

EXHIBIT 1

CLASS AND COLLECTIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

1. This Class and Collective Action Settlement Agreement and Release (the “Settlement Agreement,” “Settlement,” or “Agreement”) is entered into between Claimant Elisamuel Baez (“Claimant”), individually and on behalf of the Settlement Class and Collective Members, defined below, and Respondents Amazon.com, Inc. and Amazon Logistics, Inc. (together, “Amazon”) and WDS Logistics, LLC d/b/a Need It Now Delivers (“WDS” and together with Amazon, “Respondents”), subject to the approval of the Arbitrator and confirmation of the Arbitral Award (as defined below) by the Court. Claimant and Respondents are referred to individually as a “Party” and together as the “Parties.”

RECITALS

2. On April 26, 2019, Claimant, through counsel, notified Amazon of alleged wage-related claims he intended to file against Respondents on behalf of himself and a collective of similarly situated individuals, and invited Respondents to explore the potential for pre-litigation resolution of those alleged claims. The Parties agreed to engage in such discussions.

3. The Parties engaged in an extensive alternative dispute resolution (“ADR”) process in connection with these claims, which continued for more than two years. This process consisted of extensive ADR-related exchanges of information and data, and three in-person mediation sessions overseen by an experienced wage and hour mediator, Dennis Clifford, Esq. The mediation sessions took place on July 28-29, 2021; October 27-29, 2021; and March 11, 2022 in Chicago, Illinois. The July and October 2021 mediation sessions were attended by the mediator, counsel for the Claimant and counsel for Amazon. The March 2022 mediation session was attended by the mediator, counsel for the Parties, and in-house counsel for Amazon. Throughout this ADR process, the Parties, by and through their counsel, engaged in dozens of telephonic and video discussions, as well as written correspondence and negotiations overseen by Mr. Clifford.

4. In order to appropriately inform the ADR process, the Parties exchanged significant data and information in connection with the threatened claims, including payroll and timekeeping data as well as Amazon’s delivery data for Delivery Associates (“DA”) who were paid by WDS or one of its affiliated entities, to the extent such entities provided services to Amazon pursuant to the Delivery Service Partner Program Agreement under which WDS provided such services during the Relevant Time Period (each, a “WDS Affiliate” and collectively, the “WDS Affiliates”), and delivered packages to customers of Amazon.com, which Claimant’s Counsel reviewed and analyzed extensively. This process allowed the Parties to assess the potential liability and possible damages for the asserted claims and engage in informed, good faith, arms-length settlement negotiations.

5. As a result of the ADR process (including the extensive review of data), mediations, and settlement negotiations, the Parties have agreed fully and finally to resolve this matter on the terms and conditions described herein.

6. Claimant’s Counsel has made a thorough and independent investigation of the facts and law relating to the allegations in the Action. In agreeing to this Settlement Agreement, Claimant has considered: (a) the facts developed during the mediation process and the law

applicable thereto; (b) the attendant risks of continued litigation and the uncertainty of the outcome of the claims alleged; and (c) the desirability of consummating this Settlement according to the terms of this Settlement Agreement. Claimant has concluded the terms of this Settlement are fair, reasonable and adequate; the Settlement is a reasonable resolution of several *bona fide* disputes; and it is in the best interests of Claimant and the Settlement Class and Collective Members (as defined below) to settle their claims against Respondents and the Released Parties (as defined below) as set forth herein.

7. Respondents deny the allegations in the Action and further deny any liability for any alleged wage and hour violations or failure to pay overtime compensation. Amazon further denies it is a joint employer of the DAs. Respondents are entering this Agreement to eliminate the burden, risk, and expense of further litigation. This Settlement Agreement and all related documents are not and shall not be construed as an admission by Respondents or any of the Released Parties of any fault, liability or wrongdoing, which Respondents and the Released Parties expressly deny.

8. As a means of seeking the Arbitrator's (as defined below) approval of the Settlement, within fourteen (14) days after this Agreement is fully executed, Claimant, on behalf of himself and the Settlement Class and Collective Members, will file the Demand for Arbitration against Respondents asserting claims under the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 *et seq.* and the New Jersey Wage and Hour Law, N.J.S.A. 34:11-4.1 The Parties recognize notice to the Settlement Class and Collective of the material terms of this Settlement, as well as Arbitrator approval of this Settlement, are required to effectuate the Settlement, and the Settlement will not become operative until the Arbitrator grants Final Approval (as defined below), the Settlement becomes Final (as defined below), and the Effective Date (as defined below) occurs.

9. The Parties stipulate and agree, for settlement purposes *only*, the requirements for establishing collective action certification under the FLSA pursuant to 29 U.S.C. § 216(b), and class certification pursuant to FED. R. CIV. P. 23(a) and (b)(3) are met with respect to the Settlement Collective Members and Settlement Class defined below (the "Settlement Class and Collective"). Should this Settlement not become Final, such stipulation to conditional certification and class 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 or class certification would be appropriate in a non-settlement context.

10. In consideration of the foregoing recitals, which are hereby incorporated into this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, IT IS HEREBY AGREED, by and between the undersigned, subject to the Final Approval of the Arbitrator, confirmation of the Arbitral Award and entry of judgment, and the other conditions set forth herein, that Claimant's and the Settlement Class and Collective Members' (as defined below) claims as described herein and set forth in the Demand for Arbitration against Respondents shall be settled, compromised and dismissed, on the merits and with prejudice, and that the Settlement Class and Collective Members' released claims (as set forth below) shall be finally and fully compromised, settled and dismissed as to Respondents and Released Parties, in the manner and upon the terms and conditions set forth below.

DEFINITIONS

11. The following terms used in this Settlement Agreement shall have the following meanings:

a. “Action,” “Lawsuit,” or “Matter” means the Demand for Arbitration to be filed for settlement purposes with the Arbitrator, captioned *Baez v. Amazon.com, Inc., et al.*

b. “Arbitral Award” means the final award granted by the Arbitrator pursuant to this Settlement Agreement and resolving the Action.

c. “Arbitrator” means one neutral, mutually agreed upon arbitrator.

d. “Check Cashing Period” means the period of one-hundred eighty (180) days after settlement checks are initially issued by the Settlement Administrator to Eligible Class Members (as defined below).

e. “Class Counsel” or “Claimant’s Counsel” means Lichten & Liss-Riordan, PC, Willig Williams & Davidson, and Berger Montague PC.

f. “Court” means a mutually agreed upon jurisdiction for the confirmation of the Arbitral Award.

g. “Respondents” means Amazon and WDS.

h. “Respondents’ Counsel” means Morgan, Lewis & Bockius LLP, counsel for Amazon, and Barton LLP, counsel for WDS.

i. “Eligible Class Member” or “Eligible Settlement Class Member” means (i) Claimant; (ii) Settlement Class Members who do not exclude themselves from the Settlement; and (iii) Settlement Collective Members.

j. “Effective Date” means the first business day after the Court’s order confirming the Final Approval Order becomes Final (*i.e.*, thirty (30) days after the Final Approval Order is confirmed by the Court if there is no appeal).

k. “Final” shall mean, with respect to a judgment or order, that the judgment or order is final and appealable and either (a) no appeal, motion, or petition to review or intervene has been taken with respect to the judgment or order as of the date on which all times to appeal, move, or petition to review or intervene therefrom have expired, or (b) if an appeal, motion or petition to intervene or other review proceeding of the judgment or order has been commenced, such appeal, motion or petition to intervene or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for rehearing *en banc*, petitions for writ of certiorari or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the judgment or order in its entirety.

l. “Fee and Cost Payment” means the attorneys’ fees and costs to be paid to Class Counsel for the services they rendered Claimant and the Eligible Class Members in the

Action, in the total amount not to exceed one-third (1/3) of the Gross Settlement Amount, plus out-of-pocket costs that are not to exceed Twenty-Five Thousand Dollars (\$25,000.00), as approved by the Arbitrator and confirmed by the Court.

