

1 **CLASS ACTION SETTLEMENT AND RELEASE**

2 This Class Action Settlement Agreement and Release (“Agreement” or “Settlement”), is made
3 and entered into by, between, and among Plaintiffs Mark Cohen, Mitchell McKinnon, Timothy Van
4 Nortwick, Brent Brice, Zachery Rizzo, Joshua Reyes, Onika Jack, Herbert Hernandez, Nicholas
5 James, Salvador Pulido, and LaCretia Davis (collectively “Plaintiffs”), on behalf of themselves, the
6 Settlement Class, as defined below, the State of California, and the PAGA Employees, as defined
7 below, on the one hand, and Defendant Peloton Interactive, Inc. (“Defendant” or “Peloton”) on the
8 other.

9 Plaintiffs and Defendant (collectively, the “Parties”) enter into this Agreement to effectuate a
10 full and final settlement and preclusive judgment resolving all claims brought or that could have been
11 brought against Peloton in *Cohen v. Peloton Interactive, Inc.*, Case No. 2:22-cv-01425-MWF-E (C.D.
12 Cal), *McKinnon, et al. v. Peloton Interactive, Inc.*, Case No. 2:22-cv-03368-MWF(Ex) (C.D. Cal), and
13 *Reyes et al. v. Peloton Interactive, Inc.*, Case No. 22STCV35186 (L.A. Super. Ct.) (together, the
14 “Actions”), and all claims based on or reasonably related thereto. This Agreement is intended to fully
15 and finally compromise, resolve, discharge, and settle the Released Class Claims, Released PAGA
16 Claims, Released FLSA Claims, and the Named Plaintiff Release, as defined and on the terms set forth
17 below, and to the full extent set forth in this Settlement Agreement, subject to the approval of the Court.

18 **I. RECITALS**

19 **A. Cohen Class Action**

20 WHEREAS, on January 3, 2022, Plaintiff Mark Cohen filed a putative class action in Los
21 Angeles Superior Court against Peloton alleging various wage-and-hour violations under the California
22 Labor Code and California Unfair Competition Law;

23 WHEREAS, on March 2, 2022, Peloton timely removed the action to the United States District
24 Court for the Central District of California, *Cohen v. Peloton Interactive, Inc.*, Case No. 2:22-cv-01425-
25 MWF-E (C.D. Cal) (the “Cohen Class Action”);

26 WHEREAS, on July 27, 2022, Cohen filed his operative Second Amended Complaint, to which
27 Peloton filed an Answer;

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1 **B. McKinnon Class Action**

2 WHEREAS, on April 15, 2022, Plaintiffs Mitchell McKinnon, Timothy Van Nortwick, Brent
3 Brice, Zachery Rizzo, Joshua Reyes, Onika Jack, Herbert Hernandez, Nicholaus James, LaCretia
4 Davis, and Salvador Pulido (the “*McKinnon* Plaintiffs”) filed a putative class action in Los Angeles
5 Superior Court against Peloton alleging various wage-and-hour violations under the California Labor
6 Code and California Unfair Competition Law;

7 WHEREAS, on May 18, 2022, Peloton timely removed the action to the United States District
8 Court for the Central District of California, *McKinnon, et al. v. Peloton Interactive, Inc.*, Case No.
9 2:22-cv-03368-MWF(Ex) (C.D. Cal) (the “*McKinnon* Class Action”);

10 WHEREAS, on December 6, 2022, the *McKinnon* Plaintiffs filed their operative Second
11 Amended Complaint;

12 WHEREAS, on November 15, 2022 and February 8, 2023, the court issued orders granting
13 Peloton’s motions and staying the claims in the *McKinnon* Class Action, such that all claims are
14 currently stayed pending resolution of the *Cohen* Class Action;

15 **C. Reyes PAGA Action**

16 WHEREAS, on November 4, 2022, a subset of the *McKinnon* Plaintiffs (Joshua Reyes,
17 Timothy Van Nortwick, Nicholaus James, Salvador Pulido, Onika Jack, and LaCretia Davis) (“*Reyes*
18 Plaintiffs”), filed a separate representative action under the California Private Attorneys General Act
19 (“PAGA”) in the Los Angeles Superior Court, *Reyes, et al. v. Peloton Interactive, Inc.*, Case No.
20 22STCV35186 (L.A. Super. Ct.) (the “*Reyes* PAGA Action”);

