. SUMMARY OF THE SETTLEMENT TERMS

A. The Settlement Fund and Settlement Claims Administration

The Settlement Agreement establishes a settlement fund of \$900,000.00 to settle all claims against Respondent (the "Gross Fund"). Ex. A (Settlement Agreement) §§ 1.12, 5.1(ii). The Gross Fund represents the maximum amount to be paid by Respondent, assuming the

settlement includes no more than 6,683 weeks,³ and includes awards to Participating Covered Employees, the PAGA Fund, the cost of arbitration settlement approval, Arbitrator-approved Service Awards as more fully set forth herein, the Settlement Administrator's fees and costs, Arbitrator-approved Claimants' Counsel's fees and costs, and the Employer Payroll Taxes. *Id.* Within 25 days of the Effective Date,⁴ Respondent will fund the Settlement by paying the full amount of the Gross Fund into a Qualified Settlement Fund ("QSF") established by the Settlement Administrator. *Id.* § 5.1(iii). The PAGA Fund is \$9,000.00 and shall be distributed seventy-five (75%) of the PAGA Fund to the California Labor and Workforce Development Agency (LWDA), or \$6,750.00, and twenty-five (25%) percent to the PAGA Members, or \$2,250.00. *Id.* § 1.21.

The parties selected Rust Consulting as the Settlement Administrator in this matter. As set forth below and as fully explained in the Settlement Agreement, the responsibilities of the Settlement Administrator include, among others: establishing the QSF; distributing the Notice and Settlement Checks with "back-of-the-check" releases to Covered Employees; sending Notice and a Reminder Notice to Covered Employees by mail and email; updating addresses and making diligent efforts to locate Covered Employees; determining the amount of payments to Covered Employees, and mailing settlement payments to Covered Employees. *Id.* §§ 4.1-4.9.

B. Eligible Employees

Pursuant to the Settlement Agreement and for the purpose of settlement only, the parties have agreed that those eligible to participate in the settlement, referred to as "Covered

³ Should the total number of workweeks increase beyond 6,683 workweeks, the Gross Fund will increase by \$134.67 for each additional workweek. *Id.* § 5.1(ii).

⁴ The Effective Date is defined in the Settlement Agreement as "the date of the Arbitrator's entry of the Approval Award." *Id.* § 1.7.

Employees,” include Claimants and individuals who were employed by Respondents as Inside Sales Employees from December 15, 2017 through April 8, 2024 for any Covered Employees employed by Squire in New York; December 15, 2019 through April 8, 2024 for any Covered Employees employed by Squire in California; and December 15, 2020 through April 8, 2024 for any Covered Employees employed by Squire in any other state. *Id.* §§ 1.6, 1.40. Covered Employees also include PAGA Members who are Inside Sales Employees employed by Squire in California from December 15, 2022 through April 8, 2024. *Id.* §§ 1.6, 1.23.

Within 7 business days of the Effective Date of the Settlement Agreement, Respondent will provide a list, in electronic form, of each Covered Employee’s name, Last Known Contact Information (address, email, and telephone number), dates of employment, and social security numbers. *Id.* § 4.5. The Settlement Administrator will calculate and report to Claimants’ Counsel the number of Eligible Workweeks so that the Parties have equal information regarding the potential trigger of Section 5.1(ii) of the Settlement Agreement. *Id.*

C. Notice and Check Distribution

Settlement Packets will be mailed via First Class United States Mail to Covered Employees by the Settlement Administrator within 14 days of the Funding Date. *Id.* § 4.6. The Notice will advise the Covered Employee of the claims raised, the settlement terms, their pro rata share of the Settlement, and provide instructions on how to cash their settlement check to become a Participating Covered Employee. *Id.* Exs. A-1, A-2. The Notice will also include the Settlement Administrator and Claimants’ Counsel’s contact information to allow Covered Employees to obtain information about the settlement and update their contact information. *Id.* The Notice will inform Covered Employees that by cashing their check, they agree to participate in the settlement and release their claims against Squire. PAGA Members will also receive the

PAGA Check Enclosure Letter explaining their PAGA Payment. *Id.* Ex. C.

Covered Employees will have seventy-five (75) days from the date the Settlement Packet is mailed to cash their checks (the “Opt-in Period”). *Id.* §§ 1.18, 4.8. The Settlement Administrator will make commercially reasonable searches for new contact information for Covered Employee whose Notices are returned as undeliverable with no forwarding address and make diligent efforts in locating all Covered Employee, including calling Covered Employee, if necessary. *Id.* § 4.1. The Settlement Administrator will also send a Reminder Notice via First-Class U.S. Mail and email thirty (30) days after the initial mailing of the Settlement Packet to any Covered Employee who, at the time of mailing the Reminder Notice, has not cashed a check. *Id.* § 4.7. After 30 days from the issuance of the checks, the Settlement Administrator shall provide a report of any uncashed checks to Claimants’ counsel and Respondent’s counsel, and the Settlement Administrator will make reasonable efforts to contact Covered Employee who have not cashed checks. *Id.*

Covered Employees who timely cash their checks within the Opt-in Period will be considered “Participating Covered Employees,” and release their claims against Squire, as described below. *Id.* § 1.25. Covered Employees who do not cash their checks will not release any claims and will waive their right to receive a settlement payment. *Id.* § 4.8. All amounts remaining in the QSF following the Opt-in Period will revert to Respondent. *Id.* § 5.4(iii).

D. Allocation Formula

Participating Covered Employees will receive a settlement payment pursuant to an allocation formula based on the number of weeks they worked during the relevant period. *Id.* § 5.4. Covered Employee will receive one (1) point for each week worked as an Inside Sales Employee during the Covered Period. *Id.* Each Covered Employee’s proportionate share will be

calculated by (1) adding all points together for all Covered Employees to obtain the “Denominator”; (2) dividing the number of points for each Covered Employee by the Denominator to obtain each Covered Employee’s “Portion of the Net Fund”; and (3) multiplying each Covered Employee’s Portion of the Net Fund by the Net Fund to determine each Covered Employee’s Settlement Amount. *Id.* PAGA Members will receive an additional payment from the PAGA Fund. *Id.* § 5.4(ii). PAGA Members’ proportionate shares of the PAGA Payment will be calculated by assigning one (1) point for each week in the PAGA Period then (1) adding all points together for all PAGA Members to obtain the “Denominator”; (2) dividing the number of points for each PAGA Member by the Denominator to obtain each PAGA Member’s “Portion of the PAGA Payment”; and (3) multiplying each PAGA Member’s Portion of the PAGA Payment by the PAGA Payment to determine each PAGA Member’s individual PAGA Payment. *Id.* The Settlement Administrator will mail checks to each Covered Employee subject to applicable employee payroll taxes and withholdings. *Id.* § 5.4(iv).

E. Release

Participating Covered Employees will release Respondent and all Releasees, *see id.* § 1.29, from any and all federal and state wage claims alleged in the arbitration demand or that could have been alleged based on the facts alleged and that arose during their employment as an exempt-classified Inside Sales Employee during the Settlement Period, including without limitations, all claims for unpaid overtime wages, meal and rest breaks, waiting time, wage statement and notice violations, unpaid business expenses, and related claims for interest, liquidated damages, penalties, attorneys’ fees, costs, and expenses. *Id.* § 6.1.

In the event the Claimants receive and accept a Service Award, Claimants will provide general releases as described in the Settlement Agreement. *Id.* § 6.2.

F. Service Awards

The Settlement Agreement provides that, with Arbitrator approval, Claimants will receive a \$8,500.00 Service Award each in recognition of assistance rendered in obtaining the benefits of the settlement for the Covered Employees as well as the risks they took to do so. *Id.* § 5.3.

Claimants assisted counsel in the investigation of the claims, helped prepare for the mediation by discussing mediation strategy and settlement terms, submitted detailed declarations in advance of mediation, remained on-call and available during the mediation session, and reviewed, approved, and signed the Settlement Agreement. Respondent does not oppose this payment.

G. Attorneys' Fees and Litigation Costs

Under the Settlement Agreement and as set forth herein, Claimants' Counsel requests Arbitrator approval of an award of \$300,000.00 (one-third of the \$900,000.00 Gross Fund) as attorneys' fees, plus an additional \$7,750.05 to reimburse Claimants' Counsel for their reasonable costs and litigation expenses. *Id.* § 5.2(i).

IV. ARGUMENT

A. FLSA Settlements Require Approval.

Section 216(b) of the FLSA permits employees to bring private actions to recover wages on their behalf and on behalf of "other employees similarly situated." 29 U.S.C. § 216(b). Proposed settlements under the FLSA require approval. *Lynn's Food Stores, Inc. v. U.S.*, 679 F.2d 1350, 1352-54 (11th Cir. 1982) (citing *Brooklyn Savings Bank v. O'Neil*, 324 U.S. 697 (1945)). Pursuant to a private enforcement action under Section 216(b) of the Act, a district court or arbitrator may approve a settlement reached as a result of contested litigation to resolve a bona fide dispute between the parties over FLSA coverage. *See Lynn's Food Stores, Inc.*, 679 F.2d at 1352-54. When a "proposed FLSA settlement reflects a reasonable compromise over

contested issues,” the arbitrator should approve the settlement. *Beckman v. KeyBank, N.A.*, 293 F.R.D. 467, 476 (S.D.N.Y. 2013).

B. The Settlement Is Fair and Reasonable and Should Be Approved.

This Settlement should be approved for multiple reasons. First, the Settlement is the result vigorous arm’s-length negotiations between experienced counsel that was reached after informal discovery and facilitated by an experienced mediator. *deMunecas v. Bold Food, LLC*, No. 09 Civ. 440, 2010 U.S. Dist. LEXIS 87644, at *10 (S.D.N.Y. Aug. 23, 2010) (settlement approved, stating “a presumption of fairness, adequacy and reasonableness may attach to a class settlement reached in arms-length negotiations between experienced, capable counsel after meaningful discovery”) (quoting *In re BankAmerica Corp. Sec. Litig.*, 210 F.R.D. 694, 700 (E.D. Mo. 2002)); *Campos v. Goode*, No. 10 Civ. 0224, 2011 U.S. Dist. LEXIS 22959, at *16 (S.D.N.Y. Mar. 4, 2011) (settlement approved after “the parties engaged in mediation with an experienced mediator in an effort to reach a resolution”); *Khait v. Whirlpool Corp.*, No. 06 Civ. 6381, 2009 U.S. Dist. LEXIS 114817, at *4 (E.D.N.Y. Oct. 1, 2009) (holding “[t]he assistance of [experienced mediator[s] . . . reinforces that the Settlement Agreement is non-collusive”).