m. “Final Approval” or “Final Approval Order” means the Arbitrator’s final approval order approving the Settlement.

n. “Final Approval Hearing” means the hearing to be held by the Arbitrator to consider the Final Approval of the Settlement.

o. “Gross Settlement Amount” means the amount of Two Million Dollars and Zero Cents (\$2,000,000.00), which shall be the maximum amount Respondents shall pay to settle this Action as set forth herein and shall include all claims for service awards (including without limitation the Service Award), attorneys’ fees and costs (including without limitation the Fee and Cost Payment), except that Respondents shall separately pay their own, respective attorneys’ fees and costs, and the settlement administration costs and the share of payroll taxes attributable to the employer will be paid separately.

p. “Net Settlement Amount” means the Gross Settlement Amount less: (i) the Service Award (as defined below); and (ii) the Fee and Cost Payment. These amounts are subject to the Arbitrator’s approval and the Court’s confirmation. The above amounts shall be deducted on a *pro rata* basis from the Gross Settlement Amount. The Net Settlement Amount shall include all payments to Settlement Class and Collective Members.

q. “Notice Deadline” means the date sixty (60) days after the Settlement Notices are initially mailed by the Settlement Administrator as provided for in this Agreement. Except as otherwise provided in this Agreement, Settlement Class Members shall have until the Notice Deadline to object to or opt-out of the Settlement.

r. “Parties” means the parties to this Agreement, Claimant and Respondents.

s. “Claimant” or “Petitioner” means Elisamuel Baez.

t. “Preliminary Approval” or “Preliminary Approval Order” means the Arbitrator’s preliminary approval order preliminarily approving the terms and conditions of this Agreement.

u. “Qualified Settlement Fund” or “QSF” means the account established by the Settlement Administrator and funded by the Respondents for the purpose of holding the Gross Settlement Amount as well as funds sufficient to enable the Settlement Administrator to pay the employer’s share of payroll taxes and the Settlement Administrator’s fees and costs, including those associated with the Settlement Notice and distributing all approved amounts to the proper individuals. The QSF will be controlled by the Settlement Administrator subject to the terms of this Agreement and the Arbitrator’s orders regarding approval.

v. “Released Parties” mean Amazon.com, Inc., Amazon Logistics, Inc., WDS Logistics, LLC, and each of their respective present and former affiliates (including, with respect to WDS, the WDS Affiliates), divisions, members, joint venture partners, subsidiaries, parents,

predecessors, any merged entity or merged entities, and their respective present and former officers, partners, managers, directors, employees, agents, attorneys, shareholders, members and/or successors, insurers or reinsurers, employee benefit plans (and the trustees, administrators, fiduciaries, agents, representatives, insurers and reinsurers of such plans), assigns, trustees, heirs, administrators, executors, representatives and/or principals thereof, and all persons or entities acting by, through, under, or in concert with any of them, and any individual or entity that could be jointly liable with any of them.

w. “Relevant Time Period” refers to February 28, 2016 through September 16, 2018.

x. “Service Award” means Ten Thousand Dollars and Zero Cents (\$10,000.00) to Claimant Elisamuel Baez for his efforts in bringing and prosecuting this matter and for his broader release of claims in favor of Respondents.

y. “Settlement Administrator” means Analytics Consulting LLC.

z. “Settlement Award” means the payment that each Eligible Class Member shall be entitled to receive pursuant to the terms of this Agreement.

aa. “Settlement Class” or “Settlement Class Members” means all Delivery Associates who were paid by WDS or a WDS Affiliate to deliver packages to Amazon’s customers in New Jersey at any time during the Relevant Time Period.

bb. “Settlement Class and Collective Members” means Settlement Class Members and Settlement Collective Members.

cc. “Settlement Collective Members” means Claimant and all Delivery Associates who were paid by WDS or a WDS Affiliate to deliver packages to customers of Amazon.com in the United States at any time during the Relevant Time Period. There are approximately 40,910 workweeks in the Relevant Time Period. Claimant relied on this approximate number in negotiating the Settlement.

dd. “Settlement Notice” means the Notice of Class and Collective Action Settlement to the Settlement Class and Collective, substantially in the form as Exhibit A attached hereto or as approved by the Arbitrator.

ee. “Tolling Agreements” means that certain Agreement to Toll Statute of Limitations by and between Claimant and WDS, dated November 22, 2019, and that certain Agreement to Toll Statute of Limitations by and between Claimant and Amazon, dated October 28, 2019.

RELEASES

12. **Claimant’s Released Claims.** In exchange for the consideration set forth in this Settlement Agreement, and in addition to the released claims as applicable in Paragraphs 13 and 14, upon the Final Approval Order, Claimant agrees to release and discharge Respondents and all other Released Parties finally, forever and with prejudice, from any and all causes of action, claims,

rights, damages of any nature, penalties, liabilities, expenses, losses, and issues of any kind or nature whatsoever, whether known or unknown, that Claimant has or may have against the Released Parties that arose prior to the date on which he executed this Agreement, including without limitation any claims arising under the FLSA and any claims that were or could have been asserted in the Action, based on the facts alleged, for alleged unpaid wages, overtime compensation, liquidated or other damages, unpaid costs, restitution or other compensation or relief arising under applicable wage and hour laws, as well as any claims, whether in law or equity, known or unknown, against Released Parties relating to Claimant's employment (or alleged employment or joint employment) or termination of employment, including but not limited to claims arising under the Americans with Disabilities Act, National Labor Relations Act, Equal Pay Act, Employee Retirement Income Security Act of 1974, the Worker Adjustment and Retraining Notification Act and its state counterparts, Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Civil Rights Act of 1866, 1871, and 1991, including Section 1981 of the Civil Rights Act, the Family and Medical Leave Act, the Fair Credit Reporting Act, Coronavirus Aid, Relief, and Economic Security Act, New Jersey Law Against Discrimination, including age and sexual harassment claims, New Jersey Equal Pay Act, New Jersey Civil Rights Law, New Jersey Security and Financial Empowerment Act; New Jersey Conscientious Employee Protection Act, New Jersey Family Leave Act, New Jersey Earned Sick Leave, New Jersey Wage and Hour Law, New Jersey WARN Laws, retaliation provisions of New Jersey Workers' Compensation Law, and/or any other federal, state, or local law, statute, regulation, constitution, ordinance, and/or public policy, contract, or tort law, or any claim of retaliation under such laws, or any claim of breach of any contract (whether express, oral, written, or implied from any source), or any claim of unjust enrichment, intentional or negligent infliction of emotional distress.

In addition, Claimant expressly waives any and all claims against the Released Parties and, to the maximum extent permitted by law, releases the Released Parties from any and all actual or potential actions, claims, causes of action, and damages, known or unknown, arising out of Claimant's alleged employment with any of the Released Parties or the termination of that alleged employment under the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act.

Claimant acknowledges he may have claims that are presently unknown based on actions that took place prior to the date he executes this Agreement and that the release of Claimant's released claims contained in this Settlement Agreement is intended to and will fully, finally, and forever discharge all claims against Respondents and the other Released Parties, whether now asserted or not asserted, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, which if known, might have affected his decision to enter this release. Claimant agrees that, although he may discover facts in addition to or different from those that are currently known or believed to be true with respect to Claimant's released claims, it is his intention to fully, finally, and forever settle and release any and all Claimant's released claims, without regard to the subsequent discovery or existence of such additional or different facts.