21 WHEREAS, on December 15, 2022, Peloton filed a Motion to Stay Action in light of the
22 overlapping claims in the *Cohen* Class Action and the *McKinnon* Class Action;

23 WHEREAS, on August 15, 2023, the Parties filed a joint stipulation to resolve Peloton’s Motion
24 to Stay Action and to stay the case pending Plaintiffs’ request for approval of this settlement;

25 **D. Mediation and Resolution**

26 WHEREAS, on August 9, 2023, Plaintiffs attended a virtual mediation session with the
27 Honorable Daniel J. Buckley (Ret.), and, in preparation for the mediation, exchanged information,
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1 documents, and data, which enabled a thorough evaluation of Plaintiffs' claims, Defendant's defenses,
2 and the likely outcomes, risks, and expense of pursuing litigation;

3 WHEREAS, following the mediation, the Parties reached an agreement in principle to resolve
4 all the claims pled in the Actions, as further detailed in this Settlement Agreement;

5 WHEREAS, on August 11, 2023, the Parties agreed to a global settlement and release of the
6 Actions, and memorialized the agreement according to a Memorandum of Understanding, which the
7 Parties fully executed on October 23, 2023, and thereafter continued to negotiate the terms of this
8 Agreement;

9 WHEREAS, on August 14, 2023 and August 15, 2023, the Parties notified the courts in the
10 *McKinnon* Class Action and the *Reyes* PAGA Action of the settlement in principle reached through
11 mediation;

12 WHEREAS, the Parties desire to fully, finally, and forever settle, compromise, and discharge
13 all disputes and claims that exist between them arising from the factual allegations that underlie the
14 Actions concerning any and all claims asserted therein;

15 WHEREAS, to achieve a full and complete release of Peloton (and the "Released Parties" as
16 defined in this Agreement) of such disputes and claims, the Plaintiffs and Participating Settlement Class
17 Members, as defined in this Agreement (which include any legal heirs and/or successors-in-interest of
18 all Participating Settlement Class Members), through execution of the Agreement, acknowledge that
19 this Agreement is intended to include in its effect the entirety of the Released Claims, as more fully
20 described herein.

21 II. DEFINITIONS

22 In addition to the terms defined elsewhere in this Agreement, capitalized terms used in this
23 Agreement shall have the meanings set forth below:

24 1. "Actions" means all of the following court actions: (1) *Cohen v. Peloton Interactive,*
25 *Inc.*, Case No. 2:22-cv-01425-MWF-E (C.D. Cal), (2) *McKinnon, et al. v. Peloton Interactive, Inc.*,
26 Case No. 2:22-cv-03368-MWF(Ex) (C.D. Cal), and (3) *Reyes et al. v. Peloton Interactive, Inc.*, Case
27 No. 22STCV35186 (L.A. Super. Ct.).

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1 2. “Attorneys’ Fees and Costs” means attorneys’ fees sought by Class Counsel for
2 litigation and resolution of the Actions, and all reasonable costs incurred by Class Counsel in the
3 Actions, in an amount not to exceed Five Hundred and Sixty-Three Thousand Dollars (\$563,000.00).
4 Subject to review and approval by the Court, Class Counsel may request attorneys’ fees of not more
5 than thirty-three percent (33%) of the Gross Settlement Fund (\$528,000.00), plus reasonable costs and
6 expenses in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000.00), which shall be paid
7 from the Gross Settlement Fund.

8 3. “Class Counsel” means and includes Beligan Law Group, LLP, and Schneider Wallace
9 Cottrell Konecky LLP.

10 4. “Class Counsel Award” means any attorneys’ fees, expenses or costs awarded to Class
11 Counsel by the Court.

12 5. “Class List” means a complete list of all Settlement Class Members and PAGA
13 Employees that Peloton will diligently and in good faith compile from its records and provide to the
14 Settlement Administrator within thirty (30) calendar days after entry of an order granting Preliminary
15 Approval of this Settlement. The Class List will be in Microsoft Excel format that is encrypted with a
16 password and will include, for each Class Member, the following information: full name; most recent
17 mailing address and telephone number contained in Peloton’s personnel records; Social Security
18 number; dates of employment; information sufficient to calculate the number of Workweeks, as defined
19 herein, that each Class Member worked during the Class Period and the number of Workweeks that
20 each PAGA Employee worked during the PAGA Period according to Peloton’s records; and any other
21 information needed to calculate Individual Settlement Payments.