Second, the Gross Fund of \$900,000.00 and Net Fund of \$512,749.95 is substantial in light of the considerable risks that Claimants and Covered Employees faced. Claimants’ Counsel estimate the Gross Fund represents approximately 49% of Covered Employees’ unpaid overtime and PAGA penalties (the Net Fund represents approximately 28%), not inclusive of liquidated damages or prejudgment interest. The recovery analysis assumes, for settlement purposes only, that Covered Employees worked approximately seven hours of uncompensated overtime per week during 80% of workweeks and missed four lunch breaks per week, which Squire disputes. It also assumes that Claimants could prove entitlement to a 3-year statute of limitation under the

FLSA, and that the one and one-half times method of calculating damages (as opposed to the fluctuating workweek method) applies for all three years. *See, e.g., Castro v. Black Rose Hosp. LLC*, No. 21 Civ. 5834, 2022 U.S. Dist. LEXIS 7717, at *3 (S.D.N.Y. Jan. 14, 2022) (approving settlement of 30% of unpaid wages with damages); *Ye v. Fuji Hana Rest. Corp.*, No. 20 Civ. 2749, 2021 U.S. Dist. LEXIS 87549, at *3 (E.D.N.Y. May 7, 2021) (approving settlement that represented 34% of total damages sought); *Weil v. Mark D. Levy Horticultural Servs., LLC*, No. 19 Civ. 4493, 2019 U.S. Dist. LEXIS 186584, at *2 (S.D.N.Y. Oct. 25, 2019) (approving individual FLSA settlement amounting to 37% of unpaid wages); *see also Adorno v. Evergreen Gourmet Deli Inc.*, No. 18 Civ. 4008, 2022 U.S. Dist. LEXIS 12435, at *3 (S.D.N.Y. Jan. 24, 2022) (approving settlement amount, net attorneys' fees, accounting for 18% of maximum damages); *Aguilar v. N & A Prods.*, No. 19 Civ. 1703, 2019 U.S. Dist. LEXIS 185030 (S.D.N.Y. Oct. 24, 2019) (finding settlement amount reasonable that constituted 7% of estimated potential recovery in light of significant risk to claims); *Beckert v. Rubinov*, No. 15 Civ. 1951, 2015 U.S. Dist. LEXIS 167052, at *4 (S.D.N.Y. Dec. 14, 2015) (approving settlement where net recovery was approximately 25% of damages). Claimants' Counsel estimates that the Settlement will cover approximately 6,683 workweeks and that the average Covered Employees' proportionate share of the Net Fund will be approximately \$512,749.95.

The settlement provides that \$9,000.00 of the Gross Fund will be allocated to the Settlement of the PAGA Members' claims, which represents 1% of the Gross Fund. Claimants estimated maximum PAGA Penalties are approximately \$92,800 based on the same assumptions above. The PAGA Fund therefore represents approximately 9.7% of the Claimants' maximum theoretical PAGA recovery. This recovery is reasonable because courts have discretion to reduce PAGA penalties, Cal. Lab. Code § 2699(e)(2), and is well within the range that courts

routinely approve. *See, e.g., McLeod v. Bank of Am., N.A.*, No. 18 Civ. 3294, 2018 U.S. Dist. LEXIS 195314, at *5, 10, 14 (N.D. Cal. Nov. 14, 2018) (approving PAGA penalties approximately 1% of maximum penalties); *Ruch v. AM Retail Grp., Inc.*, No. 14 Civ. 05352, 2016 U.S. Dist. LEXIS 133832, at *20-21 (N.D. Cal. Sept. 28, 2016) (approving PAGA penalties less than 1% of maximum penalties); *Hartley v. On My Own, Inc.*, No. 17 Civ. 00353, 2020 U.S. Dist. LEXIS 154315, at *10-11 (E.D. Cal. Aug. 25, 2020) (approving settlement with PAGA penalty of 3.5% of maximum potential penalties, resulting in average payment per employee of \$61); *Haralson*, 383 F. Supp. 3d 959, 972-74 (N.D. Cal. June 7, 2019) (citing cases reflecting approval of settlements with PAGA penalties at 0.2% to 1.1% of the total potential value); *Ramirez v. Benito Valley Farms, LLC*, No. 16 Civ. 4708, 2017 U.S. Dist. LEXIS 137272, at *14-15 (N.D. Cal. Aug. 25 2017) (approving PAGA penalties of less than 4.5% of maximum penalties); *cf. Harvey v. Morgan Stanley Smith Barney LLC*, No. 18 Civ. 2835, 2019 U.S. Dist. LEXIS 159258, at *8-11 (N.D. Cal. Sep. 5, 2019) (approving class/PAGA settlement valued at 2% to 6.6% of total exposure, depending on different analyses of the value of the claims, over a class member's objection that the settlement amount was too low).

Third, Claimants faced risks related to maintaining a § 216(b) collective action through trial, and, at trial, establishing liability and damages. “Litigation inherently involves risks.” *In re PaineWebber Ltd. P’ships Litig.*, 171 F.R.D. 104, 126 (S.D.N.Y. 1997), *aff’d sub nom.* 117 F.3d 721 (2d Cir. 1997). Indeed, “[i]f settlement has any purpose at all, it is to avoid a trial on the merits because of the uncertainty of the outcome.” *In re Ira Haupt & Co.*, 304 F. Supp. 917, 934 (S.D.N.Y. 1969); *see also Velez v. Majik Cleaning Serv., Inc.*, No. 03 Civ. 8698, 2007 U.S. Dist. LEXIS 46223, at *19 (S.D.N.Y. June 22, 2007). “Approval of a class settlement is appropriate when ‘there are significant barriers plaintiffs must overcome in making their case.’”

Betancourt v. Advantage Hum. Resourcing, Inc., No. 14 Civ. 1788, 2016 U.S. Dist. LEXIS 10361, at *10-11 (N.D. Cal. Jan. 28, 2016) (citation omitted).

Here, Respondent would primarily argue that its arbitration agreements prevent Covered Employees from bringing their claims on a class or collective-wide basis. If Squire succeeded, this would dissuade many of the Covered Employees from bringing their claims. Squire would likely further argue there are differences among job duties or other individualized questions that defeat certification of the collective. *See, e.g., Eng-Hatcher v Sprint Nextel Corp.*, No. 07 Civ. 7350, 2009 U.S. Dist. LEXIS 127262, at *16 (S.D.N.Y. Nov. 13, 2009) (denying certification of collective of sales consultants for lack of proof of common policy); *Beckman*, 293 F.R.D. at 480 (collecting misclassification cases where courts decertified FLSA collectives).

Even if Claimants could defeat motions to compel arbitration and maintain collective treatment through trial, they would have to defeat Respondent's likely argument that the fluctuating workweek applies to any damages calculation. *See Banford v. Entergy Nuclear Operations, Inc.*, 649 F. App'x 89, 90-93 (2d Cir. 2016). Claimants would also have to prove that Covered Employees were not subject to FLSA overtime exemptions. Although Claimants maintain their primary duties were non-exempt and eligible for overtime, Respondent would likely argue they and others qualified as exempt employees under the commissioned sales exemption, the outside sales exemption, or the administrative exemption. *See, e.g., Schwind v. EW & Assocs.*, 371 F. Supp. 2d 560, 564, 567 (S.D.N.Y. 2005); *Marcus v. AXA Advisors, LLC*, 307 F.R.D. 83, 94-95 (E.D.N.Y. 2015); *Klein v. Torrey Point Grp., LLC*, 979 F.Supp.2d 417, 427 (S.D.N.Y.2013). Claimants believe they would ultimately establish Respondent's liability. However, each exemption inquiry is highly contextual, requiring significant factual development, and litigation of exemption defenses inherently poses significant risks. Moreover,

Claimants would have to prove the amount of overtime work, which is difficult where, as here, there are no contemporaneous records.

Fourth, the proposed allocation formula is reasonable. It reflects a proportion of damages owed to Covered Employees based on the total number of weeks they worked for Respondent which is a reasonable approximation of each Covered Employees' relative damages. *See, e.g., Henry v. Little Mint, Inc.*, No. 12 Civ. 3996, 2014 U.S. Dist. LEXIS 72574, at *8-9 (S.D.N.Y. May 23, 2014) (approving an allocation formula based in part on number of workweeks class members were employed during the class period); *Alli v. Bos. Mkt. Corp.*, No. 10 Civ. 4, 2011 U.S. Dist. LEXIS 143303, at *10 (D. Conn. Dec. 8, 2011) ("The Parties have agreed to a settlement that compensates individuals based on weeks worked during the relevant time periods. This is a fair and reasonable provision[.]").

C. One-Step Approval Is Standard for FLSA Settlements.

A one-step approval process is the norm in FLSA settlements that do not include Rule 23 classes. This is because collective actions under Section 216(b) of the FLSA do not implicate the same due process concerns as Rule 23 class actions. Collective actions under Section 216(b) require workers to affirmatively opt-in to the litigation, unlike in a Federal Rule of Civil Procedure 23 class action. *See, e.g., Lauture v. A.C. Moore Arts & Crafts, Inc.*, No. 17 Civ. 10219, 2017 U.S. Dist. LEXIS 87928, at *2-3 (D. Mass. June 8, 2017) (endorsing one-step process for approval of FLSA collective action settlement); *Koszyk v. Country Fin.*, No. 16 Civ. 3571, 2016 U.S. Dist. LEXIS 126893, at *2 (N.D. Ill. Sept. 16, 2016) ("A one-step settlement approval process is appropriate."). A failure to opt in "does not prevent [non-participating employees] from bringing their own suits at a later date." *McKenna v. Champion Int'l Corp.*, 747 F.2d 1211, 1213 (8th Cir. 1984), *abrogated on other grounds by Hoffman-La Roche Inc. v.*

Sperling, 493 U.S. 165 (1989).

Accordingly, “[u]nlike Rule 23, section 216(b) does not require a district court to notify potential claimants about a proposed settlement.” *Haskett v. Uber Techs., Inc.*, 780 F. App’x 25, 27 (4th Cir. 2019) (per curiam); *see also Scott v. Chipotle*, 954 F.3d 502, 519 (2d Cir. 2020) (“Rule 23’s requirements . . . are intended to protect the due process rights of absent class members, which is not a consideration in a nonrepresentative action such as a collective action under § 216(b).”); *Hager v. Omnicare, Inc.*, No. 19 Civ. 484, 2021 U.S. Dist. LEXIS 219456, at *11-12 (W.D. Va. Nov. 15, 2021) (“Because the claims in this case arise solely under the FLSA, no additional notice is required to be issued to the collective action members before the settlement may be approved.”).

D. The Arbitrator Should Approve the Proposed Notice.

The Arbitrator should also approve the proposed Notice, Email Notice, Reminder Postcard, Reminder Email, and PAGA Check Enclosure Letter. *See* Settlement Agreement, Exs. A-C. The proposed Notices sufficiently inform Covered Employees of the terms of the settlement, including how Covered Employees may participate, the settlement payment to which they are entitled, the scope of the release, and the award for attorneys’ fees and costs. *See, e.g., Lauture*, 2017 U.S. Dist. LEXIS 87928, at *3-4 (approving class notice that, *inter alia*, described allocation formula, steps to participate, consequences of non-participation, and scope of release); *Lapan v. A.C. Moore Arts & Crafts, Inc.*, No. 17 Civ. 10219, 2015 WL 8664204, at *3 (D. Mass. June 8, 2017) (approving class notice that, *inter alia*, described settlement terms and fee allocation); *Michaud v. Monro Muffler Brake, Inc.*, No. 12 Civ. 353, 2015 WL 1206490, at *10 (D. Me. Mar. 17, 2015) (approving “notices [that]. . . communicate accurate information about the suit in order to enable potential collective action members to make informed decisions about

whether to participate”) (internal quotation omitted); *see also Prena v. BMO Fin. Corp.*, No. 15 Civ. 9175, 2015 WL 2344949, at *1 (N.D. Ill. May 15, 2015) (approving one-step settlement notice when it was “sufficiently in plain English to explain the important points: the terms of the settlement, the allocation formula, the amount of the entitlement, how to opt-in, and that cashing the check is equivalent to releasing the claim”); *Bozak v. FedEx Ground Package Sys., Inc.*, No. 11 Civ. 738, 2014 U.S. Dist. LEXIS 106042, at *9-10 (D. Conn. July 31, 2014) (approving FLSA notice providing notice of settlement terms and options facing collective).