Notwithstanding anything to the contrary contained in the foregoing, nothing in this Agreement prohibits Claimant from (1) filing a claim or charge with a federal, state or local administrative agency, or (2) reporting, communicating directly with or providing information, including documents, not otherwise protected from disclosure by any applicable law or privilege, to the Securities and Exchange Commission (the "SEC"), the Occupational Safety and Health

Administration (“OSHA”), the Equal Employment Opportunity Commission (“EEOC”), the National Labor Relations Board (“NLRB”) or any other federal, state or local governmental agency or commission regarding possible legal violations, without disclosure to the Respondents, subject to the condition that once this Agreement becomes effective, Claimant may not receive a monetary award in connection with any such charge or complaint that is filed or is filed on Claimant’s behalf with the NLRB, the EEOC, or state or local fair employment agency. Claimant further agrees and acknowledges that he has not made any claims or allegations related to sexual harassment or sexual abuse, and none of the payments to him as set forth in this Agreement are related to sexual harassment or sexual abuse.

13. **Settlement Class Members’ Released Claims.** Upon the Effective Date, all Settlement Class Members shall, in addition to the below, release and discharge all Released Parties, finally, forever and with prejudice, from any and all claims, obligations, demands, actions, rights, causes of action and liabilities, whether known or unknown, against Released Parties that were or could have been asserted in the Action based on the facts alleged during the Relevant Time Period, including but not limited to for alleged unpaid wages, overtime compensation, liquidated or other damages, unpaid costs, restitution or other compensation or relief arising under New Jersey wage and hour laws, city ordinances, or state common law claims (including, but not limited to, unjust enrichment or quantum meruit).

14. **Settlement Collective Members’ Released Claims.** Upon the Effective Date, all Settlement Collective Members who sign, cash, or deposit a Settlement Award payment shall and hereby do release and discharge all Released Parties, finally, forever and with prejudice, from any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses and losses and issues of any kind or nature whatsoever, whether known or unknown under the Fair Labor Standards Act, 29 U.S.C. §§ 201, *et seq.*, as well as claims under Florida, Illinois, Maryland, Wisconsin, and any other applicable state’s wage and hour laws, administrative orders, city ordinances, or state common law claims (including unjust enrichment or quantum meruit) against Released Parties that were or could have been asserted in the Action based on the facts alleged and that arose during the Relevant Time Period. The claims described in this Paragraph include, but are not limited to, statutory claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, attorneys’ fees, litigation costs, restitution, or equitable relief, arising out of or based upon alleged violations of the FLSA.

Settlement Collective Members’ released claims shall include the release set forth in this Paragraph only when the Settlement Collective Members sign, cash, or deposit a Settlement Award payment. Respondents agree that participation in the Settlement and release of the Settlement Collective Members’ released claims may not be used to assert collateral estoppel, *res judicata*, waiver or any other claim preclusion of FLSA claims or other claims not included in the Settlement Collective Members’ released claims with respect to individuals who did not sign, cash, or deposit a Settlement Award payment.

15. The Parties acknowledge and agree that, with the exception of the Claimant, only Settlement Collective Members who are issued and sign, cash, or deposit a Settlement Award payment shall release their FLSA claims against Respondents and Released Parties. Settlement Collective Members shall consent to opt into the Lawsuit by signing, cashing, or depositing a Settlement Award payment. Claimant shall be deemed to have released his FLSA and state law

claims upon Final Approval.

16. **Opt In and Release Language on Settlement Checks.** The Settlement Award checks shall include the following opt-in and release language on the back of each Settlement Award check:

By signing, cashing, or depositing this check, I am opting into the case captioned *Baez, et. al v. WDS Logistics, LLC, et al.*, and I affirm my release of Amazon.com, Inc., Amazon Logistics, Inc., WDS Logistics, LLC, and all other Released Parties of all Eligible Class Members' released claims as defined in the Settlement Agreement approved by the Arbitrator. I affirm that I will not sue on or assert any of the Eligible Class Members' released claims, including FLSA claims, against any of the Released Parties.

17. Claimant, and Eligible Class Members, to the fullest extent allowed by law, are prohibited from asserting any claims released by them in this Settlement, and from commencing, joining in, prosecuting, or voluntarily assisting in a lawsuit or adversarial proceeding against the Released Parties, based on claims released by them in this Settlement. The Settlement Notice will advise that, by signing, cashing, or depositing a Settlement Award payment, the Settlement Collective Member further agrees they will not opt-in, will withdraw any opt-in, and will dismiss this action or themselves from the action in actions where they are a claimant, plaintiff, or appellant, and will opt-out of those actions if they become aware of such actions. Excluded from this prohibition are any instances where any individual is legally compelled to testify through service of a subpoena or other process solely with respect to any such legally compelled testimony.

CERTIFICATION, NOTICE, AND SETTLEMENT IMPLEMENTATION

18. The Parties agree to the following procedures for obtaining Preliminary and Final Approval of the Settlement, certifying the Settlement Class and Collective, and notifying the Settlement Class and Collective Members of this Settlement:

a. **Request for Class Certification and Preliminary Approval Order.** Claimant will file the Demand for Arbitration, and as soon as practicable thereafter an Unopposed Motion for Preliminary Approval of Settlement Agreement, requesting that the Arbitrator certify the Settlement Class and Collective pursuant to 29 U.S.C. § 216(b) and applicable class action rules for the sole purpose of settlement; preliminarily approve the Settlement Agreement and its terms; approve the proposed form of the Settlement Notice and find that the proposed method of disseminating the Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances; set a date for Claimant's Motion for Final Approval of the Settlement, and approval of the requested Service Award and Fee and Cost Payment; and set a date for the Final Approval Hearing. Upon the Effective Date, the Tolling Agreements shall be terminated.

i. Claimant shall provide Respondents with a draft of the Demand for Arbitration at the time of execution of this Settlement Agreement and a period of at least five (5) business days to review and comment on it prior to filing. The Parties will discuss in good faith any edits and will mutually agree upon the final version to be filed. As soon as practicable

thereafter, the Unopposed Motion for Preliminary Approval of Settlement Agreement shall be filed, attaching a copy of this Agreement, which will request that the Arbitrator preliminarily approve the Settlement as fair, reasonable and adequate, and approve the Settlement as a fair and reasonable resolution of a *bona fide* dispute. Claimant shall provide Respondents with a draft of the Unopposed Motion for Preliminary Approval of Settlement Agreement and a period of at least five (5) business days to review and comment on it prior to filing. The Parties will discuss in good faith any edits and will mutually agree upon the final version to be filed.

b. **Notice.** The Settlement Administrator shall be responsible for preparing, printing, and mailing the Settlement Notice to Claimant and all Settlement Class and Collective Members.

c. Within twenty (20) business days after the Arbitrator's Preliminary Approval of the Settlement, Respondents shall provide to the Settlement Administrator a Microsoft Excel file containing whatever information they may have regarding the names, last known addresses, last known telephone numbers (if any), last known email addresses (if any), social security numbers or tax ID numbers, total number of workweeks, and total number of workweeks when the Settlement Class and Collective Member worked four (4) or more days per week during the applicable Relevant Time Period of each Settlement Class and Collective Member ("Class List"). Within five (5) business days of receiving the Class List from Respondents, the Settlement Administrator shall provide Class Counsel with the Class List, without the associated contact information.

d. At least five (5) business days prior to mailing, the Settlement Administrator shall provide Class Counsel and Respondents' Counsel with estimated minimum settlement shares for each Settlement Class and Collective Member, assuming one hundred percent (100%) participation in the Settlement, and utilizing the procedure outlined in Paragraphs 28 and 29 below.

e. In order to provide the best notice practicable, prior to mailing the Settlement Notice, the Settlement Administrator will make reasonable efforts to identify current addresses via public and proprietary systems. Prior to mailing, the Settlement Administrator shall use the National Change of Address Database to update any addresses and. The Settlement Administrator may also employ skip-tracing using the Settlement Class and Collective Member's social security number for this purpose. The Settlement Administrator shall provide a copy of any updated addresses to Respondents.

