# NOTICE OF CLASS AND COLLECTIVE ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

Amaraut, et al. v. Sprint/United Management Company, Case No. 3:19-cv-00411-WQH-AHG (S.D. Cal.)

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU WORKED AS A NON-EXEMPT EMPLOYEE AT A SPRINT RETAIL STORE IN THE STATES OF ARIZONA, COLORADO, NEW YORK, OHIO, OR WASHINGTON, DURING THE PERIODS SPECIFIED BELOW AND BECAUSE YOU ALSO FILED AN OPT-IN FORM TO ASSERT FAIR LABOR STANDARDS ACT CLAIMS IN THIS LAWSUIT. YOU MAY BE ENTITLED TO PAYMENT FROM A PROPOSED CLASS AND COLLECTIVE ACTION SETTLEMENT. YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

\*\*\*

YOU WILL RECEIVE AN ESTIMATED TOTAL AMOUNT OF [INSERT] IF YOU ELECT TO FULLY PARTICIPATE IN THE SETTLEMENT.

# PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE COULD AFFECT YOUR LEGAL RIGHTS. YOU MAY BE ENTITLED TO MONEY FROM THIS SETTLEMENT.

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

# 1. Why Did I Get This Notice?

A proposed class and collective action settlement (the "Settlement") has been reached in *Amaraut*, *et al. v. Sprint/United Management Company*, Case No. 3:19-cv-00411-WQH-AHG (S.D. Cal.) (the "Lawsuit"). You received this Notice of Settlement ("Notice") because (1) the records of Sprint/United Management Company ("Sprint") show you performed work as a non-exempt employee in a Sprint Retail Store in one or more of the following states and related periods below and (2) you submitted an opt-in form to become an Opt-In Plaintiff and assert federal Fair Labor Standards Act ("FLSA") claims in the Lawsuit.

- Arizona: February 28, 2018 through December 31, 2020
- Colorado: February 28, 2016 through December 31, 2020
- New York: February 28, 2013 through December 31, 2020
- **Ohio:** February 28, 2016 through December 31, 2020
- Washington: February 28, 2016 through December 31, 2020

Because you fit this definition, you are entitled to receive money from the Settlement, as described below.

This Notice explains the details of the Settlement. The Notice also describes how you can participate in the Settlement, and how you can opt-out or object to the Class Settlement (if you choose to do so).

The United States District Court for the Southern District of California has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval hearing on July 7, 2021 at 9:00 a.m., before the Honorable William Q. Hayes at the James M. Carter and Judith N. Keep United States Courthouse, Courtroom 14B, 333 West Broadway, San Diego, California 92101.

IF YOU WISH TO PARTICIPATE IN THIS SETTLEMENT OF THE CLASS ACTION, YOU DO NOT NEED TO DO ANYTHING; A CHECK FOR YOUR SHARE OF THE SETTLEMENT FUNDS WILL BE MAILED TO YOU FOLLOWING FINAL COURT APPROVAL OF THE SETTLEMENT.

# 2. What is the Lawsuit About? Description of the Lawsuit.

The Lawsuit alleges that individuals whom Sprint employed as non-exempt employees in its retail stores were not compensated for all hours worked, including failure to pay for all earned wages, legally mandated overtime premium and/or minimum wages, overtime compensation, unpaid time worked "off the clock"; denial of compliant meal and rest breaks where required; failure to timely pay all wages earned; failure to provide itemized wage statements where required; and all related claims for relief. Specifically, the Lawsuit alleges that employees worked off-the-clock performing tasks including opening and closing procedures, logging into Sprint's computer system, attending mandatory conference calls, communicating with managers and employees via mobile messaging ("GroupMe"), taking phone calls from managers, employees and customers, submitting expense reports and job-related paperwork, and working during unpaid meal and rest breaks. Claims in the Lawsuit are brought under federal law, as well as the laws of Arizona, Colorado, New York, Ohio, and Washington.