E. The Service Awards to Claimants Should be Approved as Fair and Reasonable.

Claimants request approval of Service Awards of \$8,500 each. This request is reasonable given the significant contributions they made to advance the prosecution and resolution of the lawsuit. In exchange for the Service Awards, Claimants will provide a general release as described in the Settlement Agreement. Settlement Agreement § 6.2.

Service awards are appropriate because named plaintiffs in collective action cases play a crucial role in bringing justice to those who would otherwise be hidden from judicial scrutiny. *Scovil v. FedEx Ground Package Sys.*, No. 10 Civ. 515, 2014 WL 1057079, at *6 (D. Me. Mar. 14, 2014) (“Because a named plaintiff is an essential ingredient of any class action, an incentive award can be appropriate to encourage or induce an individual to participate in the suit.”). This is especially true in employment litigation. *See Bozak*, 2014 U.S. Dist. LEXIS 106042, at *11 (“[I]n employment litigation, the plaintiff is often a former or current employee of the defendant, and thus, by lending his name to the litigation, he has, for the benefit of the class as a whole, undertaken the risk of adverse actions by the employer or co-workers.” (quoting *Velez v. Majik Cleaning Serv., Inc.*, No. 03 Civ. 8698, 2007 U.S. Dist. LEXIS 46223, at *23 (S.D.N.Y. June 25, 2007))); *see generally* Nantiya Ruan, *Bringing Sense to Incentives: An Examination of Incentive*

Payments to Named Plaintiffs in Employment Discrimination Class Actions, 10 Emp. Rts. & Emp. Pol’y J. 395 (2006).

Service awards serve the important purpose of compensating plaintiffs and claimants for the time and effort expended in assisting the prosecution of the dispute, the risks incurred by becoming and continuing as a claimant, and any other burdens sustained by claimants. *See, e.g., In re Celexa & Lexapro Mktg. & Sales Practices Litig.*, No. MDL 09-2067, 2014 U.S. Dist. LEXIS 125041, at *25 (D. Mass. Sept. 8, 2014) (“The purpose of [] incentive awards is to reimburse the plaintiffs for their effort in pursuing the claims on behalf of the entire class.”).. Service awards are commonly awarded to those who serve the interests of a class and/or collective.

“[I]ncentive awards are an efficient and productive way to encourage members of a class to become class representatives, and to reward the efforts they make on behalf of the class.” *Lucken Family Ltd. P’ship, LLP v. Ultra Res., Inc.*, No. 09 Civ. 1543, 2010 U.S. Dist. LEXIS 144366, at *16 (D. Colo. Dec. 22, 2010). “[I]t is appropriate to reward wage and hour plaintiffs who obtain tangible benefits for their fellow workers.” *Mullins v. S. Ohio Pizza, Inc.*, 17 Civ. 426, 2019 U.S. Dist. LEXIS 11019, at *17 (S.D. Ohio Jan. 17, 2019). When reviewing incentive awards, courts consider “(1) the actions that the class representative took to protect the interests of the class; (2) the degree to which the class has benefited from those actions; and (3) the amount of time and effort the class representative expended in pursuing the litigation.” *Id.* at *6 (citing *Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir. 1998)). Each of these considerations weigh in favor of the requested Service Awards here.

Here, the requested Service Awards meet all of these criteria. First, Claimants spent a significant amount of time and effort, and took significant risk to protect the interests of the

Covered Employees, and those actions resulted in a substantial benefit to the Covered Employees. They participated in an extensive pre-suit investigation, they provided important factual information prior to mediation, conferred with counsel regarding settlement strategy and settlement numbers, provided detailed declaration testimony that aided negotiations, provided Counsel with settlement authorization, remained on-call to answer questions and approve settlement offers during the mediation session, answered counsel's questions during the mediation session, reviewed and commented on the terms of the Settlement, and reviewed and executed a consent-to-join form. Courts have approved service awards for similar activities. *See, e.g., Lauture*, 2017 U.S. Dist. LEXIS 87928, at *9 (approving \$15,000 award for plaintiffs that participated in a pre-suit investigation, provided information and documents crucial to establishing the plaintiffs' claims, and assisting plaintiffs' counsel in analyzing documents and preparing for mediation); *Sewell v. Bovis Lend Lease, Inc.*, No. 09 Civ. 6548, 2012 U.S. Dist. LEXIS 53556, at *42-43 (S.D.N.Y. Apr. 16, 2012) (service awards of \$15,000 and \$10,000 where plaintiffs provided counsel with relevant documents, assisted counsel in preparing for mediation, participated in litigation strategy, and reviewed and commented on the terms of the settlement); *see also Parker v. Jekyll & Hyde Ent. Holdings, L.L.C.*, No. 08 Civ. 7670, 2010 U.S. Dist. LEXIS 12762, at *5 (S.D.N.Y. Feb. 9, 2010) (awards of up to \$15,000 are "consistent with the range of incentive awards that have been approved in similar wage and hour cases").

Second, Covered Employees have benefited from the Claimants' efforts. Claimants provided Claimants' Counsel with important information about Inside Sales Employees' claims, which informed Claimants' Counsel's investigation, mediation, and settlement of the case. Claimants' active participation in the case benefited Covered Employees who now stand to gain valuable monetary awards to resolve their claims. Moreover, the sheer number of Claimants

who stepped forward forced Respondent to contend with the very real possibility that if it sought to enforce its arbitration agreements, it would face a significant number of individual claims in arbitration, a costly prospect which helped leverage the class settlement. In short, each Claimants' participation in the case was imperative to its success; and the settlement might not have been reached if each Claimant had not participated. As noted above, Covered Employees are likely to receive a significant percentage of the total damages they stood to recover at trial, even after fees and costs are subtracted from the Gross Fund.

Third, Claimants expended significant time and effort in pursuing their claims. They dedicated many hours to this dispute, including by submitting detailed declarations in advance of the mediation.

The Service Awards are well within the range of incentive awards approved by federal courts and nationwide. *See, e.g., Sewell*, 2012 U.S. Dist. LEXIS 53556, at *40-41 (approving service awards of \$15,000 and \$10,000); *see also Parker v. Jekyll & Hyde Ent. Holdings, L.L.C.*, No. 08 Civ. 7670, 2010 U.S. Dist. LEXIS 12762, at *6 (S.D.N.Y. Feb. 9, 2010) (awards of up to \$15,000 are "consistent with the range of incentive awards that have been approved in similar wage and hour cases"); *Hager*, 2021 U.S. Dist. LEXIS 219456, at *36 (approving \$10,000 service award); *Shaw v. Interthinx, Inc.*, 2015 U.S. Dist. LEXIS 52783, at *25-26 (approving incentive awards of \$10,000 to each named plaintiff); *Lucken Family Ltd. P'ship*, 2010 U.S. Dist. LEXIS 144366, at *16-17 (approving \$10,000 incentive award).

F. Claimants' Counsel's Request for Attorneys' Fees and Costs Is Reasonable.

The Arbitrator should award attorneys' fees as a percentage of the total fund made available to the Covered Employees. "[F]ee awards to counsel further the remedial goals of the FLSA by enabling plaintiffs to obtain the assistance of competent counsel." *Compton v. N. Cent.*

Va. Rests., Inc., No. 20 Civ. 73, 2022 U.S. Dist. LEXIS 159070, at *12-13 (W.D. Va. Sept. 2, 2022). When counsel’s efforts result in the creation of a common fund, counsel is “entitled to a reasonable attorney’s fee from the fund as a whole.” *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *In re Thirteen Appeals Arising Out of San Juan Dupont Plaza Hotel Fire Litig.*, 56 F.3d 295, 307 (1st Cir. 1995). “[W]here an attorney succeeds in creating a common fund from which members of a class are compensated for a common injury inflicted on the class. . . . the attorneys whose efforts created the fund are entitled to a reasonable fee—set by the court—to be taken from the fund.” *Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 47 (2d Cir. 2000). “The rationale for the doctrine is an equitable one: it prevents unjust enrichment of those benefitting from a lawsuit without contributing to its cost.” *Id.*; *accord In re Telik, Inc. Sec. Litig.*, 576 F. Supp. 2d 570, 585 (S.D.N.Y. 2008) (“Fees and expenses are paid from the common fund so that all class members contribute equally towards the costs associated with litigation pursued on their behalf.”).

Although there are two ways to compensate attorneys for successful prosecution of statutory claims—the lodestar method and the percentage-of-the-fund method—courts generally favor awarding fees in common fund cases based upon a percentage of the fund. *Hatzey v. Divurgent, LLC*, No. 18 Civ. 191, 2018 U.S. Dist. LEXIS 187007, at *14 (E.D. Va. Oct. 9, 2018) (“[A] fee award determined by percentage is preferred over the lodestar method in common fund cases such as this one.”); *Jones v. Dominion Res. Servs., Inc.*, 601 F. Supp. 2d 756, 758 (S.D. W. Va. 2009) (“The percentage method has overwhelmingly become the preferred method for calculating attorneys’ fees in common fund cases.”). Awarding a percentage of the common fund is widely recognized as advantageous not only because of its simplicity, but also because it properly aligns the interests of counsel and the collective. *See Wal-Mart Stores, Inc. v. Visa*

U.S.A., Inc., 396 F.3d 96, 121 (2d Cir. 2005) (percentage of the funds method “directly aligns the interests of the class and its counsel and provides a powerful incentive for the efficient prosecution and early resolution of litigation” (internal citation and quotation marks omitted)); *Strang v. JHM Mortg. Sec. Ltd. P’ship*, 890 F. Supp. 499, 503 (E.D. Va. 1995) (“[T]he percentage method is more efficient and less burdensome than the traditional lodestar method, and offers a more reasonable measure of compensation for common fund cases.”).

Claimants’ Counsel prosecuted the claims of the Claimants and Covered Employees based on an agreement that, if successful, they would seek a fee from any recovery as a percentage of the fund. This approach promotes early resolution and removes the incentive for plaintiffs’ lawyers to engage in wasteful litigation in order to increase their billable hours. *See Wal-Mart Stores, Inc.*, 396 F.3d at 121. Where attorneys’ fees are limited to a percentage of the total, courts can expect attorneys to make cost-efficient decisions. Brian T. Fitzpatrick, *Do Class Action Lawyers Make Too Little?*, 158 U. Pa. L. Rev. 2043, 2051-52 (2010) (“To better align the interests of class counsel and the class, judges began compensating class counsel by awarding them a percentage of the class’s recovery. This way, the more the class recovers, the more class counsel are paid, and class counsel have no incentive to drag cases on unnecessarily.”).