f. The Settlement Administrator shall maintain a website (which shall be approved by the Parties) that has links to the notice, motions for approval and any other documents in the Matter, the date of approval hearing (if applicable), as well as the ability to submit a change of address/contact information, request to receive Settlement Award payments via PayPal or Venmo, submit disputes, and/or any additional information the Parties shall mutually agree is necessary to effectuate the Settlement. Such website shall be password protected and neither Respondents nor the Settlement Administrator will pay for search optimization.

g. **Initial Mailing.** Within no later than fifteen (15) business days after receiving the Class List, the Settlement Administrator shall mail the Settlement Notice to Claimant and Settlement Class and Collective Members by U.S. First Class Mail and by email. The

Settlement Administrator shall notify Class Counsel and Respondents' Counsel when the Settlement Notice has been mailed.

h. Any Notices returned as undeliverable shall, within three (3) business days, be skip-traced (using the Settlement Class and Collective Members' social security number) to attempt to obtain a new address and shall be re-mailed by U.S. First Class Mail to any new addresses that are found.

i. Any Settlement Notice returned to the Settlement Administrator with a forwarding address shall be re-mailed within three (3) business days following receipt of the returned mail. If any Settlement Notice is returned to the Settlement Administrator without a forwarding address, the Settlement Administrator shall undertake reasonable efforts to search for the correct address and shall promptly re-mail the Settlement Notice to any newly found addresses. In no circumstance shall such re-mailing extend the Notice Deadline.

j. Respondents will not take any adverse action against any person on the grounds that they are eligible to participate or do participate in the Settlement. Respondents also will not discourage participation in this Settlement Agreement or encourage objections or opt-outs. If requested, Respondents shall state Respondents and Class Counsel encourage Settlement Class and Collective Members to participate in the Settlement. Nothing in this Agreement shall be construed to restrict Respondents' freedom to communicate in the ordinary course of business with its employees, including Settlement Class and Collective Members.

19. **Objections.** The Settlement Notice shall provide that Settlement Class Members who wish to object to the Settlement must, on or before the Notice Deadline, mail to Class Counsel and Respondents' Counsel a written statement objecting to the Settlement. Such objection shall not be valid unless it includes the information specified in the Settlement Notice. The statement must be signed personally by the objector and must include the objector's name, address, telephone number, email address (if applicable), the factual and legal grounds for the objection, and whether the objector intends to appear at the Final Approval Hearing. The Settlement Notice shall advise Settlement Class Members that objections shall only be considered if the Settlement Class Member has not opted out of the Settlement. No Settlement Class Member shall be entitled to be heard at the Final Approval Hearing (whether individually or through counsel), unless written notice of the Settlement Class Member's intention to appear at the Final Approval Hearing has been filed with the Arbitrator and served upon Class Counsel and Respondents' Counsel on or before the Notice Deadline, and the Settlement Class Member has not opted out of the Settlement. The postmark date of mailing to Class Counsel and Respondents' Counsel shall be the exclusive means for determining that an objection is timely mailed to counsel. If postmark dates differ, the later of the two postmark dates will control. Settlement Class Members who fail to return timely written objections in the manner specified above shall be deemed to have waived any objections and oppositions to the Settlement's fairness, reasonableness and adequacy, and they shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to object to the Settlement, or appeal from any order of the Arbitrator that is consistent with the terms of this Settlement, or discourage participation in the Settlement claims process.

20. **Requests for Exclusion.** The Settlement Notice shall provide that Settlement Class

Members, other than Claimant, who wish to exclude themselves from the Settlement (“opt-out”) must mail to the Settlement Administrator a written statement indicating that they do not wish to participate or be bound by the Settlement. The written request for exclusion must contain the Settlement Class Member’s full name, address, telephone number, email address (if applicable), and last four digits of their social security number, and must be signed individually by the Settlement Class Member. No opt-out request may be made on behalf of a group. Such written statement must be postmarked by the Notice Deadline.

21. **Conflicting Submissions.** If the Settlement Administrator receives a timely request for exclusion from a Settlement Class Member who has objected to the Settlement, the document submitted later in time shall control.

22. **Weekly and Final Claim Reports.** On a weekly basis, the Settlement Administrator shall provide Class Counsel and Respondents’ Counsel with an accounting of the number of Settlement Notices mailed, returned as undeliverable, and re-mailed; the number of requests for exclusion received; and any other pertinent information. Additionally, within five (5) business days after the Notice Deadline, the Settlement Administrator shall provide to Class Counsel and Respondents’ Counsel notice of the total number of Settlement Class Members who filed timely and valid requests for exclusion from the Settlement, along with the complete copies of all requests for exclusion, including their postmark date. The Settlement Administrator shall work with Class Counsel to provide a declaration for filing with the Final Approval papers.

23. **Final Approval Hearing.** After review and approval by Respondents, Claimant shall request that the Arbitrator schedule the Final Approval Hearing no earlier than thirty (30) days after the Notice Deadline to determine final approval of the Settlement and to enter a Final Approval Order:

- a. certifying this Action and Settlement Collective Members respectively as an FLSA collective action and collective under 29 U.S.C. § 216(b) for purposes of settlement only and this Action and Settlement Class Members respectively as a class action and class under applicable class action rules for purposes of settlement only;
- b. finding dissemination of the Settlement Notice was accomplished as directed and met the requirements of due process;
- c. finally approving the Settlement and its terms as fair, reasonable and adequate and a fair and reasonable resolution of a *bona fide* dispute;
- d. directing that the Settlement funds be distributed in accordance with the terms of this Settlement Agreement; and
- e. directing that the Action be dismissed finally, fully, forever and without prejudice upon final approval, to be converted to a dismissal with prejudice thirty (30) days after the conclusion of the Check Cashing Period and in full and final discharge of any and all Claimant’s released claims, Settlement Class Members’ released claims, and Eligible Class Members’ released

claims for Settlement Collective Members who have opted into the collective action.

SETTLEMENT FUNDS AND AWARD CALCULATION

24. Gross Settlement Amount and Payroll Taxes.

a. **Settlement Award Calculation.** Within ten (10) business days after the Final Approval Order, the Settlement Administrator shall provide Class Counsel and Respondents' Counsel with the final settlement calculations pursuant to the formula outlined in Paragraph 28, including the amount due for payroll taxes. The Settlement Administrator shall also provide Respondents with all necessary documentation and wire transfer instructions for the settlement account by that time. Claimant's Counsel and Respondents' Counsel shall approve the Settlement Administrator's calculation of final settlement shares within five (5) business days of their receipt.

b. **Deposit.** Within forty-five (45) calendar days after the Effective Date and the Settlement Administrator has provided all necessary documentation and wire transfer instructions to Respondents for the settlement account the Gross Settlement Amount and the amount due for employer payroll taxes will be electronically transferred to the QSF. The Parties agree to the creation of a QSF and that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code and Treas. Reg. 26 CFR § 1.468B-1, *et seq.*, and will be administered by the Settlement Administrator as such. Except for any costs associated with distribution of the Settlement Notice, the entire Gross Settlement Amount, plus any interest earned on the Gross Settlement Amount calculated pursuant to 28 U.S.C. § 1961(a) and (b), shall be refunded to Respondents if the Settlement does not obtain Final Approval or otherwise does not become Final, or the Parties do not reach the Effective Date. There shall be no reversion of any portion of the Gross Settlement Amount to Respondents at any time after the Effective Date.