**NOTE:** To assert your federal law claims under the FLSA, you were required to submit an Opt-In Consent Form in order to become an Opt-In Plaintiff. You have already done so. You are not required to submit an Opt-In Consent Form to assert your state law claims for work in Arizona, Colorado, New York, Ohio, and Washington.

Sprint denies all of the allegations in this Lawsuit. Sprint has asserted legal and factual defenses to Plaintiffs' claims. Nothing in this Notice of proposed Settlement shall be construed as an admission, concession, or indication by or against Sprint or anyone else of any fault, wrongdoing or liability whatsoever. Sprint further contends that the Plaintiffs' claims do not meet the requirements for class certification. The Parties reached the proposed Settlement because they recognize the risks, distractions, and costs associated with litigation. The Court has not expressed an opinion regarding the merits of Plaintiffs' claims or Sprint's liability.

This Settlement is the result of good faith, arm's length negotiations between the Plaintiffs and Sprint, through their respective attorneys. Both sides agree that, in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Opt-In Plaintiffs and Settlement Class Members. This Settlement is a compromise and is not an admission of liability on the part of Sprint. By agreeing to settle, Sprint does not admit, and expressly denies, liability on any of the factual allegations or claims in the Lawsuit.

The Settlement Administrator has created a Settlement website, which can be accessed at www.SprintOvertimeSettlement.com. The Settlement website contains a copy of the Settlement Agreement, all papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and the Notices of Settlement (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

In order for the Settlement to be effective, the Court must approve the terms of the Settlement described below as fair and reasonable to the Settlement Class and Opt-In Plaintiffs. The Settlement will affect all members of the Settlement Class Members and Opt-In Plaintiffs.

## 3. What Are the Terms of the Settlement?

Sprint has agreed to pay \$7,600,000 to settle all aspects of this Lawsuit (the "Maximum Gross Settlement Amount"), inclusive of the claims of all Settlement Class Members and Opt-In Plaintiffs. Deductions from this amounts will be made for attorneys' fees and costs for Class Counsel (see below), settlement administration costs (estimated to be \$99,921), the payment to Plaintiff Vladimir Amaraut of \$3,999 for his individual claims under California law (which were pleaded in this Lawsuit and settled on a class basis in other cases in which Plaintiff Amaraut does not take part), and the Service Awards in an amount not to exceed \$65,000 in total to be divided between Class Representatives Vladimir Amaraut, Katherine Almonte, Marissa Painter, Kristopher Fox, Dylan McCollum and Quinn Myers for their service to the Settlement Class Members and the Opt-In Plaintiffs, and for their general release of claims. After deductions of these amounts, what remains of the Maximum Gross Settlement Amount (the "Net Settlement

Amount") will be available to pay monetary Settlement awards to the Named Plaintiffs, Opt-In Plaintiffs, and Putative Class Members who do not opt out of the Settlement Class (i.e., Settlement Class Members).

The following persons will be eligible to receive a monetary award from the Net Settlement Amount:

- 1. Settlement Class Members:
  - o All individuals who worked as non-exempt employees at Sprint retail stores in <u>Arizona</u> at any time from February 28, 2018 to December 31, 2020;
  - o All individuals who worked as non-exempt employees at Sprint retail stores in <u>Colorado</u> at any time from February 28, 2016 to December 31, 2020;
  - o All individuals who worked as non-exempt employees at Sprint retail stores in <u>New York</u> at any time from February 28, 2013 to December 31, 2020;
  - o All individuals who worked as non-exempt employees at Sprint retail stores in Ohio at any time from February 28, 2016 to December 31, 2020; and
  - o All individuals who worked as non-exempt employees at Sprint retail stores in <u>Washington</u> at any time from February 28, 2016 to December 31, 2020.
- **2.** Individuals who filed an Opt-In Consent Form to assert federal FLSA claims in the Lawsuit prior to January 8, 2021.
- 3. Named Plaintiffs