22 6. “Class Period” means the period from November 18, 2020, through the date of the
23 Court’s Order granting preliminary approval of the Settlement.

24 7. “Class Representative Enhancement Payments” means the amounts to be paid to
25 Plaintiffs from the Gross Settlement Fund, subject to final approval by the Court, in recognition of their
26 effort and work in prosecuting the Actions on behalf of Settlement Class Members, and for their general
27 release of claims under California Civil Code section 1542. Subject to the Court granting final approval
28 of this Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court

1 approval of Class Representative Enhancement Payments of no more than Ten Thousand Dollars
2 (\$10,000.00) each to Mark Cohen, Mitchell McKinnon, Timothy Van Nortwick, Brent Brice, Zachery
3 Rizzo, Joshua Reyes, Onika Jack, Herbert Hernandez, Nicholas James, and LaCretia Davis.

4 8. "Court" means the United States District Court for the Central District of California.

5 9. "Effective Date" means the later of: (i) if no timely objections are filed, or if filed, are
6 withdrawn prior to Final Approval, the date of Final Approval if the Settlement is finally approved
7 consistent with the terms of this Agreement; or (ii) if timely objections are filed and not withdrawn,
8 then either five (5) calendar days from the final resolution of any appeals timely filed or the expiration
9 date of the time for filing or noticing any such appeals, provided that the Settlement is finally approved
10 consistent with the terms of this Agreement.

11 10. "Final Approval" means the entry of an order reflecting the Court's decision to finally
12 approve the Settlement.

13 11. "Final Approval Hearing" means the hearing that is to take place after the entry of the
14 Preliminary Approval Order and after the date the Settlement Administrator mails Notice Packets to
15 Settlement Class Members for purposes of: (i) entering Final Approval; (ii) determining whether the
16 Settlement shall be approved as fair, reasonable, and adequate; and (iii) ruling upon an application by
17 Class Counsel for Attorneys' Fees and Costs and Plaintiffs' Class Representative Enhancement
18 Payments.

19 12. "Funding Date" means thirty (30) business days after the Effective Date.

20 13. "Gross Settlement Fund" means the non-reversionary amount of One Million and Six
21 Hundred Thousand Dollars (\$1,600,000.00), to be paid by Peloton in full satisfaction of all Released
22 Claims, which includes all Individual Settlement Payments to Participating Settlement Class Members,
23 Participating Settlement Class Members' shares of applicable payroll tax payments (including FICA,
24 FUTA, and SDI contributions), the Class Representative Enhancement Payments to Plaintiffs, the
25 PAGA Settlement Amount for release of all Private Attorneys' General Act claims, Attorneys' Fees
26 and Costs, and Settlement Administration Costs. In addition to the amount provided as part of the
27 Gross Settlement Fund, Peloton agrees to separately pay the employer's share of applicable payroll tax
28 payments ("Employer's Payroll Tax Payments"), which shall be calculated by the Settlement

1 Administrator and determined based on the Individual Settlement Payments to Participating Class
2 Members dispersed as W-2 payments. Except for the Employer's Payroll Tax Payments, and as
3 contemplated by the Escalator Clause below, in no event will Peloton be liable for more than the Gross
4 Settlement Fund set forth in this paragraph.

5 14. "Individual Settlement Payment" means each Participating Settlement Class Member's
6 respective share of the Net Settlement Amount.

7 15. "Individual PAGA Payment" means each PAGA Employee's respective share of the
8 25% of the PAGA Settlement Amount allocated to PAGA Employees.

9 16. "Net Settlement Amount" means the portion of the Gross Settlement Fund remaining
10 after deducting the Class Representative Enhancement Payments, the Class Counsel Award, Settlement
11 Administration Costs, and PAGA Settlement Amount. The entirety of the Net Settlement Amount will
12 be distributed to Participating Class Members pro rata, on a per "weeks worked" or "workweek" basis.
13 There will be no reversion of the Net Settlement Amount to Peloton.