The percentage-of-the-fund method promotes early resolution of cases and removes the incentive for plaintiffs’ lawyers to engage in wasteful litigation in order to increase their billable hours. *See In re Thirteen Appeals*, 56 F.3d at 307 (“using the [percentage of the fund] method in a common fund case enhances efficiency”); *see also Norman v. Hous. Auth. of the City of Montgomery*, 836 F.2d 1292, 1300 (11th Cir. 1988) (“From the beginning and throughout a case, expertise in negotiations and tactics often advances a client’s cause more quickly and effectively than the sustained and methodical trench warfare of the classical litigation model.”). Where

attorneys' fees are limited to a percentage of the total, there is a strong disincentive for attorneys "to be inefficient or to drag [their] feet in pursuing settlement options." *In re Thirteen Appeals*, 56 F.3d at 307.

Moreover, the percentage method preserves judicial resources because it permits courts to focus on the benefit conferred upon a class or collective rather than the cumbersome task of reviewing complicated and lengthy billing documents. *Id.* ("[T]he [percentage of the fund] method permits the judge to focus on a showing that the fund conferring a benefit on the class resulted from the lawyers' efforts.") (internal quotation omitted).

The attorneys' fee request of one-third of the Gross Settlement Amount is reasonable. The fee is the customary percentage of the fund awarded to successful counsel in cases such as this. *See Graham v. Famous Dave's of Am., Inc.*, No. 19 Civ. 0486, 2022 U.S. Dist. LEXIS 224376, at *29 (D. Md. Dec. 12, 2022) (collecting cases and noting that one-third of the fund is "in line with fees awarded in other FLSA cases in this circuit"); *Compton*, 2022 U.S. Dist. LEXIS 159070, at *12 ("An attorneys' fee award of 1/3 of the total settlement fund plus litigation expenses is generally appropriate in a wage-and-hour case."); *Devine v. City of Hampton, Virginia*, No. 14 Civ. 81, 2015 U.S. Dist. LEXIS 177155, at *41 (E.D. Va. Dec. 1, 2015) (FLSA settlement agreement provided attorney's fees in the amount of approximately 33% of the settlement fund); *Hatzey*, 2018 U.S. Dist. LEXIS 187007, at *14 (awarding one-third of fund as reasonable attorneys' fees in FLSA collective action settlement).

The request for reimbursement of costs of \$7,750.05 is reasonable, and includes Claimants' share of the mediation costs and other expenses incurred to successfully resolve this case.

V. CONCLUSION

For the reasons set forth above, Claimants respectfully request that the Arbitrator issue an order substantially similar to the Proposed Award attached hereto: (1) approving the \$900,000.00 settlement amount as fair, adequate, and reasonable; (2) authorizing the distribution of the proposed Notice, Email Notice, Reminder Postcard, Reminder Email, and PAGA Check Enclosure Letter in accordance with the terms of the Settlement Agreement; (3) approving Service Awards of \$8,500.00 to each Claimant for their service to the collective; (4) approving Claimants' request for one-third of the settlement fund for attorneys' fees; (5) approving reimbursement of \$7,750.05 to Claimants' Counsel for reasonably incurred costs and expenses; (6) dismissing the arbitration with prejudice; (7) incorporating the terms of the Settlement Agreement; and (8) retaining jurisdiction to enforce the Settlement.

Dated: September 6, 2024
New York, New York

Respectfully submitted,

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Counsel for Claimants and the FLSA Collective

Exhibit 1

SETTLEMENT AGREEMENT AND RELEASE

Claimants Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez (“Claimants”) and Respondent Squire Technologies, Inc. (“Squire” or “Respondent”) (collectively with Claimants, the “Parties”) hereby enter into this Settlement Agreement and Release (the “Agreement”) to resolve the wage and hour claims of Claimants and similarly situated individuals (as set forth more fully below).

RECITALS

WHEREAS, on November 27, 2023, Claimants’ Counsel sent Squire a letter alleging that Squire improperly classified various inside sales employees as overtime-exempt, thereby denying them proper overtime pay and violating federal, California, Illinois, and Massachusetts law (the “Claim”), and invited Squire to engage in settlement negotiations;

WHEREAS, effective December 15, 2023, the Parties agreed to engage in settlement discussions and toll the limitations period on Claimants’ and PAGA Members’ (defined herein) claims;

WHEREAS, on March 7, 2024, the Parties, each represented by counsel, participated in a full-day mediation session with the assistance of experienced wage and hour class and collective action mediator Martin F. Scheinman, at the end of which Mr. Scheinman made a mediator’s proposal which the Parties agreed to on March 14, 2023, settling this matter in principle;

WHEREAS, on May 14, 2024, the Parties executed a Settlement Term Sheet setting forth the key provisions on the settlement;

WHEREAS, Squire and its parents, subsidiaries, affiliates, and employees deny all liability and/or any wrongdoing to Claimants and Covered Employees (defined herein);

WHEREAS, Defendants contend that the Covered Employees all signed arbitration agreements with class and collective action waivers and this Agreement is not intended to be a waiver of those agreements and will not be used by any party as evidence that Squire is waiving any right under those agreements. Covered Employees retain and do not waive any and all arguments relating to arbitration agreements they may have signed for claims not covered by this Agreement;

WHEREAS, the purpose of this Agreement is to settle fully and finally the unpaid overtime claims raised by Claimants; and

WHEREAS, Claimants’ Counsel analyzed and evaluated the merits of the claims; obtained and reviewed documents relating to Squire’s policies; and analyzed payroll and timekeeping data; and 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, Claimants’ 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 Covered 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** “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 Arbitrator approval.
- 1.2** “Approval Award” means an Award to be entered by the Arbitrator which gives approval to the Settlement and this Agreement.
- 1.3** “Arbitrator” means Hunter Hughes, Esq.
- 1.4** “Claimants” means Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez.
- 1.5** “Claimants’ Counsel” means Outten & Golden LLP.
- 1.6** “Covered Employees” means Inside Sales Employees employed in the United States during the Settlement Period. Inside Sales Employees who worked in California during the PAGA Period are also “PAGA Members.”
- 1.7** “Effective Date” means the date of the Arbitrator’s entry of the Approval Award.
- 1.8** “Eligible Collective Workweek” means each full calendar week worked by an Inside Sales Employee during the Settlement Period.
- 1.9** “Eligible PAGA Workweek” means each full calendar week during which Respondent employed a PAGA Member during the relevant PAGA Period.
- 1.10** “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 Settlement, including but not limited to FICA, FUTA, and SUTA obligations.
- 1.11** “Funding Date” means twenty-five (25) days after the Arbitrator’s approval of the Settlement or the date the Parties have selected the Settlement Administrator, whichever is later.
- 1.12** “Gross Fund” means Nine Hundred Thousand Dollars (\$900,000.00), which is the amount that Respondent has agreed to pay to fully resolve and settle these claims (subject to the terms of the Escalator Clause, Paragraph 5.1.ii), which includes Arbitrator-approved Claimants’ attorneys’ fees and costs; any and all amounts to be paid to Participating Covered Employees; the PAGA Fund; the cost of settlement administration; the cost of

arbitration settlement approval; any Arbitrator-approved Service Award; all interest; Employer Payroll Taxes, and all liquidated damages.

- 1.13** “Inside Sales Employee” means any individual who worked for Squire as an exempt-classified Account Executive, Sr. Account Executive, Customer Product Specialist, Customer Support Specialist, Director of Enterprise Sales, Sales Representative, Sales Development Representative, Sr. Sales Development Team Lead, and Lead Acquisition Specialist or similar variations of any of the foregoing.
- 1.14** “Last Known Contact Information” means the most recently recorded personal mailing address, personal email address, and personal telephone number for a Covered Employee as shown in Respondent’s records.
- 1.15** “Mediator” means Martin F. Scheinman.
- 1.16** “Net Fund” means the remainder of the Gross Fund after deductions/payments for: (i) Settlement Administration fees and costs; (ii) Arbitrator-approved Claimants’ Counsel’s attorneys’ fees and costs, as provided for in Section 5.2; (iii) Arbitrator-approved Service Awards to Claimants, as provided for in Section 5.3; (iv) Employer Payroll Taxes; (v) any applicable settlement approval arbitration fees and costs, as set forth under Section 2.4 below; and (vi) the PAGA Fund.
- 1.17** “Notice” means the Arbitrator-approved Official Notice of Collective Action Settlement, as authorized by the Arbitrator, substantially in the form of Exhibit A-1.
- 1.18** “Opt-in Period” shall mean the later of: (i) the seventy-five (75) calendar day period beginning immediately after the Settlement Administrator first sends the Settlement Packet to the Covered Employees; or (ii) thirty (30) calendar days from the Settlement Administrator’s re-mailing of a Settlement Check that was returned as undeliverable by U.S. Mail, provided that reissuances will occur on a rolling basis and no later than the 75th day of the original period.¹
- 1.19** “PAGA Claimant” means Naomi Balagot.
- 1.20** “PAGA Check Enclosure Letter” means the letter attached hereto as Exhibit C, which the Settlement Administrator shall mail to PAGA Members together with the Notice and Settlement Check for the PAGA Member’s portion of the PAGA Payment.
- 1.21** “PAGA Fund” means Nine Thousand Dollars (\$9,000.00) of the Gross Fund that is attributed to the settlement of the PAGA claims of the PAGA Members. Seventy-five percent (75%) of the PAGA Fund, or Six Thousand Seven Hundred and Fifty Dollars (\$6,750.00), shall be paid to the California Labor and Workforce Development Agency (“LWDA”) (“LWDA Payment”) and twenty-five percent (25%) of the PAGA Fund, or

¹ All time periods provided by this Agreement are stated in calendar days, not business days, unless otherwise specifically identified.

Two Thousand Two Hundred and Fifty (\$2,250.00), shall be paid to the PAGA Members (“PAGA Payment”) as set forth in Section 5.4.ii below.

- 1.22** “PAGA Members” are Inside Sales Employees employed by Squire in California from December 15, 2022 through April 8, 2024.
- 1.23** “PAGA Notice Period” means notice period required by California Labor Code 2699.3(a)(2)(A) for the California Labor and Workforce Development Agency to consider the PAGA notice letter, or July 16, 2024 (i.e., 60 days from May 17, 2024, the postmark date of the PAGA notice letter).
- 1.24** “PAGA Period” means December 15, 2022 through April 8, 2024.
- 1.25** “Participating Covered Employees” means each Covered Employee who opts in to the settlement by cashing a Settlement Check and signing a release within the deadline set forth by the Parties and/or the Arbitrator.
- 1.26** “Parties” collectively means Claimants and Respondent.
- 1.27** “Proposed Approval Award” means a proposed award to be submitted to the Arbitrator to approve this Agreement.
- 1.28** “Qualified Settlement Fund” or “QSF” means the account maintained by the Settlement Administrator.
- 1.29** “Releasees” means Respondent and its present and former officers, directors, employees, agents, insurers, investors, successors, predecessors, affiliates, assignees, parents, subsidiaries, divisions, members, shareholders, attorneys, and other related entities.
- 1.30** “Released Claims” means all wage and hour claims pled in the arbitration demand or that could have been pled based on the facts alleged in the arbitration demand, and that accrued during employment with Squire as an exempt-classified Inside Sales Employee during the Settlement Period including, but not limited to, claims for unpaid wages, including overtime wages, meal and rest breaks, waiting time, wage statement and notice violations, unpaid business expenses, and related claims for interest, liquidated damages, penalties, attorneys’ fees, costs, and expenses.
- 1.31** “Released PAGA Claims” means the individual and representative claims relating to penalties under California’s Private Attorney General Act pled in the arbitration demand or that could have been pled based on the facts alleged in the arbitration demand and that accrued during employment with Squire as an exempt-classified Inside Sales Employee, during the PAGA Period.
- 1.32** “Reminder Notice” means the document entitled “Important Reminder Regarding Squire Overtime Settlement,” to be approved by the Arbitrator in a form substantially similar to Exhibit B.
- 1.33** “Respondent” or “Squire” means Squire Technologies, Inc.