With respect to the QSF, the Settlement Administrator shall: (i) calculate, withhold, remit, and report each Eligible Settlement Class Member's share of applicable payroll taxes (including, without limitation, federal, state and local income tax withholding, FICA, Medicare and any state or local employment taxes), and indemnify Respondents for any penalty arising out of any error or incorrect calculation of payroll taxes and/or interest with respect to any late deposit of the same; (ii) calculate and remit the employer's share of employer payroll taxes for each Eligible Settlement Class Member's share of all employer payroll taxes; and (iii) satisfy all federal, state, and local income and other tax reporting, return, and filing requirements with respect to the QSF. The fees, expenses, and costs incurred in connection with the opening and administration of the QSF and the performance of the Settlement Administrator's duties and functions as described in this Agreement will be paid separately as described herein. These tax services, fees, costs and expenses shall be treated as and included in the costs of administering the QSF, which shall be paid by Respondents.

c. **Disbursement of Settlement Funds.** All disbursements shall be made by the Settlement Administrator within ten (10) calendar days after receipt of the deposit (*i.e.*, within fifty-five (55) days of the Effective Date.)

25. **Payments.** Subject to the Final Approval Order, the following amounts shall be paid by the Settlement Administrator from the Gross Settlement Amount:

a. **Service Award to Claimant.** Subject to the Arbitrator's approval, Claimant Elisamuel Baez shall receive his Service Award for his effort in bringing and prosecuting this matter. An IRS Form 1099-MISC shall be issued for this payment. The payments shall be made from the Gross Settlement Amount as soon as reasonably practicable after the deposit of the Gross Settlement Amount into the QSF but no later than the date on which the Settlement Awards are made to Eligible Settlement Class Members.

b. **Fee and Cost Payment.**

(i) Subject to the Arbitrator's approval, Class Counsel shall receive a fee award in an amount up to one-third (1/3) of the Gross Settlement Amount, which will compensate Class Counsel for all work performed in the Action as of the date of this Settlement Agreement as well as all of the work remaining to be performed, including but not limited to documenting the Settlement, securing the Arbitrator's approval of the Settlement, making sure that the Settlement is fairly administered and implemented, and obtaining final dismissal of the Action. The fee award shall be deducted on a *pro rata* basis from the Gross Settlement Amount. In addition, Class Counsel shall, subject to the Arbitrator's approval, receive reimbursement of their out-of-pocket costs that are not to exceed Twenty-Five Thousand Dollars (\$25,000), as approved by the Arbitrator. These payments shall be made as soon as reasonably practicable after the deposit of the Gross Settlement Amount into the QSF but no later than the date on which the Settlement Awards are made to Eligible Settlement Class Members.

(ii) The attorneys' fees and costs paid on behalf of Respondents pursuant to this Agreement, out of the Gross Settlement Amount, shall constitute full satisfaction of Respondents' obligations to pay amounts to any person, attorney or law firm for attorneys' fees or costs in this Action on behalf of Claimant and/or any Settlement Class and Collective Member, and shall relieve Respondents from any other claims or liability to any other attorney or law firm for any attorneys' fees or costs to which any of them may claim to be entitled on behalf of Claimant or any Settlement Class and Collective Member. The outcome of any proceeding the Arbitrator makes as to Class Counsel's request for attorneys' fees and costs shall not terminate this Agreement, but shall in no instance impact the total amount of the Gross Settlement Amount.

(iii) The Settlement Administrator shall issue an IRS Form 1099-MISC to Class Counsel for the Fee and Cost Payment. Class Counsel shall be solely and legally responsible to pay any and all applicable taxes on the payment made to them.

c. **Settlement Awards to Eligible Class Members.** Settlement Awards shall be made to Eligible Class Members as set forth below.

26. **No Claim Based Upon Distributions or Payments in Accordance with this Settlement Agreement.** No person shall have any claim against the Settlement Administrator, Respondents, Class Counsel, or Respondents' Counsel based on distributions or payments made in accordance with this Settlement Agreement.

**CALCULATION AND DISTRIBUTION OF SETTLEMENT AWARDS
TO ELIGIBLE CLASS MEMBERS**

27. **Settlement Award Eligibility.** All Eligible Class Members shall be paid a Settlement Award and shall have the option to elect to receive their Settlement Awards via check, PayPal or Venmo, provided however that the default payment method shall be check. A direct payment by check will be made to each Eligible Class Member unless the Eligible Class Member elects to receive payment by PayPal or Venmo by following the procedures in the Settlement Website to make such a request. The Settlement Administrator shall be responsible for determining eligibility for, and the amount of, the Settlement Awards to be paid to Eligible Class Members as follows:

28. **Settlement Awards to Settlement Class and Collective Members.** All Settlement Collective Members and Settlement Class Members who do not exclude themselves from the Settlement (“Eligible Settlement Class Members”) shall receive a Settlement Award calculated from the Net Settlement Amount:

a. The amount of \$50 per Eligible Settlement Class Member will be deducted from the Net Settlement Amount prior to the determination of *pro rata* individual settlement shares and allocated to each Eligible Settlement Class Member so that each Eligible Settlement Class Member receives at least \$50 in exchange for their release in this Settlement Agreement.

b. In addition to the \$50 payment set out in (a) above, Eligible Settlement Class Members shall receive a *pro rata* portion of the Net Settlement Amount as follows:

- i. For each workweek during which the Eligible Settlement Class Member worked four (4) or more days during the Relevant Time Period and was paid by WDS or a WDS Affiliate, the Eligible Settlement Class Member shall receive one (1) settlement share.
- ii. The total number of settlement shares for all Eligible Settlement Class Members in the Relevant Time Period will be added together and the resulting sum will be divided into the Net Settlement Amount remaining after deducting the \$50 per Eligible Settlement Class Member to reach a per share dollar figure. That figure will then be multiplied by each Eligible Settlement Class Member’s number of settlement shares to determine the Eligible Settlement Class Member’s Settlement Award.

29. In addition to other information contained on the Settlement Notice, the Settlement Notice shall state the estimated minimum payment the Settlement Class and Collective Member is expected to receive assuming full participation of all Settlement Class and Collective Members. When calculating the minimum settlement shares to be reported in the Settlement Notice, Class Counsel shall create a holdback fund of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) to be used in the event of disputes or discrepancies that arise during the Notice Period. Any amounts not claimed from the holdback fund shall be put in the Net Settlement Amount for distribution prior to mailing checks.

30. All Settlement Award determinations shall be based on data available to Respondents. If the Parties determine, based upon further review of available data, that a person previously identified as being a Settlement Class or Collective Member is not a Settlement Class or Collective Member, or an individual who was not previously identified as a Settlement Class or Collective Member is in fact a Settlement Class or Collective Member but was not so included, the Settlement Administrator shall promptly notify the Parties of the need to make such addition or deletion as appropriate without effect on the Gross Settlement Amount.

31. Fifty percent (50%) of the Settlement Awards to Eligible Class Members shall be considered wages subject to the withholding of all applicable local, state, and federal taxes. The Settlement Administrator shall make the required withholdings and shall issue an IRS Form W-2 to each Eligible Class Member for these payments. Respondents shall pay the employers' side of taxes separate from the Gross Settlement Amount. The remaining fifty percent (50%) of the Settlement Awards to Eligible Class Members shall be considered liquidated damages. The Settlement Administrator shall issue an IRS Form 1099-MISC to each Eligible Class Member for these payments.

32. Class Counsel and Respondents' Counsel do not intend for this Settlement Agreement to constitute legal advice relating to the tax liability of any Eligible Class Member. To the extent that this Settlement Agreement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not written or intended to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

33. The Settlement Administrator shall issue all Settlement Awards to Eligible Class Members within fifty-five (55) days after the Effective Date or as soon as reasonably practicable after the deposit of the Gross Settlement Amount into the QSF. The Settlement Administrator shall then provide written certification of issuance to Class Counsel and Respondents' Counsel within three (3) days of the date the Settlement Awards are issued.

34. All Settlement Award checks shall remain valid and negotiable for one hundred eighty (180) days from the date of their issuance. The Settlement Administrator shall send a reminder letter via U.S. mail and email (to the extent email addresses are available) to those who have not yet cashed their settlement check after sixty (60) days, and the Settlement Administrator will call those (to the extent phone numbers are available) who have still not cashed their check to remind them to do so within the last sixty (60) days of the check-cashing period. The Settlement Administrator may also utilize skip-tracing (using social security numbers) for checks that are returned undeliverable. After the 180-day time period, Settlement Award checks may thereafter automatically be canceled if not cashed within that time, at which time the right to recover any Settlement Award will be deemed void and of no further force and effect.