# 4. How Will the Net Settlement Amount Be Divided for Participating Individuals?

The Net Settlement Amount will be allocated as follows: 70% to the Class Net Settlement Amount and 30% to the FLSA Net Settlement Amount. The Class Net Settlement Amount will be further allocated as follows:

- 6.6% to Settlement Class Members in the Putative Arizona Class ("the Arizona Class Net Settlement Amount");
- 8.4% to Settlement Class Members in the Putative Colorado Class ("the Colorado Class Net Settlement Amount");
- 58.8% to Settlement Class Members in the Putative New York Class ("the New York Class Net Settlement Amount");
- 10.3% to Settlement Class Members in the Putative Ohio Class ("the Ohio Class Net Settlement Amount"); and
- 15.9% to Settlement Class Members in the Putative Washington Class ("the Washington Class Net Settlement Amount").

Settlement Class Members will receive a pro rata share of the Class Net Settlement Amount, as follows:

- Settlement Class Members that worked in Arizona will receive a *pro rata* share of the Arizona Class Net Settlement Amount, based on their respective number of Arizona Workweeks in the Settlement Period as compared to the total Arizona Workweeks of all Settlement Class Members in the Settlement Period;
- Settlement Class Members that worked in Colorado will receive a *pro rata* share of the Colorado Class Net Settlement Amount, based on their respective number of Colorado Workweeks in the Settlement Period as compared to the total Colorado Workweeks of all Settlement Class Members in the Settlement Period;
- Settlement Class Members that worked in New York will receive a *pro rata* share of the New York Class Net Settlement Amount, based on their respective number of New York Workweeks in the Settlement Period as compared to the total New York Workweeks of all Settlement Class Members in the Settlement Period;
- Settlement Class Members that worked in Ohio will receive a *pro rata* share of the Ohio Class Net Settlement Amount, based on their respective number of Ohio Workweeks in the Settlement Period as compared to the total Ohio Workweeks of all Settlement Class Members in the Settlement Period; and
- Settlement Class Members that worked in Washington will receive a *pro rata* share of the Washington Class Net Settlement Amount, based on their respective number of Washington Workweeks in the Settlement Period as compared to the total Washington Workweeks of all Settlement Class Members in the Settlement Period.

Opt-In Plaintiffs will receive a *pro rata* share of the FLSA Net Settlement Amount, based on their respective number of Workweeks in the Settlement Period as compared to the total Workweeks of all Opt-In Plaintiffs in the Settlement Period.

To the extent that individuals are both Settlement Class Members and Opt-In Plaintiffs, they are eligible to receive both an Individual Class Settlement Share and an Individual FLSA Settlement Share. Separate check payments may be issued for Individual Class Settlement Share checks and Individual FLSA Settlement Share checks; thus, you may be issued two separate check payments.

# 5. How Much Can I Expect to Receive?

Workweeks as an Opt-In Plaintiff.

As you are both a Settlement Class Member and Opt-In Plaintiff, you will receive an Individual Class Settlement Share if the Court grants Final Approval of the Settlement and if you do not request exclusion from the Settlement, as discussed in this Notice. Additionally, you will receive an Individual FLSA Settlement Share if the Court grants Final Approval of the Settlement.

According to records maintained by Sprint, your Individual Class Settlement Share is estimated to be at least \$\_\_\_\_\_\_, and your Individual FLSA Settlement Share is estimated to be at least \$\_\_\_\_\_\_. These amounts are estimated amounts, and your final Settlement payments are expected to differ from these amount (i.e., they could be higher or lower) and will be calculated as set forth above. This amount is based on the following number of Workweeks you worked for Sprint as a Settlement Class Member and Opt-In Plaintiff, as shown by company records:

You have an estimated Workweeks as a Settlement Class Member. You have an estimated