- 1.34 “Respondent’s Counsel” means the Littler Mendelson.
- 1.35 “Service Awards” means the award the Arbitrator approves to be paid to Claimants Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez each of up to eight thousand five hundred dollars (\$8,500.00) in recognition for their service as named claimants.
- 1.36 “Settlement” means the settlement between the Parties embodied and contained in this Agreement.
- 1.37 “Settlement Administrator” means the third-party settlement administrator selected by Claimants’ Counsel to administer this settlement, subject to the approval of Respondent’s Counsel.
- 1.38 “Settlement Check” means the check issued to Participating Covered Employees and PAGA Members for their proportionate share of the Net Fund calculated in accordance with this Agreement.
- 1.39 “Settlement Packet” means the Notice and Settlement Check. The Settlement Packet includes the PAGA Check Enclosure Letter for PAGA Members.
- 1.40 “Settlement Period” means December 15, 2017 through April 8, 2024 for any Covered Employees employed by Squire in New York, December 15, 2019 through April 8, 2024 for any Covered Employees employed by Squire in California, and December 15, 2020 through April 8, 2024 for any Covered Employees employed by Squire in any other state.

2. **AGREEMENT TO ARBITRATE COLLECTIVE ACTION SETTLEMENT APPROVAL**

- 2.1 Agreement to Arbitrate. The Parties hereby agree to submit this Settlement solely and exclusively for settlement approval to the Arbitrator. The Parties will ask the Arbitrator to approve this Settlement by entering the Approval Award as specified in this Agreement. Through this Agreement, Claimants, Participating Covered Employees, and Respondent do not agree to arbitrate any matters other than the approval and implementation of this Agreement and issues related to that process as set forth in this Agreement. Through this Agreement, Respondent is not agreeing, explicitly or implicitly, to arbitrate this Claim on a multi-party, collective, class or representative basis, other than for the exclusive and limited purpose of settlement approval. The Parties have agreed to waive their right to seek to vacate any award of the Arbitrator, provided that it is consistent with the terms of this Agreement.
- 2.2 Arbitration Demand. Within seven (7) days after the execution of this Agreement, Claimants’ Counsel will file a Demand for Arbitration on behalf of Claimants and Covered Employees, and PAGA Members to initiate the Arbitration solely and exclusively for approval of this Agreement. The Demand shall specifically seek enforcement of this Agreement and shall limit the Arbitrator’s jurisdiction accordingly.

2.3 Appointment of Arbitrator. The Parties agree to the appointment of Hunter Hughes to act as the Arbitrator.

2.4 Costs of Arbitration. Reasonable arbitration fees for the Arbitrator shall be paid from the Gross Fund.

3. APPLICATION FOR SETTLEMENT APPROVAL

3.1 Claimants' Counsel shall submit the Approval Motion, together with the Demand for Arbitration, to the Arbitrator within seven (7) days of the execution of this Agreement. With the Approval Motion, Claimants' Counsel also will submit the Agreement and Settlement Packet exhibits (Exhibits A-C). Among other things, the Approval Motion will ask the Arbitrator to: (i) enter the Approval Award approving the Settlement as fair, adequate, and reasonable, (ii) approve the proposed Notice to be sent to Covered Employees and PAGA Members, (iii) incorporate the terms of this Settlement, (iv) enter an Award dismissing the case with prejudice; and (v) retain jurisdiction solely for purposes of enforcing the Agreement.

3.2 Effect of Arbitrator's Failure to Approve Settlement. If the Arbitrator fails to enter the Approval Award, the Parties will proceed as if this Agreement had never been executed, unless the Parties jointly agree to: (1) seek reconsideration of the Arbitrator's decision; or (2) renegotiate the Settlement and seek Arbitrator approval of the renegotiated Settlement. If reconsideration is denied, or a mutually agreed-upon settlement is not approved, the Parties will be in the same positions as if settlement approval had not been attempted. In such event, Respondent explicitly reserves all rights and affirmative defenses, including its right to arbitrate each of Claimants' claims on an individual-basis only; and Claimants and Covered Employees retain all arguments and defenses, including relating to arbitration agreements.

4. SETTLEMENT ADMINISTRATION AND NOTICE TO COVERED EMPLOYEES AND PAGA MEMBERS

4.1 Duties of the Settlement Administrator. The Settlement Administrator will be solely responsible for establishing a QSF account; preparing, printing, and disseminating to the Claimants, Covered Employees, and PAGA Members the Notice via e-mail and mail, with the mailed Settlement Packet including Settlement Checks with "back-of-the-check releases" and the e-mail version notifying Covered Employees and PAGA Members regarding the payment; updating addresses with the U.S. Postal Service's National Change of Address ("NCOA") database; maintaining an email address which Covered Employees and PAGA Members can use to make inquiries and provide address updates; making commercially reasonable searches for new contact information for Covered Employees and PAGA Members whose Settlement Packets are returned as undeliverable with no forwarding address; making diligent efforts in locating all Covered Employees and PAGA Members; determining the amount of payments allocated to each Covered Employees and PAGA Member in accordance with this Agreement, along with the amount of all payroll taxes to be paid and deductions to be withheld; determining the amount of workweeks attributable to the Covered Employees and PAGA Members; preparing and mailing

Settlement Checks; distributing any approved Service Awards and attorneys' fees and expenses; calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms; determining the tax characterization of the Service Awards; calculating the tax liability of Respondent and deducting that amount from the Gross Fund; referring to Claimants' Counsel all legal inquiries by Covered Employees and PAGA Members regarding matters not within the Settlement Administrator's duties specified herein; retaining and providing a copy of Settlement Checks endorsed by the Participating Covered Employees and PAGA Members to Claimants' and Respondent's Counsel; timely responding to communications from the Parties and their counsel; reporting on the status of the Settlement to the Parties on a weekly basis; and 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 under this Agreement. The Settlement Administrator shall not send out the Settlement Packet without the explicit approval of Claimants' Counsel and Respondent's Counsel.

- 4.2 The Settlement Administrator shall indemnify the Parties and counsel regarding any improper handling of its responsibilities, including, but not limited to, the handling of any tax-related matters or security and data breaches.
- 4.3 The Settlement Administrator will be selected by Claimants' Counsel subject to Respondent's approval.
- 4.4 Respondent agrees 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 locate Covered Employees and PAGA Members.
- 4.5 No later than seven (7) days after the Effective Date, Respondent will provide the Settlement Administrator a list, in electronic form, of the names, Last Known Contact Information, social security numbers, and the dates of employment as an Inside Sales Employee for each Covered Employee and PAGA Member during the Settlement Period ("Covered Employees List"). The Settlement Administrator shall have a fiduciary duty to maintain, safeguard, maintain private and confidential, and prevent the dissemination of any and all information, data, or documents received in connection with the administering of the Settlement, including Last Known Contact Information and the Covered Employee List. Within seven (7) days after the Settlement Administrator receives the Covered Employee List from Respondent, the Settlement Administrator will calculate the number of Eligible Workweeks and will provide the number to the Parties for purposes of determining whether the Escalator Clause, Paragraph 5.1.ii, is triggered.
- 4.6 The Settlement Administrator shall send Settlement Packets to Covered Employees and PAGA Members via First Class United States Mail within fourteen (14) days of the Funding Date. The Settlement Packet will include the Arbitrator-approved Notice and a Settlement Check (and for PAGA Members, the PAGA Check Enclosure Letter) in the amount based on each Covered Employee's and PAGA Member's pro rata settlement share. The Settlement Administrator will also send e-mail Notices (substantially in the

form of Exhibits B-2) fourteen (14) days after the mailed Settlement Packets, to allow time for the mailings to arrive. The Settlement Check will include the release set forth in Section 6.1 below.

- 4.7 After thirty (30) days from the issuance of checks, the Settlement Administrator shall issue a Reminder Notice and email (substantially in the form of Exhibit B) to the Covered Employees and PAGA Members reminding them to cash their checks. After 30 days from the issuance of the checks, the Settlement Administrator shall provide a report of any uncashed checks to Claimants' counsel and Respondent's counsel, and the Settlement Administrator will make reasonable efforts to contact Covered Employees and PAGA Members who have not cashed checks. The Settlement Administrator will make reasonable efforts to obtain the correct contact information for any Covered Employees and PAGA Members for whom the Settlement Check is returned by the post office as undeliverable and the Settlement Administrator shall attempt a re-mailing to any Covered Employees for whom it obtains more recent contact information.
- 4.8 The proceeds of the Net Fund shall be disbursed pursuant to Section 5.4, below, to Covered Employees. A settlement check must be cashed within seventy-five (75) days following the issuance of checks to any Covered Employee or thirty (30) days from the last reissuance due to an incorrect address, provided that reissuances will occur on a rolling basis and no later than the 75th day of the original period. Any checks that remain uncashed after the seventy-five (75)-day period (as extended provided herein) shall be void and the associated monies shall revert to Respondent, except PAGA Checks, which the Settlement Administrator will disburse to the California Unclaimed Property Fund. Covered Employees who do not cash a settlement check are not Participating Covered Employees (unless otherwise agreed to in writing by the Parties or approved by the Arbitrator) and do not release their claims against the Releasees, as described in Section 6 below, but do waive their right to receive a payment associated with the Settlement.
- 4.9 The Parties will have equal access to the Settlement Administrator and all information related to the administration of the Settlement. The Settlement Administrator will provide regular reports to counsel for the Parties regarding the status of the mailing of the Notice and Settlement Checks, the claims administration process, and the rate of participation. Claimants' Counsel and Respondent's Counsel have the right to make inquiries and receive any information from the Settlement Administrator related to the claims administration process, except that Respondent's Counsel is not entitled to updated contact information located by the Settlement Administrator for Covered Employees and PAGA Members or provided by Participating Covered Employees or PAGA Members. The Settlement Administrator will be solely responsible for sending, collecting, and maintaining the email Notices. The Settlement Administrator will have exclusive access to such communications. The Settlement Administrator shall direct Collective Members and PAGA Members to contact Claimants' Counsel for any questions it is unable to answer pertaining to Covered Employees or PAGA Members legal claims or the effect of the Settlement on any such claims. The Settlement Administrator will update Claimants' Counsel and Respondent's Counsel weekly regarding the progress of the settlement administration, including returned mailings for which it is unable to obtain corrected addresses.

- 4.10** Within three (3) days after the end of the Opt-In Period, the Settlement Administrator will provide Squire’s counsel a copy of the back-of-the-check affirmations for all Participating Covered Employees. Three (3) days later, the Settlement Administrator will provide Claimants’ Counsel a list of all Participating Covered Employees who checked the contact information release box and their best-known contact information (“Participating Covered Employees List”). Claimants’ Counsel will take all reasonable steps to safeguard this information. The Participating Covered Employees List will be used solely for purposes related to this Settlement. This is a material term of this Agreement.

