

NOTICE OF COLLECTIVE ACTION SETTLEMENT

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

YOU FILED AN OPT-IN FORM TO ASSERT FAIR LABOR STANDARDS ACT CLAIMS IN THIS LAWSUIT AND MAY THEREFORE BE ENTITLED TO PAYMENT FROM A PROPOSED COLLECTIVE ACTION SETTLEMENT. YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

YOU WILL RECEIVE AN ESTIMATED AMOUNT OF [INSERT].

**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 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 you submitted an opt-in form to become an Opt-In Plaintiff and assert federal Fair Labor Standards Act (“FLSA”) claims for unpaid wages, including overtime compensation and required minimum wage, failure to pay for all hours worked, failure to keep accurate records of all hours worked, and other such related claims. **You are entitled to receive money from the Settlement, as described below.**

This Notice explains the details of the Settlement.

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.

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,

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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. Individuals were not required to submit an Opt-In Consent Form to assert 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. 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 Opt-In Plaintiffs and the Settlement Class. The Settlement will affect all 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 Opt-In Plaintiffs and Settlement Class Members. Deductions from this amount 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 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 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. Individuals who filed an Opt-In Consent Form to assert federal FLSA claims in the Lawsuit prior to January 8, 2021.
2. Settlement Class Members:
 - All individuals who worked as non-exempt employees at Sprint retail stores in Arizona at any time from February 28, 2018 to December 31, 2020;
 - All individuals who worked as non-exempt employees at Sprint retail stores in Colorado at any time from February 28, 2016 to December 31, 2020;
 - All individuals who worked as non-exempt employees at Sprint retail stores in New York at any time from February 28, 2013 to December 31, 2020;
 - 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
 - All individuals who worked as non-exempt employees at Sprint retail stores in Washington at any time from February 28, 2016 to December 31, 2020.
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.

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 Opt-In Plaintiffs and Settlement Class Members, they are eligible to receive both an Individual FLSA Settlement Share and an Individual Class Settlement Share.

5. How Much Can I Expect to Receive?

As an Opt-In Plaintiff, 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 FLSA Settlement Share is estimated to be at least \$____. This amount is an estimated amount, and your final Settlement payment is expected to differ from this amount (i.e., it 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 from February 28, 2016 to December 31, 2020, as shown by company records:

You have an estimated ____ Workweeks as an Opt-In Plaintiff.

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 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 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 FLSA Settlement Share payments to Opt-In Plaintiffs 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 FLSA Settlement Share payment, 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. 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 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 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 FLSA Settlement Share payment. If you fail to keep your address current, you may not receive your Individual FLSA Settlement Share payment.

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, Opt-In Plaintiffs release claims as follows (the “Opt-In Plaintiffs 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 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 FLSA 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?

If the Court grants final approval, you will receive an Individual FLSA Settlement Share. Because you have already opted in to the FLSA collective, you have affirmatively elected to become a participant in this Lawsuit and to be bound by any judgment rendered. Therefore, you will be bound by the Settlement including its release provisions, whether or not you cash your Individual FLSA Settlement Share check.

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

No. Your decision as to whether or not to participate in the Lawsuit 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 other employer) to take any adverse action against you as a result of your participation in the Lawsuit.

9. Who Are the Attorneys Representing the Opt-In Plaintiffs in the Lawsuit?

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

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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 Opt-In Plaintiffs. 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 NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR SPRINT FOR INFORMATION ABOUT THE LAWSUIT OR THE PROPOSED SETTLEMENT.