14 17. "Notice of Objection" means a Settlement Class Member's valid and timely written
15 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the
16 objector's full name, signature, address, and telephone number; (ii) a written statement of all grounds
17 for the objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs,
18 or other documents upon which the objection is based; and (iv) a statement whether the objector intends
19 to appear at the Fairness Hearing. Unless the Court orders otherwise, any Settlement Class Member
20 who does not submit a timely written objection to the Settlement, or who fails to otherwise comply
21 with the specific and technical requirements of this paragraph, will be foreclosed from objecting to the
22 Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise.

23 18. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
24 attached as **Exhibit A**.

25 19. "PAGA Employees" means members of the Settlement Class, as defined herein, who
26 were employed by Peloton in California at any time during the PAGA Period. PAGA Employees shall
27 have no option to opt-out of the settlement.

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1 20. “PAGA Period” means the period from July 27, 2021, to the date on which the Court
2 grants preliminary approval of the Settlement.

3 21. “PAGA Settlement Amount” means the amount that the Parties agree to pay from the
4 Gross Settlement Fund to the PAGA Employees and the California Labor and Workforce Development
5 Agency (“LWDA”) in connection with resolution of the PAGA claims in the Actions. The Parties
6 agree that One Hundred Thousand Dollars (\$100,000.00) of the Gross Settlement Fund will be
7 allocated to the resolution of PAGA Employees’ claims arising under PAGA. As required by PAGA,
8 Seventy-Five Percent (75%) [i.e., Seventy-Five Thousand Dollars (\$75,000.00)] of the PAGA
9 Settlement Amount will be paid to the LWDA (the “LWDA Payment”), and Twenty-Five Percent
10 (25%) [i.e., Twenty-Five Thousand Dollars (\$25,000.00)] of the PAGA Settlement Amount will be
11 distributed to PAGA Employees on a pro rata basis based on their respective number of Workweeks
12 during the PAGA Period.

13 22. “Participating Settlement Class Members” means all Settlement Class Members who do
14 not submit timely and valid Requests for Exclusion.

15 23. “Parties” means Plaintiffs and Peloton, collectively.

16 24. “Plaintiffs” means Plaintiffs Mark Cohen, Mitchell McKinnon, Timothy Van Nortwick,
17 Brent Brice, Zachery Rizzo, Joshua Reyes, Onika Jack, Herbert Hernandez, Nicholas James, and
18 LaCretia Davis.

19 25. “Preliminary Approval” means the Court order granting preliminary approval of this
20 Settlement.

21 26. “Qualified Settlement Fund” means a fund, account, or trust satisfying the requirements
22 of 26 C.F.R. § 1.468B-1, established by the Settlement Administrator for the purpose of distributing
23 the Gross Settlement Fund according to the terms of this Agreement.

24 27. “Released Class Claims” means all claims, actions, demands, causes of action, suits,
25 debts, obligations, demands, rights, liabilities, or legal theories of relief, that are based on the facts and
26 legal theories asserted in the operative complaint in the Actions, or which relate to the primary rights
27 asserted in the operative complaint in the Actions, including without limitation claims for: (1) failure
28 to timely pay all minimum, regular, and /or overtime wages in violation of Labor Code sections 204,

1 210, 510, 558, 1194, 1197, and 1198; (2) failure to provide meal and rest periods and meal and rest
2 period premium pay in violation of Labor Code section 226.7; (3) failure to pay all accrued and vested
3 vacation/PTO in violation of Labor Code section 227.3; (4) failure to reimburse business expenses in
4 violation of Labor Code section 2802; (5) failure to pay all wages due and owing upon separation of
5 employment and/or the mandatory waiting time penalties in violation of Labor Code sections 201-203,
6 and 210; (6) failure to furnish accurate itemized wage statements in violation of Labor Code section
7 226; (7) failure to maintain accurate records in violation of Labor Code sections 226 and 1174; and (8)
8 engaging in unlawful, unfair and/or fraudulent business practices in violation of the California Business
9 & Professions Code section 17200 *et seq.* The period of the Released Class Claims shall extend to the
10 limits of the Class Release Period. The *res judicata* effect of the Judgment will be the same as that of
11 the Release.