5. SETTLEMENT TERMS

5.1 Settlement Payments

- i. Respondent agrees to pay a maximum of Nine Hundred Thousand Dollars (\$900,000.00), which shall fully resolve and satisfy any and all amounts to be paid to Participating Covered Employees, any Arbitrator-approved Service Awards, the Settlement Administrator’s fees and costs, the Arbitrator’s fees and costs, for the PAGA Fund, Employer Payroll Taxes, and Arbitrator-approved Claimants’ Counsel’s fees and costs.
- ii. **Escalator.** This Settlement covers and includes no more than 6,683 Eligible Collective Workweeks for 143 Covered Employees and PAGA Members identified by Squire in the mediation data. Should the total number of workweeks increase above 6,683, the Gross Fund will increase by \$134.67 for each additional workweek.
- iii. Within twenty-five (25) days of the Effective Date, Respondent shall pay the Gross Fund by wire transfer, or check, into the QSF (“Funding Date”).
- iv. Within ten (10) days of the Funding Date, the Settlement Administrator will distribute the money in the QSF by making the following payments:
 - (a) Paying Arbitrator-approved Claimants’ Counsel’s fees, expenses, costs, applicable settlement approval arbitration fees and costs, and settlement administration costs as described in Sections 1.16 and 5.4.
 - (b) Paying the Arbitrator-approved Service Awards as described in Section 5.3.
- v. Within fourteen (14) days of the Funding Date, the Settlement Administrator will issue Settlement Packets to Covered Employees for their settlement amounts, as described in Section 5.4.

5.2 Settlement Amounts Payable as Attorneys’ Fees and Costs.

- i. In the Approval Motion, Claimants’ Counsel shall ask the Arbitrator to approve payment of up to one-third of the Gross Fund (i.e., up to \$300,000)

as an award of attorneys' fees, in addition to an award of reasonable out-of-pocket costs. Respondent shall not oppose this application. The amount awarded by the Arbitrator as an award of attorneys' fees and costs shall constitute full satisfaction of any claim for attorneys' fees or costs, and Claimants, Participating Covered Employees, PAGA Members, and Claimants' Counsel agree that they shall not seek, nor be entitled to, any additional attorneys' fees or costs under any theory or from any source, incurred in relation to this case, other than fees and costs incurred in any effort to enforce the terms of this Agreement. Claimant's Counsel agrees to complete and provide any necessary tax forms to the Settlement Administrator.

- ii. The substance of Claimants' Counsel's application for attorneys' fees and costs is not part of this Agreement and is to be considered separately from the Arbitrator's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement and this Agreement. The outcome of any proceeding related to Claimants' Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise affect the Arbitrator's ruling on the Approval Motion.
- iii. Any reduction in the attorneys' fees request by the Arbitrator will revert to Squire.

5.3 Service Awards to Claimants.

- i. In the Approval Motion, the Claimants will apply to the Arbitrator to receive eight thousand five hundred dollars (\$8,500) each from the Gross Fund for the services they rendered to the Covered Employees and PAGA Members. Respondent shall not oppose this application. Claimants agree to complete and provide any necessary tax forms to the Settlement Administrator.
- ii. The Service Awards and any requirements for obtaining any such payment are separate and apart from, and in addition to, Claimants' recoveries from the Net Fund as Covered Employees and/or PAGA Members. The substance of Claimants' applications for Service Awards are not part of this Agreement and are to be considered separately from the Arbitrator's consideration of the fairness, reasonableness, adequacy and good faith of the Settlement and this Agreement. The outcome of the Arbitrator's ruling on the application for a Service Award shall not terminate this Agreement or otherwise affect the Arbitrator's ruling on the Approval Motion. Any Service Award money not approved by the Arbitrator shall become part of the Net Fund.
- iii. The Claimants agree to a general release of their claims in exchange for receiving and accepting their Service Awards, as described in further detail in Section 6.2 regardless of the amount of the Service Awards the Arbitrator approves.

- iv. The Parties agree that they have come to no determination regarding the tax treatment of the Service Awards. The Parties agree that the Settlement Administrator alone will have the discretion to determine the tax treatment of the Service Awards.

5.4 Payments to Covered Employees and PAGA Members.

- i. Payments to Covered Employees will be made from the Net Fund and in accordance with Section 5.4.i above. The settlement amount for each Covered Employee will be determined by the Settlement Administrator pursuant to the following formula:
 - (a) Each Covered Employee will receive one (1) point for each Eligible Collective Workweek in the Settlement Period;
 - (b) To calculate each Covered Employee's proportionate settlement amount:
 - 1. Add all points for all Covered Employees together to obtain the "Denominator";
 - 2. For each Covered Employee, divide his or her number of points by the Denominator to obtain his or her "Portion of the Net Fund";
 - 3. Multiply each Covered Employee's Portion of the Net Fund by the Net Fund to determine each Covered Employee's settlement amount.
- ii. Payments to PAGA Members will be made from the PAGA Fund and in accordance with Section 5.4.ii above. PAGA Members' estimate proportionate share of the PAGA Fund shall be determined by the Settlement Administrator pursuant to the following formula:
 - (a) PAGA Members will receive one (1) point for each Eligible PAGA Workweek.
 - (b) To calculate each PAGA Member's proportionate share of the PAGA Fund:
 - 1. Add all points for all PAGA Members together to obtain the "Denominator";
 - 2. Divide the number of points for each PAGA Member by the Denominator to obtain each PAGA Member's "Portion of the PAGA Payment"; and
 - 3. Multiply each PAGA Member's Portion of the PAGA Payment by the PAGA Payment to determine each PAGA Member's portion of the PAGA Payment.

- iii. There is a rebuttable presumption that Squire's personnel and payroll records are correct, but should Covered Employees and/or PAGA Members disagree with Squire's records, they must provide clear and convincing evidence to show contrary employment dates in an exempt-classified Inside Sales Employee role within the Opt-In Period. Such a dispute shall be directed to the Settlement Administrator, who will promptly notify all Counsel of the individual's dispute and provide Counsel with a copy of the information and/or records provided by the individual Covered Employee and any other pertinent and available records. The Settlement Administrator shall independently resolve disputes arising under this paragraph and relating to a Covered Employee's or PAGA Member's work tenure and relevant work weeks and inform all Counsel of the determination of any such disputes. The Settlement Administrator's determination will be final and binding. In the event that a Putative Collective Member or PAGA Members successfully disputes their allotted weeks, any additional Eligible Collective Workweeks or Eligible PAGA Workweeks as determined by the Settlement Administrator shall be paid from the reversion, using the value per workweek allocated in the original Net Fund; or, if the reversion is insufficient to cover the amount owed for additional Eligible Collective Workweeks or Eligible PAGA Workweeks, Respondent will pay an additional amount to cover the additional weeks; provided, however, that Respondent will retain the option not to have to pay anything additional outside the Gross Fund in connection with disputes, and that individual shall still have the right to participate in the Settlement if they choose to cash their check at the original amount of their pro rata settlement share. Individuals who elect not to cash their checks will not become Participating Covered Employees and accordingly will not release claims. Reissued Settlement Checks to Covered Employees who successfully dispute their workweek calculations under this provision will be mailed no later than fifteen (15) days after the close of the Opt-In Period. These checks must be cashed within thirty (30) days of mailing. All amounts remaining in the QSF after this thirty (30) day period shall revert to Respondent.

Covered Employees and PAGA Members shall cash their Settlement Checks within the Opt-In Period, as defined in Section 1.18. All amounts remaining in the QSF following the Opt-In Period shall revert to Respondent, except as provided above to fund the resolution of Covered Employees' and PAGA Members' disputes, if any.

- iv. Respondent's Payroll Tax Responsibility and Tax Characterization of Payments.
 - (a) Half (50%) of the Net Fund and payments thereof pursuant to this Agreement shall be treated as wages and half (50%) of such payments shall be treated as interest, any applicable penalties, liquidated damages and other non-wage relief for each Participating Covered Employee.

- (b) One hundred percent (100%) of the PAGA Payment to each PAGA Member shall be treated as civil penalties and 1099 non-wage compensation.
- (c) Payments treated as back 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. 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 Form 1099. 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 Claimants’ Counsel on an IRS Form 1099.
- (d) The employee portion of all applicable income and payroll taxes will be the sole responsibility of the individual Participating Covered Employee receiving a Settlement Check or Service Award. 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 Covered Employee or any payments to the Claimants. The Notice will advise Covered Employees to seek their own tax advice prior to acting in response to that Notice. Neither Claimants’ Counsel nor Respondent’s Counsel intend 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** Release by Participating Covered Employees. Conditioned upon the Arbitrator’s entry of the Approval Award, and in exchange for the monetary consideration recited in this Agreement, each Participating Covered Employee shall execute a “back of the check” release containing a written release that releases and discharges Releasees from the Released Claims. Accordingly, all settlement checks shall contain, on the back of the check, the following limited endorsement.

RELEASE OF CLAIMS:

By signing and/or cashing this check, I consent to: participate in the settlement of *Squire Technologies, Inc. Overtime Settlement* pending before Arbitrator Hunter Hughes, be represented by Claimants’ Counsel Outten & Golden LLP, and be bound by the Settlement Agreement in that case.

I waive, release, and forever discharge Squire and the Releasees from any and all wage and hour claims alleged in the arbitration demand or that could have been alleged based on the facts alleged and that arose during my employment as an exempt-classified Inside Sales Employee during the Settlement Period, including without limitations, claims for unpaid overtime wages, meal and rest breaks, waiting time, wage statement and notice violations, unpaid business expenses, and related claims for interest, liquidated damages, penalties, attorneys' fees, costs, and expenses. I agree to indemnify and hold Squire and the Releasees harmless from any claims, damages, and/or penalties relating to the employee portion of taxes for any payments made by Squire to me under the Settlement Agreement.

[] By checking this box, I agree to have my contact information released to Claimants' counsel.

- 6.2** Release by Claimants. In the event Claimants receive and accept a Service Award, each of them will additionally waive, release, and discharge Releasees from all demands, claims and actions, whether known or unknown, relating to their employment or the termination of their employment with Respondent, including any and all claims and potential claims that may legally be waived by private agreement, liabilities, demands or causes of action of whatever nature, known or unknown, inchoate or otherwise, whether based in contract (written, oral, express, implied or otherwise) and/or based upon any local, state or federal statute, regulation or other law (including common law) or in equity, that Employee had, ever had, or could have had as of the Effective Date against them or any of them, including, without limitation, any claim arising out of or in any way connected with or related to:
- (A) 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, Age Discrimination in Employment Act, and any other federal, state or local statute, regulation, charter, law, ordinance, or order and any amendments to such laws, and in common law; provided, however, that Claimants 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 Paragraph brought on their own behalf or by any third party, including as a member of any collective or class action;
 - (B) Any claim for additional pay, notice pay, severance, benefits, incentives, awards, commissions, and bonuses;
 - (C) Any claim for: wrongful discharge, harassment or retaliation, intentional or negligent infliction of emotional harm, defamation or any other tort, fraud or conversion, mental, physical or other personal injuries, or pain and suffering;
 - (D) Any claim arising under tort, contract, common law, or quasi-contract law, including but not limited to claims of breach of an express or implied contract, tortious interference with a contract or prospective business advantage, breach of the implied covenant of good faith and fair dealing, promissory estoppel,

detrimental reliance, invasion of privacy, nonphysical injury, fraud, defamation, false imprisonment, and negligent or intentional infliction of emotional distress; and

- (E) Any expenses disbursements, costs, tax gross-ups, fees or other expenses, including without limitation attorneys' fees and disbursements and relocation expenses.