35. Within twenty (20) days after the Check Cashing Period, the Settlement Administrator shall notify counsel for all Parties of the final list of Eligible Class Members who have signed, deposited, or cashed their settlement payments and, therefore, opted into the collective action and released the Released Parties of the Eligible Class Members' released claims.

Within ten (10) days after such notification by the Settlement Administrator, Class Counsel shall file with Arbitrator a notice identifying the Eligible Class Members who have signed, deposited, or cashed settlement payments and, therefore, opted into the collective action and released the Released Parties of the Eligible Class Members' released claims.

36. **Remaining Monies.** If at the conclusion of the one hundred eighty (180) day check void period set forth above, there are any monies remaining, those monies shall be paid to the Parties' agreed upon *cy pres* recipient, The Legal Aid Society, subject to the Arbitrator's approval in the Final Approval Order.

37. **Cooperation.** The Parties agree to cooperate with the Settlement Administrator and one another to the extent reasonably necessary to carry out the provisions of this Agreement.

MISCELLANEOUS

38. **No Retaliation.** Respondents will not take any adverse action against any Settlement Class and Collective Member on the grounds that they are eligible to participate or do participate in the Settlement.

39. **No Admission of Liability.** This Settlement Agreement and all related documents are not and shall not be construed as an admission by Respondents or any of the Released Parties of any fault or liability or wrongdoing.

40. **Public Comment.** Prior to the filing of an initial motion for approval with the Arbitrator, the Parties agree not to disclose the terms of this Settlement except in arbitration papers filed to seek approval (the "Arbitration Papers"), except for any disclosures agreed to by the Parties in writing and as necessary to effectuate the Settlement. Before or after approval, Claimant and Claimant's Counsel shall not issue a press release, hold a press conference, publish information about the Settlement on any website (other than information directed to Settlement Class Members regarding the approval and the Settlement Website established by the Settlement Administrator), or otherwise publicize the Settlement. However, nothing in this paragraph shall restrict Claimant's Counsel from citing to or referencing this Settlement in the Arbitration Papers, as necessary, for purposes of seeking approval of the Settlement. Claimant and Claimant's Counsel agree not to respond to any media inquiries except to refer reporters to the papers filed with Arbitrator. Nothing in this provision will affect the ability of Claimant's Counsel to carry out their duties consistent with and as required by any other provision in this Agreement or by the Arbitrator or affect Claimant's Counsel's attorney-client communications.

41. **Respondents' Legal Fees.** Respondents shall bear their respective legal fees and expenses in this Action.

42. **Nullification of the Settlement Agreement.** In the event: (a) the Arbitrator does not preliminarily or finally approve the Settlement as provided herein; or (b) the Settlement does not become Final for any other reason; or (c) the Effective Date does not occur, the Parties agree to engage in follow up negotiations with the intent of resolving the Arbitrator's concerns that precluded approval, and if feasible, to resubmit the Settlement for approval within thirty (30) days. If the Settlement is not approved as resubmitted or if the Parties are not able to reach another

agreement, then any Party may void this Agreement; at that point, the Parties agree that each shall return to their respective positions as existed on the day before this Agreement was executed, and that this Agreement shall not be used in evidence or argument in any other aspect in the Action. In addition, upon voiding of the Agreement, the Gross Settlement Amount will be returned to Respondents consistent with Paragraph 24(b).

43. **Option to Void the Settlement Agreement.** If, within thirty (30) days after receipt of all requests for exclusion, more than five percent (5%) of the Settlement Class have timely submitted otherwise valid requests for exclusion, any of the Respondents have the option to terminate the Settlement Agreement. Claimant cannot opt-out of or object to the Settlement Agreement. No party or counsel to any party may solicit or otherwise encourage Settlement Class Members to opt-out of the Settlement. If any of the Respondents exercise their option to revoke the Settlement for this reason, they shall be responsible for all costs of administration incurred up to the date of such revocation.

44. **Inadmissibility of Settlement Agreement.** Except for purposes of settling this Action, 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 Settlement 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 used, construed as, offered or admitted in evidence as, received as, or deemed to be evidence in this or any other proceeding, for any purpose adverse to any of 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 or waiver of any defense or other position.

45. **Computation of Time.** For purposes of this Agreement, if the prescribed time period in which to complete any required or permitted action expires on a Saturday, Sunday, or legal holiday (as defined by FED. R. CIV. P. 6(a)(6)), such time period shall be continued to the following business day. The term “days” shall mean calendar days unless otherwise noted.

46. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Arbitrator, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

47. **Amendment or Modification.** Prior to the Preliminary Approval Order by the arbitrator, this Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors in interest. Following the Preliminary Approval Order by the arbitrator, this Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors in interest and must be approved by the Arbitrator. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto and approved by the Arbitrator.

48. **Entire Settlement Agreement.** This Agreement with exhibits hereto constitutes the entire Agreement among the Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement other than (i) the

representations, warranties, and covenants contained and memorialized in such documents and (ii) solely with respect to the Respondents, as set forth in any agreements by and between the Respondents or their affiliates. All prior or contemporaneous negotiations, memoranda, agreements, understandings, and representations, whether written or oral are expressly superseded hereby and are of no further force and effect other than, solely with respect to the Respondents, as set forth in any agreements by and between the Respondents or their affiliates. Each of the Parties acknowledges that it has not relied on any promise, representation or warranty, express or implied, not contained in this Agreement other than, solely with respect to the Respondents, as set forth in any agreements by and between the Respondents or their affiliates. No rights hereunder may be waived except in writing.

49. **Authorization to Enter Into Settlement Agreement.** The signatories to this Agreement warrant and represent that they are authorized to enter into this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel shall cooperate with each other and use their best efforts to effect the implementation of the Agreement. In the event that the Parties are unable to reach resolution on the form or content of any document needed to implement this Agreement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Agreement, the Parties shall seek the assistance of the mediator, Dennis Clifford, to resolve such disagreement.

50. **Binding on Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of Claimant, Respondents, the Settlement Class and Collective Members and their heirs, beneficiaries, executors, administrators, transferees, successors, assigns, or any corporation or any entity with which any party may merge, consolidate or reorganize. The Parties hereto represent, covenant and warrant they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

51. **Counterparts.** This Agreement may be executed in one or more counterparts, including by facsimile, email, and electronic signature. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Agreement and photocopies thereof (including copies transmitted by facsimile, email, or other electronic means) shall have the same force and effect and shall be as legally binding and enforceable as the original.

52. **Severability.** Should any provision of this Agreement be declared wholly or partially illegal, invalid, or unenforceable, the offending provision shall be stricken, and all remaining provisions shall remain in full force and effect and shall be unaffected by such declaration.

53. **No Signature Required by Settlement Class and Collective Members.** Only the Claimant, Respondents, and the respective counsel of each of them will be required to execute this Settlement Agreement. The Settlement Notice will advise all Settlement Class and Collective Members of the binding nature of the releases, and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class and Collective Member.

54. **Cooperation and Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement; hence the drafting of this Agreement shall not be construed against any of the Parties. The Parties agree the terms and conditions of this Agreement were negotiated at arm's length and in good faith by the Parties and reflect a settlement that was reached voluntarily based upon adequate information and sufficient exchange of data and information and after consultation with experienced legal counsel.

55. **Governing Law.** All terms of this Settlement Agreement and the exhibits hereto shall be governed by and interpreted according to the law of the state of New Jersey without regard to conflicts of law principles.