If you wish to dispute the number of Workweeks as shown here, you may produce evidence to the Settlement Administrator establishing the dates and locations you contend to have worked for Sprint as a Settlement Class Member and/or Opt-In Plaintiff during the covered period. To do so, send a letter to the Settlement Administrator explaining the basis for your dispute and attach copies of the supporting evidence. The letter must (1) contain your full name, mailing address, last four digits of your Social Security number, and signature; (2) contain the case name and/or number of the *Amaraut* Lawsuit; (3) contain a statement indicating that you dispute the Workweeks credited to you and indicating what number of Workweeks you contend is correct or incorrect; and (4) attach documentation supporting your contention about the correct number of Workweeks that should be credited you. Unless you present convincing evidence proving you worked more Workweeks than shown by Sprint's records, your Individual Class Settlement Share and Individual FLSA Settlement Share will be determined based on Sprint's records. Any disputes must be postmarked by May 26, 2021, and should be mailed to Amaraut v Sprint Settlement, c/o Settlement Administrator, PO Box 58908, Philadelphia, PA 19102-8908. The Settlement Administrator will notify you of the decision on the dispute.

For tax reporting purposes, Individual Class Settlement Share and Individual FLSA Settlement Share payments will be allocated 33.33% as wages, and 66.66% as civil penalties and liquidated damages. In the event that any taxing body determines that different amounts should have been withheld from your Individual Class Settlement Share and Individual FLSA Settlement Share payments, you will be responsible for the payment of any additional employee-side taxes, interest, or penalties. None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members and Opt-In Plaintiffs should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will have 120 days to cash the Individual Class Settlement Share check and the Individual FLSA Settlement Share check that will be sent to you. If at the conclusion of the 120-day check void period, there are any uncashed Individual Class Settlement Share checks, those monies will be redistributed to those Settlement Class Members that cashed their Settlement checks. Likewise, if at the conclusion of the 120-day check void period, there are any uncashed Individual FLSA Settlement Share checks, those monies will be redistributed to

those Opt-In Plaintiffs that cashed their Settlement checks. If the amount of uncashed checks to be redistributed is less than \$10 per person, the uncashed check monies will be donated to the Justice Gap Fund as a charitable recipient.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Individual Class Settlement Share and Individual FLSA Settlement Share payments. If you fail to keep your address current, you may not receive your payments.

## 6. What Claims Will Be Released?

Upon the final approval of the Settlement by the Court and payment of the monetary amounts due under the Settlement, Settlement Class Members release claims as follows (the "Settlement Class Members Released Claims") against Sprint, including its present and former parent companies, present owners, former owners, subsidiaries, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, carriers, guarantors, successors, predecessors, fiduciaries, administrators, and assigns, and any individual or entity which could be jointly liable with Sprint (the "Released Parties"):

All claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities under the state laws of Arizona, Colorado, New York, Ohio, and Washington, known or unknown, suspected or unsuspected, relating to the allegations that were asserted, or could have been asserted, in the Lawsuit against the Released Parties. Such allegations include any wage and hour claim that could have been asserted, including but not limited to assertions that Settlement Class Members were not properly or timely compensated for all hours worked, business expenses, or waiting time, under the respective Arizona, Colorado, New York, Ohio, and Washington state wage and hour law, or any other equivalent federal law, local law, statute, ordinance, regulation, or common law, through and including December 31, 2020. Such Released Claims include, but are not limited to, the causes of action alleged in the Complaint, as follows: (1) Violation of the Arizona Wage Act, A.R.S. §§ 23-350, et seq. (AZ Class); (2) Failure to Compensate for All Hours Worked at Colorado Minimum Wage and Overtimes rates (CO class); (3) Failure to Authorize, Permit, and/or Make Available Meal and Rest Period (CO Class); (4) Failure to Compensate for All Hours Worked at New York Minimum Wage and Overtimes Rates (NY class); (5) Failure to Authorize, Permit, and/or Make Available Meal Periods (NY Class); (6) Failure to Provide Accurate Wage Statements (NY Class); (7) Failure to Compensate for All Hours Worked at Ohio Minimum Wage and Overtime Rates (Ohio Class); (8) Ohio Prompt Pay Act (Ohio Class); (9) Failure to Compensate for All Hours Worked at Washington Minimum Wage and Overtimes rates (WA Class); (10) Failure to Authorize, Permit, and/or Make Available Meal and Rest Period (WA Class); (11) Violation of Washington's Consumer Protection Act, RCW 19.86.010, et seq. (WA Class); and incorporated or related claims, which includes but are not limited to the claims asserted through the Lawsuit, the Complaint, or through the Arizona Wage Act, A.R.S. §§ 25-350-355, et seq., Colorado Wage Act (C.R.S. 8-4-101, et seq.), the Colorado Minimum Wage Order No. 35, 7 C.C.R. § 1103-1 et seq., 7 Colo. Code Regs. § 1103-1:4, New York Labor Law §§ 162, 190 et seq., 195(3), 198, 650 et seq., 652, 663 et seq., New York Wage Theft Prevent Act, 12 N.Y.C.R.R. § 146, the Ohio Minimum Fair Wage Standards Act, Ohio Constitution, Article II, section 34a, Ohio Labor Code, Ohio Revised Code Ann. §§ 2305.11, 4111.03 et seq. 4113.15 et seq. Ohio Prompt Pay Act, ORC § 4111.14(J), Revised Code of Washington, Ch. 49.12 et seq., 49.46, et seq., Washington's Consumer Protection Act (RCW, 19.86.010, et seq.), Washington Administrative Code 296-126-002 - 092,et seq. The above defined scope of Released Claims by each Settlement Class Member is meant to include claims for unpaid wages, unpaid commissions, liquidated damages, interest, hours worked, minimum wages, overtime, miscalculated wages, improper deduction(s), late payment of wages, frequency of pay, premium pay, commissions, bonuses, improper rounding of time records, failure to keep accurate and complete payroll records, and any other claims or relief of any kind under tort, contract, quasi-contract, injunctive relief theories or claims. The above-defined scope of Released Claims by each Settlement Class Member is meant to be as broad as possible, with respect to claims that are asserted or could have been asserted based on the same factual predicate alleged in the Complaint. Settlement Class Members also release claims against Released Parties for attorneys' fees, costs and expenses related to this litigation, beyond those provided for or contemplated as part of this settlement. Notwithstanding the foregoing, nothing in this Settlement Agreement releases any claims that may not be released as a matter of law.

Additionally, upon the final approval of the Settlement by the Court and payment of the monetary amounts due under the Settlement, Opt-In Plaintiffs release claims as follows (the "Opt-In Plaintiffs Released Claims") against Sprint and the Released Parties:

All claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities under the Fair Labor Standards Act ("FLSA"), including, but not limited to, claims for unpaid wages, timely payment of wages, failure to pay minimum wages, unpaid overtime, and payment of contractually-obligated wages (e.g., bonuses, commissions, and straight-time wages above the minimum wage floor), and any other form of relief as permitted under the FLSA, 29 U.S.C. § 201, et seq., known or unknown, suspected or unsuspected, relating to the allegations that were asserted, or could have been asserted, in the Lawsuit against the Released Parties, through and including December 31, 2020. The above-defined scope of Opt-In Plaintiffs Released Claims by each Opt-In Plaintiff is meant to be as broad as possible, with respect to claims that are asserted or could have been asserted based on the same factual predicate alleged in the Complaint. Opt-In Plaintiffs also release claims against Released Parties for attorneys' fees, costs and expenses related to this litigation, beyond those provided for or contemplated as part of this Settlement.

# 7. What Are My Rights?

- **Do Nothing**: You will receive your Individual Class Settlement Share check and your Individual FLSA Settlement Share check, and you will be bound by the Settlement including its release provisions.
- Opt-Out: If you do not wish to be bound by the Settlement as a Settlement Class Member, you must submit a written Request for Exclusion from the Settlement ("opt-out"), postmarked by May 26, 2021. The written Request for Exclusion must contain your full name, mailing address, last four digits of your Social Security number, and signature, the case name and/or number of the *Amaraut* Lawsuit, and a statement indicating that you seek to exclude yourself from the Class Settlement. No opt-out request may be made on behalf of a group. The Request for Exclusion must be sent by mail to the Settlement Administrator at Amaraut v Sprint Settlement, c/o Settlement Administrator, PO Box 58908, Philadelphia, PA 19102-8908. If you request exclusion (opt out) of the Settlement, you will not be entitled to any payment from the Class Settlement, you will not be bound by the Class Settlement, and you will not have any right to object, appeal or comment on the Class Settlement.