This Agreement settles and releases any and all claims for attorneys' fees related to the Released Claims and Released PAGA Claims. This Settlement is based upon a good faith determination of the Parties to resolve a disputed claim. This action does not allege any conduct resulted in personal injury. The Parties are unaware of any class member suffering a personal injury and therefore the Parties understand that no payment of medical expenses is being made which would give rise to a reporting obligation under 42 U.S.C. 1395y(b)(8).

Notwithstanding the foregoing, Claimants do not release any claim or right that cannot be released as a matter of law.

- 6.3** PAGA Release by PAGA Members. By operation of the entry of the Approval Award, except as to such rights or claims as may be created by this Agreement, the PAGA Claimant, on behalf of herself, the LWDA and each PAGA Member, fully releases the Releasees from the Released PAGA Claims.

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 Arbitrator'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 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 award of the Arbitrator, or otherwise, to effectuate this Agreement and the terms set forth herein.

9. NO ADMISSION OF LIABILITY

- 9.1** Respondent denies all of the allegations made by Claimants and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted herein. Nonetheless, without admitting or conceding any liability, wrongdoing, unlawful conduct, or damages whatsoever, Respondent 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 admissible in connection with, the issue of whether or not conditional certification would be appropriate in a non-settlement context.
- 9.3** Each Party acknowledges that neither is a “prevailing party” for any purpose and, other than any portion of the QSF that shall be attributable to Claimants’ attorneys’ fees, each Party expressly waives any claims for attorneys’ fees and costs, except in the event that either Party must file an enforcement action to enforce the terms of this Agreement.

10. CONFIDENTIALITY AND MUTUAL NON-DISPARAGEMENT

- 10.1** Confidentiality of Agreement. Except as otherwise provided in this Agreement, Claimants and their counsel agree that they shall keep strictly confidential the financial terms of this Agreement. Notwithstanding the foregoing, Claimants may disclose the terms of this Agreement to Covered Employees and their attorneys, immediate family members (including only spouses, parents, and siblings), accountants, and medical or tax professionals. Claimants and their counsel agree to not directly or indirectly publicize, or cause to publicize, any of the terms or provisions of this Agreement. Notwithstanding the foregoing, either Party may disclose the terms of this Agreement in order to enforce the Agreement, including through submission of the Agreement and Approval Motion to the LWDA pursuant to Labor Code section 2699(s)(2). The Parties may also provide information covered by this provision to the extent required by court order, by subpoena, or as otherwise required by law.
- 10.2** Mutual Non-Disparagement. Claimants agree that they will not make any derogatory or disparaging statements or encourage or induce others to make any derogatory or disparaging statements about Respondent and/or Releasees, or any of their services, reputation, good will, financial status, business, or client relationships. Respondents agree that they will not make any derogatory or disparaging statements or encourage or induce others to make any derogatory or disparaging statements about Claimants. The prohibitions in this Paragraph specifically include statements to Respondent’s clients and the media (which includes, without limitation, any national or local newspaper, internet media, social media, magazine, radio and/or television station) or posting or publishing anything in print, on the internet, and/or on social media.

11. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS

- 11.1** Inadmissibility of Settlement Agreement. Except for purposes of settling this Claim, or enforcing its terms (including that claims were settled and released), resolving an alleged breach, or for resolution of other tax or legal issues arising from a payment under this Agreement, neither this Agreement, nor its terms, nor any document, statement, proceeding or conduct related to this Agreement, nor any reports or accounts thereof, shall be construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Parties, including, without limitation, evidence of a presumption,

concession, indication or admission by any of the Parties of any liability, fault, wrongdoing, omission, concession or damage.

- 11.2 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.
- 11.3 No Assignment. Claimants 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.
- 11.4 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 that the Parties' separate tolling agreement remains in full force and effect and is not merged with this Agreement.
- 11.5 Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Respondent, its affiliates, parents, subsidiaries, predecessors, successors, employees, and agents; and, with respect to Claimants, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, and assigns.
- 11.6 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.
- 11.7 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.
- 11.8 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.
- 11.9 Governing Law. This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the New York, 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.
- 11.10 Continuing Jurisdiction. The Arbitrator shall retain jurisdiction over 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.

- 11.11 Waivers, etc. to Be in Writing.** No waiver, modification or amendment of the terms of this Agreement, whether purportedly made before or after the Arbitrator'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 Arbitrator 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.
- 11.12 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.
- 11.13 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.
- 11.14 Advice of Counsel.** Claimants acknowledge that they have read and fully understand the terms of this Agreement. Claimants were advised to consult with an attorney of their choice regarding the terms of this Agreement prior to signing this Agreement. Claimants have been represented by their legal counsel, who has read and explained to Claimants the entire contents of this Agreement, as well as explained the legal consequences of the release.
- 11.15 Severability.** If any provision of this Agreement is determined to be not enforceable in the manner set forth herein, the Parties agree that it is the intention of the Parties that such provision be modified by the Arbitrator and the Agreement should be enforceable to the maximum extent possible under applicable law. Moreover, the provisions of this Agreement will be deemed severable, and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the other provisions hereof.
- 11.16 Signatories.** This Agreement is valid and binding if signed by Respondent's authorized representatives and the Claimants.

WE AGREE TO THESE TERMS.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK, SIGNATURES TO THIS AGREEMENT COMMENCE ON THE NEXT PAGE]

By: _____
Naomi Balagot

Dated: _____, 2024

DocuSigned by:
By: Songe Lakon
Squire Technologies, Inc.

Dated: 8/23/2024, 2024

By: _____
Joshua Rodriguez

Dated: _____, 2024

By: _____
DeAaron Waters

Dated: _____, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

Dated: _____, 2024

By: Naomi F Balagot
Naomi Balagot

Dated: August 26, 2024

By: _____
Squire Technologies, Inc.

Dated: _____, 2024

By: _____
Joshua Rodriguez

Dated: _____, 2024

By: _____
DeAaron Waters

Dated: _____, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

Dated: _____, 2024

By: _____
Naomi Balagot

Dated: _____, 2024

By:  _____
Joshua Rodriguez

Dated: 8/26, 2024

By: _____
DeAaron Waters

Dated: _____, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

Dated: _____, 2024

By: _____
Squire Technologies, Inc.

Dated: _____, 2024

By: _____
Naomi Balagot

Dated: _____, 2024

By: _____
Squire Technologies, Inc.

Dated: _____, 2024

By: _____
Joshua Rodriguez

Dated: _____, 2024

By:  _____
DeAaron Waters

Dated: 08/27/2024, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

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By: _____
Naomi Balagot

Dated: _____, 2024

By: _____
Squire Technologies, Inc.

Dated: _____, 2024

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Joshua Rodriguez

Dated: _____, 2024

By: _____
DeAaron Waters

Dated: _____, 2024

By:  _____
Taylor Vaughan

Dated: 08/25/2024, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

Dated: _____, 2024

By: _____
Naomi Balagot

Dated: _____, 2024

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Joshua Rodriguez

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DeAaron Waters

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Taylor Vaughan

Dated: _____, 2024

By:  _____
Necho Hopkins

Dated: 08/23, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By: _____
Jose Mendez

Dated: _____, 2024

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Naomi Balagot

Dated: _____, 2024

By: _____
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Joshua Rodriguez

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DeAaron Waters

Dated: _____, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By:  _____
Kate Hayes

Dated: 08/28/2024, 2024

By: _____
Jose Mendez

Dated: _____, 2024

By: _____
Naomi Balagot

Dated: _____, 2024

By: _____
Squire Technologies, Inc.

Dated: _____, 2024

By: _____
Joshua Rodriguez

Dated: _____, 2024

By: _____
DeAaron Waters

Dated: _____, 2024

By: _____
Taylor Vaughan

Dated: _____, 2024

By: _____
Necho Hopkins

Dated: _____, 2024

By: _____
Kate Hayes

Dated: _____, 2024

By:  _____
Jose Mendez

Dated: _____ 8/28 _____, 2024

EXHIBIT A-1 (NOTICE)

OFFICIAL NOTICE OF WAGE CLAIMS SETTLEMENT
IN RE SQUIRE TECHNOLOGIES, INC. OVERTIME SETTLEMENT

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

You are receiving this notice because you worked as a covered Inside Sales Employee for Squire Technologies, Inc. and you are eligible for a payment from a settlement of wage related claims.

An Arbitrator authorized this notice. This is not a solicitation from a lawyer.

A settlement check payable to you [is enclosed (MAIL) / was sent to the above address on [INSERT DATE] (EMAIL)]. Please read this Notice before signing and cashing or depositing the check.

Deadline: The last day to cash the enclosed settlement check is **[INSERT DATE THAT IS THE LONGER OF 75 DAYS FROM MAILING OR 30 DAYS FROM REMAILING IF INITIAL NOTICE WAS UNDELIVERABLE]**. After that date, the check will be null and void, and you will no longer be eligible for a payment from this settlement.

- The purpose of this Notice is to notify individuals who worked for Squire Technologies, Inc. (“Squire”) as an inside sales employee, including Account Executive, Sr. Account Executive, Customer Product Specialist, Customer Support Specialist, Director of Enterprise Sales, Sales Representative, Sales Development Representative, Sr. Sales Development Team Lead, and Lead Acquisition Specialist (or similar variations) (“Inside Sales Employees”) during the Settlement Period of the settlement of overtime claims.
- You received this Notice because Squire’s records indicate that you are eligible to receive a settlement payment. Under the allocation formula created by the settlement, your settlement amount is \$**[INSERT AMOUNT]**, subject to applicable deductions and withholdings.
- Former employees (the “Claimants”) alleged wage and hour claims under federal and state laws stemming from Squire’s classification of inside sales employees. Squire denies all allegations, liability, or any wrongdoing, and the Arbitrator has not made a determination on the merits.

Your legal rights may be affected, and you have a choice to make now:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:
--

SIGN AND CASH THE CHECK	By signing and cashing or depositing the settlement check on or before [insert date that is 75 days from mailing or 30 days from remailing], you are agreeing to participate in the settlement, and you are releasing the Released Claims discussed in Section 2 below.
DO NOT SIGN OR CASH THE CHECK	If you do not wish to be bound by the settlement, you should not sign, cash, or deposit your settlement check. If you do not cash your settlement check by [insert date that is 75 days from mailing or 30 days from remailing], your check will be cancelled, you will not receive a settlement payment in this case, and you will not release any claims against Squire. You will not necessarily be entitled to these funds or any other funds in the future.

Your legal rights and options – **and the deadlines to exercise them** – are explained below.

BASIC INFORMATION

1. What is this case about?

The case relates to Squire’s classification of Inside Sales Employees and the payment of state and federal overtime wages. The Arbitrator has not made any ruling on the merits of the claims, and no party has prevailed. The parties have agreed to resolve the claims to avoid the expenses and risks associated with litigation.

The arbitration in this matter is being overseen by Arbitrator Hunter Hughes.