12 28. “Released PAGA Claims” means all claims pursuant to the California Labor Code
13 Private Attorneys General Act (codified in Labor Code section 2698 *et seq.*) based on the facts and
14 legal theories asserted in the operative complaint in the Actions, or which relate to the primary rights
15 asserted in the operative complaint in the Actions, including without limitation PAGA claims for: (1)
16 failure to timely pay all minimum, regular, and /or overtime wages in violation of Labor Code sections
17 204, 210, 510, 558, 1182.12, 1194, 1197, 1197.1, and 1198; (2) failure to provide meal and rest periods
18 and meal and rest period premium pay in violation of Labor Code sections 226.7, 512, and 558; (3)
19 failure to pay all accrued and vested vacation/PTO in violation of Labor Code section 227.3; (4) failed
20 to reimburse business expenses in violation of Labor Code section 2802; (5) failure to pay all wages
21 due and owing upon separation of employment and/or the mandatory waiting time penalties in violation
22 of Labor Code sections 201-203, 210 and 558; (6) failure to furnish accurate itemized wage statements
23 in violation of Labor Code sections 226 and 558; and (7) failure to maintain accurate records in
24 violation of Labor Code sections 226 and 1174. The period of the Released PAGA Claims shall extend
25 to the limits of the PAGA Period. The *res judicata* effect of the Judgment will be the same as that of
26 the Release.

27 29. “Released FLSA Claims” means all claims for failure to properly pay all minimum,
28 regular, and/or overtime wages in violation of the FLSA. Each Settlement Class Member who cashes,

1 deposits, or otherwise negotiates his or her settlement check shall be deemed to have opted-in for
2 purposes of the FLSA and as a result will release his or her claims against the Released Parties.
3 Settlement Class Members who do not cash or deposit their settlement checks shall not release their
4 FLSA Claims, but shall still release their Class Claims and PAGA Claims, as applicable.

5 30. “Released Parties” means Peloton and each of its past, present, and/or future, direct,
6 and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,
7 insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates,
8 divisions, predecessors, successors, assigns, and joint ventures.

9 31. “Request for Exclusion” means a timely letter submitted by a Settlement Class Member
10 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth
11 the name, address, and telephone number of the Settlement Class Member requesting exclusion; (ii) be
12 signed by the Settlement Class Member; (iii) be returned to the Settlement Administrator; (iv) clearly
13 state that the Settlement Class Member does not wish to be included in the Settlement; and (v) be faxed
14 or postmarked on or before the Response Deadline.

15 32. “Response Deadline” means the deadline by which Settlement Class Members must
16 postmark or fax to the Settlement Administrator Requests for Exclusion, Notices of Objection, or
17 disputes to Workweeks. The Response Deadline will be forty-five (45) calendar days from the initial
18 mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) day falls on
19 a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on
20 which the U.S. Postal Service is open.

21 33. “Settlement Administration Costs” means the reasonable fees and expenses payable
22 from the Gross Settlement Fund to the Settlement Administrator for administering this Settlement,
23 including, but not limited to, printing, distributing, and tracking forms for this Settlement, calculating
24 estimated amounts per Settlement Class Member, tax reporting, distributing the LWDA Payment,
25 Gross Settlement Fund and Class Counsel Award, providing necessary reports and declarations, and
26 other duties and responsibilities set forth herein to process this Settlement, as requested by the Parties.
27 The Parties have agreed to allocate up to Fifteen Thousand Dollars (\$15,000.00) to Settlement
28 Administration Costs. The Settlement Administration Costs will be paid from the Gross Settlement

1 Fund. In the event the allocated Settlement Administration Costs exceed the actual costs incurred by
2 the Settlement Administrator, the difference shall be a part of the Net Settlement Amount and
3 distributed to the Participating Settlement Class Members.

4 34. "Settlement Administrator" means CPT Group, Inc., which the Parties have agreed to,
5 subject to approval by the Court for the purposes of administering this Settlement. The Parties each
6 represent that they do not have any financial interest in the Settlement Administrator or otherwise have
7 a relationship with the Settlement Administrator that could create a conflict of interest.

8 35. "Settlement Class Member(s)" or "Settlement Class" means all current and former non-
9 exempt employees of Peloton in California employed at any time during the Class Period who have not
10 executed a general release with Peloton before the date on which the Court grants preliminary approval.
11 The Parties agree that individuals who participated in the finally approved class and PAGA action
12 settlement in *Hernandez et al. v. Peloton Interactive, Inc.*, Case Nos. RG20053333 and RG20061729,
13 may only participate in this Settlement as Settlement Class Members and/or PAGA Employees if they
14 worked beyond December 2, 2021 (the end of the *Hernandez* release), in which case they will only
15 receive credit for Workweeks from December 2, 2021 through the end of the Class Period, as
16 applicable.