You will still receive a payment from the FLSA portion of the Settlement. Because you have already opted in to the FLSA collective, you have affirmatively elected to become a participant in the FLSA proceeding and to be bound by any judgment rendered. Therefore, you will be bound by the settlement of your FLSA claims and the FLSA release provisions, whether or not you cash your Individual FLSA Settlement Share check.

• Object: If you received this Notice and wish to object to the Settlement as it pertains to the Settlement Classes, you must submit a written statement objecting to the Class Settlement postmarked by May 26, 2021. The statement must be signed by you, and state: (i) your full name; (ii) your mailing address; (iii) last four digits of your Social Security number; (iv) your signature, (v) the case name and/or number of the *Amaraut* Lawsuit, (vi) the specific grounds for the objection, (vii) whether or not you are represented by counsel (if so, state the name and contact information of your counsel). The objection must be sent by mail to the Settlement Administrator at Amaraut v Sprint Settlement, c/o Settlement Administrator, PO Box 58908, Philadelphia, PA 19102-8908. If you object to the Class Settlement, you cannot opt out of the Class Settlement, and you will be bound by the terms of the Class Settlement in the event that the Court denies your objection.

If you mail a written objection, you may also, if you wish, appear at the Final Approval hearing to discuss your objection with the Court.

# 8. Can Sprint Retaliate Against Me for Participating in the Settlement?

No. Your decision as to whether or not to participate in the Settlement will in no way affect your work or employment with Sprint or future work or employment with Sprint. It is unlawful for Sprint (or any employer) to take any adverse action against you as a result of your participation in the Lawsuit.

# 9. Who Are the Attorneys Representing the Class in the Lawsuit?

Named Plaintiffs, Settlement Class Members, and Opt-In Plaintiffs are represented by the following attorneys acting as Class Counsel:

Carolyn Cottrell
David C. Leimbach
Scott L. Gordon

#### SCHNEIDER WALLACE COTTRELL KONECKY LLP

2000 Powell Street, Suite 1400 Emeryville, CA 94608 Telephone: (415) 421-7100 Facsimile: (415) 421-7105

Gregg I. Shavitz Tamra Givens

# SHAVITZ LAW GROUP, P.A.

951 Yamato Road, Suite 285 Boca Raton, FL 33431 Telephone: (561) 447-8888 Facsimile: (561)447-8831

Michael Palitz

SHAVITZ LAW GROUP, P.A.

800 3rd Avenue, Suite 2800 New York, NY 10022 Telephone: (800) 616-4000

# 10. How Will the Attorneys for the Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$7,600,000. You do not have to pay the attorneys who represent the Settlement Classes. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up to 33.33% of \$7,600,000 (*i.e.*, \$2,533,080) plus their out-of-pocket costs, up to \$120,000. Class Counsel will file a motion for attorneys' fees and costs with the Court. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval hearing.

#### 11. Where Can I Get More Information?

If you have questions about this Notice, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Settlement, you should contact Class Counsel.

This Notice is only a summary of the Settlement and related matters. For more detailed information, you may review the Settlement Agreement and other documents for this case at the Settlement website, which can be accessed at www.SprintOvertimeSettlement.com. The Settlement Agreement contains the complete terms of the proposed Settlement, and is also available through Class Counsel and publicly accessible and on file with the Court.

PLEASE DO <u>NOT</u> CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR SPRINT FOR INFORMATION ABOUT THE LAWSUIT OR THE PROPOSED SETTLEMENT.