2. What are the terms of the settlement?

Squire has agreed to pay a single lump sum payment to be allocated (after the deductions for attorneys’ fees, costs, service award, settlement administration costs, arbitration costs, and other Arbitrator-approved expenses, and tax withholdings) among eligible employees who worked during the “Settlement Period,” which includes work performed:

- Between December 15, 2017 and April 8, 2024 in New York;
- Between December 15, 2019 and April 8, 2024 in California; or
- Between December 15, 2020 and April 8, 2024 in all other states.

If you cash or deposit the enclosed check, you will join the Settlement and be bound by its terms and conditions. In exchange for collecting this payment, you will release Squire (including its officers, directors, employees, agents, insurers, successors, predecessors, affiliates, parents, subsidiaries, members, shareholders, attorneys, insurers, and other related entities) from all wage and hour claims alleged in the arbitration demand or that could have been alleged based on the facts alleged and that arose during your employment with Squire as an exempt-classified Inside Sales Employee during the Settlement Period, including, but not limited to, claims for unpaid wages, overtime wages, meal and rest breaks, waiting time, wage statement and notice violations, unpaid business expenses, and related claims for interest, liquidated damages, penalties, attorneys’ fees, costs, and expenses. By cashing or depositing the enclosed check, you are agreeing to indemnify and hold Squire harmless from any claims, damages, and/or penalties relating to the employee portion of taxes for any payments made to you.

3. How is my payment calculated?

Based on the allocation formula in the Settlement Agreement that has been approved by the Arbitrator, and your total number of workweeks while at Squire, you are receiving a gross settlement payment of **\$[AMOUNT]**. The Settlement Administrator used information from Squire's records related to the number of workweeks you were employed as an exempt salesperson to calculate your payment.

One half (50%) of the settlement payment to each eligible employee will be treated as wages and will be subject to required withholdings and deductions, while the remaining half (50%) will be treated as non-wage compensation and thus taxes will not be withheld. If you have questions about your calculation, you may contact the Settlement Administrator or Claimants' Counsel using the information in Section 4 or 7 below.

Claimants' Counsel and Squire's Counsel do not make any representations concerning the tax consequences of this settlement or your participation in it, and you are advised to seek your own personal tax advice prior to acting in response to this Notice.

4. How do I participate in the settlement?

A check is **[enclosed (MAIL)/was sent to you on [INSERT DATE] (EMAIL)]**. All you have to do to participate in the settlement is sign, and cash or deposit the settlement check prior to **[insert date that is 75 days from mailing or 30 days from remailing]**.

By cashing or depositing the check, you consent and agree to be bound by the terms of the settlement and the release approved by the Arbitrator, and you also agree to designate Claimants' Counsel, Outten & Golden LLP, to represent you in this case.

If you have questions about your settlement check, you may contact the Settlement Administrator at:

[Settlement Administrator contact info]

If you have other questions about the information in this Notice or your rights, you may contact Claimants' Counsel using the contact information listed in Section 7, below.

5. What happens if I do not want to participate in the settlement?

If you do not want to participate in the Settlement and receive a share of the settlement fund, then you should take no action and you should not sign, cash, or deposit the check.

6. Are there more details about the settlement?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. To the extent there is any inconsistency between this Notice and the Settlement Agreement, the provisions in the Settlement Agreement control.

7. Do I have a lawyer in this case?

The Arbitrator has appointed Outten & Golden LLP to represent you and all eligible employees who participate in the settlement. For Claimants' lawyers to receive your contact information, you must check the box on the back of the check before cashing or depositing it. If you do not wish to share your contact information, you should not check the box. You will not be charged for services provided by these lawyers as all attorneys' fees are being taken from the gross settlement fund and are intended to cover any legal fees incurred in this matter, including any questions regarding settlement. You do not need to retain your own attorney to participate, but you are free to do so, at your own expense. The Claimants' lawyers' contact information is:

Melissa L. Stewart
Ryan Cowdin
Kaelyn Mahar
Outten & Golden LLP
685 Third Avenue, 25th Floor
New York, New York 10017
(212) 245-1000
[insert]@outtengolden.com

DATED: _____, 20__

PLEASE DO NOT CALL OR WRITE THE ARBITRATOR ABOUT THIS NOTICE FOR ANY REASON.

EXHIBIT A-2 (EMAIL NOTICE)

Recently you should have received a mailed Settlement Packet advising you that you are eligible to participate in the Squire Technologies overtime settlement, including a Settlement Check. To participate in the settlement, you must sign and cash or deposit the settlement check prior to [insert date that is 75 days from mailing]. If you did not receive or no longer have the Settlement Packet, request a reissue at [administrator email]. For questions about this settlement, contact Outten & Golden LLP at (212) 245-1000 or [insert]@outtengolden.com and mention the Squire Settlement. Reply *UNSUBSCRIBE* to prevent further notifications.

EXHIBIT B-1 (REMINDER POSTCARD)

**IMPORTANT REMINDER REGARDING
IN RE SQUIRE TECHNOLOGIES, INC. OVERTIME SETTLEMENT**

Recently you should have received a Settlement Packet advising that you are eligible to participate in the settlement of wage related claims alleged against Squire Technologies, Inc., with a settlement check enclosed. Our records reflect that you have not cashed or deposited the check sent to you. If you did not receive or no longer have the Notice and settlement check, you should contact the Settlement Administrator at [XX]@[XXX].com to request another check.

IMPORTANT DEADLINE: In order to participate in the settlement, you must cash or deposit your check on or before [INSERT DATE 75 DAYS FROM MAILING OR 30 DAYS FROM REMAILING FOR UNDELIVERABLES, WHICHEVER IS LATER]. If you do not cash your check by this date, it will become void and you will not be entitled to recover any portion of the settlement in the future.

For Claimants' lawyers to receive your contact information, you must check the box on the back of the check before cashing or depositing it. If you do not wish to share your contact information, you should not check the box.

If you have any questions about the Notice or the case, you should contact Melissa L. Stewart, Ryan Cowdin, or Kaelyn Mahar at Outten & Golden LLP at (212) 245-1000 (mention the Squire Settlement) or [insert]@outtengolden.com.

EX. B-2 (REMINDER EMAIL)

From: Squire Settlement Administrator ([XX]@[XXX].com)

Subject: IMPORTANT REMINDER – DEADLINE TO CASH SQUIRE OVERTIME SETTLEMENT CHECK

Body of Email:

<<Name1>>

On [DATE], you were mailed a settlement check for your portion of the Squire Overtime Settlement. Our records indicate that you have not cashed or deposited your settlement check. If you did not receive or no longer have the settlement check, you should contact the Settlement Administrator at [XX]@[XXX].com.

You must cash or deposit your settlement check on or before [INSERT DATE 75 DAYS FROM MAILING], or your check will become void and you will not be entitled to recover any portion of the settlement in the future.

For Claimants' lawyers to receive your contact information, you must have checked the box on the back of the check before cashing or depositing it.

If you have any questions about the Notice, the case, or your legal rights, you should contact Melissa L. Stewart, Ryan Cowdin, or Kaelyn Mahar at Outten & Golden LLP at **(212) 245-1000** or [XX]@outtengolden.com and mention the Squire Overtime Settlement.

EXHIBIT C (PAGA CHECK ENCLOSURE LETTER)

Dear [PAGA Member Name]:

The enclosed check includes your share of the California Private Attorneys General Act (“PAGA”) settlement payment in the Squire Technologies, Inc. (“Squire”) arbitration filed before Arbitrator Hunter Hughes. You are receiving this check because you are a member of the settlement’s PAGA Member group, which is defined to include individuals employed by Squire in California as exempt-classified Account Executives, Sr. Account Executives, Customer Product Specialists, Customer Support Specialists, Director of Enterprise Sales, Sales Representatives, Sales Development Representatives, Sr. Sales Development Team Leads, and Lead Acquisition Specialists (or similar variations of any of the foregoing) (collectively, “Inside Sales Employees”), from December 15, 2022 through April 8, 2024.

Claimants allege claims stemming from Squire’s classification of Inside Sales Employees and the payment of wages thereof, including a PAGA claim brought on behalf of the State of California that sought penalties from Squire for alleged violations of the California Labor Code. Squire denies all allegations, liability, or any wrongdoing, and maintains that it has complied at all times with all applicable laws.

To settle the PAGA claim, Squire agreed to pay up to \$9,000 (out of the Total Settlement Amount of \$900,000), which will be distributed according to PAGA’s requirement that 75% be distributed to the California Labor Workforce Development Agency and the remaining 25% be paid to members of the PAGA Member group (“PAGA Payment”). Your individual PAGA settlement payment is determined by your proportional share of the \$2,250 PAGA Payment, based on the number of weeks you worked for Squire between December 15, 2022 through April 8, 2024 as an Inside Sales Employee. 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 any and all claims under PAGA pled in the operative demand(s) that accrued during your employment as an exempt-classified Inside Sales Employee, during the PAGA Period (December 15, 2022 through April 8, 2024).

Enclosed you will also find an IRS Form 1099 for 100% of this payment. Please note that neither the Settlement Administrator nor Claimants’ 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. By cashing or depositing the enclosed check, you are agreeing to indemnify and hold Squire harmless from any claims, damages, and/or penalties relating to the employee portion of taxes for any payments made to you.

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 under your name. If you have any questions about the calculation of your payment, please contact the Settlement Administrator at [contact info] or Claimants’ Counsel, Outten & Golden LLP, at 212-245-1000 or [XX]@outtengolden.com.

Regards,

[Squire Settlement Administrator]

Exhibit 2

**ARBITRATION
BEFORE HUNTER R. HUGHES III, ARBITRATOR
HUNTER HUGHES ADR**

Naomi Balagot, Joshua Rodriguez, DeAaron Waters, Taylor Vaughan, Necho Hopkins, Kate Hayes, and Jose Mendez, individually and on behalf all others similarly situated,

Claimants,

v.

Squire Technologies, Inc.,

Respondent.

**[PROPOSED] AWARD APPROVING SETTLEMENT, SERVICE AWARDS, AND
ATTORNEYS' FEES AND COSTS**

The above-entitled matter came before the Arbitrator on Claimants' Unopposed Motion for Approval of Settlement, Service Awards, and Attorneys' Fees and Costs ("Motion"). After considering the Motion and all supporting exhibits, the Arbitrator hereby finds as follows:

1. The parties' settlement in this Fair Labor Standards Act ("FLSA") and Private Attorneys General Act ("PAGA") action is fair, reasonable, and just. The settlement is approved as of the date below, and the terms of the parties' Settlement Agreement and Release are incorporated herein.
2. The Notice, Email Notice, Reminder Postcard, Reminder Email, and PAGA Check Enclosure Letter are approved.
3. The Service Award of \$8,500.00 for each Claimant (\$59,500.00 total) is approved.

4. The Arbitrator grants Claimants' Counsel's unopposed request for one-third of the Gross Fund, \$900,000.00, as attorneys' fees, and unopposed request for reimbursement of reasonable out-of-pocket costs of \$7,750.05.

5. Rust Consulting, Inc. is appointed as Settlement Administrator for this case, subject to the duties set forth in the Parties' Settlement Agreement, which are incorporated herein by reference.

6. The Parties shall abide by all terms of the Settlement Agreement and Release, which are incorporated herein by reference, and this Award.

7. This case is dismissed with prejudice.

8. The Arbitrator will retain jurisdiction over this action for the purposes of enforcing the settlement.

It is so ORDERED this ____ day of _____, 20__.

Hunter Hughes, Esq.
Arbitrator