56. **Jurisdiction of the Arbitrator.** The Arbitrator shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Arbitrator solely for this purpose. The applicable Settlement Class and Collective Members' claims released by the provisions of this Settlement shall be dismissed without prejudice upon Final Approval, to be converted to a dismissal with prejudice thirty (30) days following the end of the Check Cashing Period.

57. **Costs of Arbitration.** The Parties agree that the costs of arbitration, including filing, administrative fees charged by the arbitration service, and/or hourly fees charged by the arbitrator, shall be split between Respondents and Claimant to the extent that they do not exceed \$10,000 in total, with any additional amount to be paid by Respondents. Respondents shall pay the costs of arbitration separately from the Gross Settlement Amount.

58. **Confirmation of the Arbitral Award.** Within five (5) business days after the entry of the Final Approval Order, Claimant will file a Petition to Confirm Arbitral Award with the Court following the applicable rules regarding arbitration award approval.

59. **Claimant's Acknowledgements.** Claimant acknowledges:

- a. that he has read the terms of this Settlement Agreement, and understands its terms and effects, including the fact that he has agreed to **RELEASE AND FOREVER DISCHARGE** Respondents and the Released Parties from any legally waivable actions, including but not limited to any and all actions arising out of Claimant's employment relationship with WDS Logistics, LLC or its affiliates, parents, successors and assigns and the termination of that employment relationship;
- b. that he has signed this Settlement Agreement voluntarily and knowingly in exchange for the consideration described herein, which he acknowledges is adequate and satisfactory;
- c. that he was offered at least twenty-one (21) days to consider his choice to sign this Settlement Agreement;
- d. that he has been advised to consult and has consulted with an attorney, concerning this Settlement Agreement; and

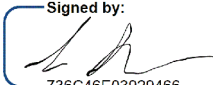
e. that he knows that he can revoke this Settlement Agreement within seven (7) days of signing it and that the Settlement Agreement does not become effective until that seven (7) day period has passed. To revoke, Claimant must provide written notice to Amazon's counsel and WDS's counsel.

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IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

CLAIMANT:  10/10/2024 | 10:35 AM EDT
 Signed by: _____ Date: _____, 2024
 950D9DED3968482...
 Elisamuel Baez

APPROVED AS TO FORM BY CLAIMANT’S COUNSEL:

 10/10/2024 | 6:12 PM EDT
 Signed by: _____ Date: _____, 2024
 736C46E03929466...
 Sarah R. Schalman-Bergen
 Krysten Connon
 LICHTEN & LISS RIORDAN PC

 10/10/2024 | 3:28 PM PDT
 DocuSigned by: _____ Date: _____, 2024
 A884231B873346E...
 Alexandra K. Piazza
 Michaela L. Wallin
 BERGER MONTAGUE PC

 10/16/2024 | 10:51 AM EDT
 DocuSigned by: _____ Date: _____, 2024
 B0F3CBE613E0417...
 Ryan Allen Hancock
 WILLIG, WILLIAMS, & DAVIDSON

RESPONDENTS:
Authorized Representative for DocuSigned by:
Eane Brown
0AC4AA6BEE2D4A8...
Amazon.com, Inc.

November 20, 2024
Date: _____, 2024

Authorized Representative for DocuSigned by:
Eane Brown
0AC4AA6BEE2D4A8...
Amazon Logistics, Inc.

November 20, 2024
Date: _____, 2024

Ben Badzy
WDS Logistics, LLC

Date: 17 October, 2024

APPROVED AS TO FORM BY AMAZON'S COUNSEL:

Stephanie L. Sweitzer
Stephanie L. Sweitzer
Christopher Ramsey
MORGAN, LEWIS & BOCKIUS LLP

Date: November 1, 2024

APPROVED AS TO FORM BY WDS'S COUNSEL:

Alan T. Gallanty
Alan T. Gallanty
BARTON LLP

Date: 10-17, 2024

EXHIBIT A

In the Matter of the Arbitration Between

ELISAMUEL BAEZ, on behalf of himself and others similarly situated,

Claimant,

vs.

WDS LOGISTICS, LLC d/b/a NEED IT NOW DELIVERS, AMAZON.COM, INC., and AMAZON LOGISTICS, INC.,

Respondents.

Case No. _____

NOTICE OF CLASS AND COLLECTIVE ACTION SETTLEMENT

TO: **NAME** _____ **Settlement Website:** _____
ADDRESS _____
ADDRESS _____

*This Notice of Class and Collective Action Settlement is authorized by _____.
This is not a solicitation. This is not a lawsuit against you, and you are not being sued.*

PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

1. Why Should You Read This Notice?

This Notice of Class and Collective Action Settlement (“Notice”) explains your right to share in the monetary proceeds of this Settlement, exclude yourself (“opt-out”) from the Settlement, or object to the Settlement (if applicable). Arbitrator _____ (“Arbitrator”) has preliminarily approved the Settlement as fair and reasonable. The Arbitrator will hold a Final Approval Hearing on _____, 2024 at _____, in [location].¹

You received this Notice either because the records of WDS Logistics, LLC d/b/a Need It Now Delivers (“WDS”), Amazon.com, Inc. (“Amazon.com”), and/or Amazon Logistics, Inc. (“Amazon Logistics,” and together with “Amazon.com,” “Amazon”) (“Amazon” together with “WDS,” “Respondents”), show you performed work as a Delivery Associate and were paid by WDS or one of its affiliated entities, to the extent such entities provided services to Amazon pursuant to the Delivery Service Partner Program Agreement under which WDS provided such services during the Relevant Time Period (each, a “WDS Affiliate” and collectively, the “WDS Affiliates”), to deliver packages to customers of Amazon.com in the United States at any time between February 28, 2016 through September 16, 2018 (“Settlement Class and Collective Members”).

The parties to the lawsuit agreed to a binding settlement of this action, which alleges that Settlement Class and Collective Members should have been paid for all hours worked, including

¹ Capitalized terms used but not defined in this Notice have the meanings given to them in the Settlement Agreement.

overtime compensation, in addition to their day rate, when they worked more than forty (40) hours per week.

2. What is this Lawsuit About?

This lawsuit alleges that individuals who work or have worked as Delivery Associates and who were paid by WDS or a WDS Affiliate to deliver packages to customers of Amazon.com in the United States at any time between February 28, 2016 through September 16, 2018 (“Relevant Time Period”) were not paid for all hours worked, including overtime compensation to which they were entitled under the law. Respondents and Released Parties deny that they failed to pay these individuals the full amount of compensation they were owed, deny any wrongdoing, and deny any and all liability and damages to anyone with respect to the allegations made in the lawsuit. Amazon specifically denies that it is the employer or joint employer of Delivery Associates. The Arbitrator has not made a decision on the merits of the allegations.

3. What Are the Terms of the Settlement?

Under the terms of the Settlement Agreement, Respondents have agreed to pay Two Million Dollars and Zero Cents (\$2,000,000.00) (the “Gross Settlement Amount”).

The Gross Settlement Amount includes amounts to cover (i) Ten Thousand Dollars (\$10,000.00) in total to Claimant Elisamuel Baez for his service to the Settlement Class and his broader release of claims in favor of Respondents; and (ii) attorneys’ fees and costs for Class Counsel (see below). After deductions of these amounts, what remains of the Gross Settlement Amount shall be divided into monetary Settlement Awards to the Settlement Class and Collective Members calculated under the formula provided below. Under the terms of the proposed settlement, you do not need to do anything to receive a settlement award under the terms of the settlement, and a check (or other form of payment as selected in accordance with this Notice) will be sent to you if the Arbitrator grants final approval to the settlement unless you choose to opt-out of the settlement as described below.

4. How Much Can I Expect to Receive if the Settlement is Approved?

Your Settlement Award is calculated based on the records submitted by Respondents. Specifically, the settlement payments are calculated as follows:

The amount of \$50 is allocated to each Settlement Class and Collective Member, so every such person receives at least \$50 in exchange for their release in this Settlement Agreement. In addition to the \$50 payment, each Settlement Class and Collective Member will receive *a pro rata* portion of the applicable Net Settlement Amount, calculated as follows:

- i. For each workweek during which the Settlement Class and Collective Member worked four (4) or more days during the Relevant Time Period, the Settlement Class and Collective Member shall receive one (1) settlement share.
- ii. The total number of settlement shares for all Settlement Class and Collective Members will be added together, and the resulting sum will be divided into the

Net Settlement Amount minus the \$50 payments to each Settlement Class and Collective Member to reach a per share dollar figure. That figure will then be multiplied by each Settlement Class and Collective Member's number of settlement shares to determine the Settlement Class and Collective Member's Settlement Award.

Your total estimated settlement payment will be based on [REDACTED] number of workweeks of four (4) or more days, as shown in Respondents' records. Based on the formula above, your minimum estimated Settlement Award would be \$ [REDACTED]. ***This amount is an estimate, and your final award may be different than this amount.***

If you have questions about the number of eligible workweeks of your Settlement Award, you may contact the Settlement Administrator at the contact information below and must submit any disputes by [DATE].

Fifty percent (50%) of your payment represents back wages, and 50% represents liquidated damages. The Settlement Administrator will issue you an IRS Form W-2 for 50% of this payment and an IRS Form 1099-MISC for the other 50% of this payment. Respondents will pay the employer side taxes separate from the Settlement Award payment. Neither the Settlement Administrator nor the Parties can provide you with any tax advice. You should contact your accountant or tax related advisors for any questions about taxes you may owe on these amounts.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your monetary Settlement Award. If you fail to keep your address current, you may not receive your Settlement Award.

5. What are the Releases?

If the Arbitrator grants final approval of the Settlement, the lawsuit will be dismissed with prejudice against Respondents, and all Settlement Class Members who worked as Delivery Associates in New Jersey and who have not opted out of the Settlement will release Respondents and all Released Parties from any and all claims that were or could have been asserted in the demand for arbitration based on the facts alleged for unpaid wages, overtime compensation, liquidated or other damages, unpaid costs, restitution or other compensation or relief arising under New Jersey wage and hour laws, or state common law claims (including unjust enrichment or quantum meruit) that accrued between February 28, 2016 through September 16, 2018.

With the exception of the Claimant, only Settlement Collective Members who cash or deposit their Settlement Award payment will opt into this lawsuit and will release their Fair Labor Standards Act ("FLSA") claims as well as claims under Florida, Illinois, Maryland, Wisconsin, and any other applicable state's wage and hour laws, administrative orders, city ordinances, or state common law claims (including unjust enrichment or quantum meruit) (as applicable to the state in which they worked) against Respondents and all Released Parties that accrued between February 28, 2016

through September 16, 2018. The full text of the releases is contained in the Settlement Agreement and may be obtained from [[Settlement Administrator contact info](#)].

6. What Are My Rights?

- **Do Nothing:** If you do nothing and the Arbitrator grants final approval to the Settlement, you will receive a Settlement Award. You will opt into the Collective Action claims in the action which alleges FLSA violations, and you will release your FLSA claims and claims under any applicable state's laws if you cash or deposit your Settlement Award. If you do nothing and the Arbitrator grants final approval to the Settlement, and you are a Settlement Class Member, you also will release any New Jersey state law claims, if applicable, as provided for in Section 5 above.

If you wish to participate in the settlement and receive your Settlement Award via PayPal or Venmo instead of check, you may elect to do so by submitting an Election Form on the Settlement Website; [[INSERT URL](#)]. If you do nothing and do not elect to receive payment via PayPal or Venmo, a check will be mailed to you following final approval of the Settlement.

- **Opt-Out:** If you are a member of the Settlement Class *and worked as a Delivery Associate in New Jersey* and do not wish to be bound by the Settlement, you must submit a written exclusion from the Settlement ("opt-out"), postmarked by [[INSERT](#)]. The written request for exclusion must contain your full name, address, telephone number, email address (if applicable), last four digits of your social security number, and must be signed individually by you. No opt-out request may be made on behalf of a group. The opt-out request must be sent by mail to the Settlement Administrator. **Any person who requests exclusion (opts out) of the settlement will not be entitled to any Settlement Award and will not be bound by the Settlement Agreement or have any right to object, appeal or comment thereon.**
- **Object:** If you are a member of the Settlement Class *and worked as a Delivery Associate in New Jersey* and wish to object to the Settlement, you must submit a written statement objecting to the Settlement. The statement must state the factual and legal grounds for your objection to the settlement. Your objection must state your full name, address, telephone number, and email address (if applicable), and must be signed by you. Any objection must be mailed to:

Sarah R. Schalman-Bergen
LICHTEN & LISS-RIORDAN PC
729 Boylston Street, Suite 2000
Boston, MA 02116

Stephanie L. Sweitzer
MORGAN, LEWIS & BOCKIUS LLP
110 N. Wacker Drive, Suite 2800
Chicago, IL 60606

Alan T. Gallanty
BARTON LLP
711 Third Avenue, 14th Floor
New York, NY 10017

If you submit a written objection, you may also, if you wish, appear at the Final Approval Hearing to discuss your objection with the Arbitrator and the parties to the Lawsuit. Your written objection

must state whether you will attend the Final Approval Hearing, and your written notice of your intention to appear at the Final Approval Hearing must be filed with the Arbitrator and served upon Class Counsel and Respondents' Counsel on or before the Notice Deadline. To be heard at the Final Approval Hearing you must also not have opted out of the Settlement. If you wish to object to the Settlement but fail to return your timely written objection in the manner specified above, you shall be deemed to have waived any objection and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. The postmark date of mailing to Class Counsel and Respondents' counsel shall be the exclusive means for determining that an objection is timely mailed to counsel. Objections shall only be considered if the Settlement Class Member has not opted out of the Settlement.

7. Can Respondents Retaliate Against Me for Participating in this Lawsuit?

No. Your decision as to whether or not to participate in this Lawsuit will in no way affect your work or employment with Respondents or future work or employment with Respondents. It is unlawful for Respondents to take any adverse action against you as a result of your participation in this Lawsuit. In fact, Respondents encourage you to participate in this Settlement.

8. Who Are The Attorneys Representing Claimant And The Settlement Class?

Claimant and the Settlement Class are represented by the following attorneys:

Sarah R. Schalman-Bergen
Krysten Connon
LICHTEN & LISS-RIORDAN, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
ssb@llrlaw.com
kconnon@llrlaw.com
(617) 994-5829

Ryan Allen Hancock
WILLIG, WILLIAMS, & DAVIDSON
1845 Walnut Street, 24th Floor
Philadelphia, PA 19103
rhancock@wwdlaw.com
(215) 656-3679

Alexandra K. Piazza
Michaela L. Wallin
BERGER MONTAGUE PC
1818 Market Street, Suite 3600
Philadelphia, PA 19103
apiazza@bm.net
mwallin@bm.net
(215) 875-3033

9. How Will the Attorneys for the Settlement Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount. You do not have to pay the attorneys who represent the Settlement Class. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount plus their out-of-pocket costs, not to exceed Twenty-Five Thousand Dollars (\$25,000.00). Class Counsel will file a Motion for Attorneys' Fees and Costs with the Arbitrator. The amount of

attorneys' fees and costs awarded will be determined by the Arbitrator at the Final Approval Hearing.

10. Who May I Contact If I Have Further Questions?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number or email address listed below or Class Counsel listed above. Please refer to the WDS/Amazon Settlement.

[INSERT]
[INSERT]
[INSERT]

This Notice only summarizes the lawsuit, the settlement and related matters. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is available through the Settlement Administrator or at the website: [INSERT].

PLEASE DO NOT WRITE OR TELEPHONE THE ARBITRATOR OR TO AMAZON OR WDS FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.