17 36. "Workweek" or "Workweeks" means the number of weeks each Settlement Class
18 Member and/or PAGA Employee worked for Peloton as an hourly-paid or non-exempt employee
19 within California during the Class Period and/or PAGA Period. Workweeks are to be calculated by
20 the Settlement Administrator based on information provided by Peloton in the Class List. Workweeks
21 will be calculated by identifying and crediting each week where the Class Member worked at least one
22 (1) shift during the calendar week (from Sunday through Saturday), during the Class Period and/or the
23 PAGA Period.

24 III. TERMS OF AGREEMENT

25 Plaintiffs, on behalf of themselves and the Settlement Class, and Peloton agree as follows:

26 37. Consolidation of Actions for Settlement Purposes Only. For purposes of this Settlement
27 only, the Parties filed on December 19, 2023, a joint stipulation requesting that the Court allow
28 Plaintiffs to file a mutually agreeable Amended Complaint in *Cohen v. Peloton Interactive, Inc.*, Case

1 No. 2:22-cv-01425-MWF-E (C.D. Cal), that includes all class and PAGA claims currently alleged in
2 the Actions. On December 20, 2023, the Court granted Cohen leave to file a Third Amended Complaint
3 for settlement purposes, and Plaintiffs filed the consolidated Third Amended Complaint. Plaintiff
4 Salvador Pulido is not named in the Third Amended Complaint, will dismiss his claims, and will not
5 serve as a Plaintiff or class representative because he executed a general release with Peloton on
6 February 17, 2022, before he brought claims against Peloton, and therefore is not eligible to participate
7 in this settlement. In exchange for Pulido's dismissal, Peloton waives any and all claims for fees and
8 costs as against Pulido. All proceedings relating to the approval of the Settlement shall be before Judge
9 Michael Fitzgerald in the United States District Court for the Central District of California.

10 38. Preliminary Approval Motion. Class Counsel agrees to present the Settlement for
11 Preliminary Approval, and the Parties consent to the Court's continued jurisdiction related to this
12 Settlement. Class Counsel further agree to endeavor in good faith to file a Motion for Preliminary
13 Approval, including all executed and necessary exhibits, within thirty (30) calendar days of all Parties
14 executing this Settlement Agreement. Class Counsel will share the draft Motion for Preliminary
15 Approval with Peloton's Counsel at least seven (7) days before filing any such Motion with the Court
16 and will work in good faith with Peloton's Counsel to resolve any concerns as to the Motion prior to
17 filing.

18 39. Funding of the Gross Settlement Fund and Employer's Payroll Tax Payments. Peloton
19 will make a one-time deposit of the Gross Settlement Fund of One Million Six Hundred Thousand
20 Dollars (\$1,600,000.00) plus the Employer's Share of Payroll Taxes into a Qualified Settlement Fund
21 to be established by the Settlement Administrator in exchange for the promises set forth in this
22 Agreement, including the Releases by the Participating Settlement Class Members and Plaintiffs for
23 the Released Claims. The Individual Settlement Payments are not being made for any other purpose
24 and will not be construed as compensation for purposes of determining eligibility for any health and
25 welfare benefits or unemployment compensation. After the Effective Date, the Gross Settlement Fund
26 will be used to pay: (i) Individual Settlement Payments; (ii) the PAGA Settlement Amount; (iii) the
27 Class Representative Enhancement Payments; (iv) the Class Counsel Award; and (v) Settlement
28

1 Administration Costs. Peloton will deposit the Gross Settlement Fund and the Employer's Share of
2 Payroll Taxes by the Funding Date.

3 40. Non-Reversionary Settlement. Participating Settlement Class Members are entitled to
4 one hundred percent (100%) of the Net Settlement Amount, to be distributed as outlined in this
5 Agreement. Peloton maintains no reversionary right to any portion of the Net Settlement Amount,
6 including any increase in the Net Settlement Amount resulting from a reduction in the Class
7 Representative Enhancement Payments, Class Counsel Award, the PAGA Settlement Amount, and the
8 Settlement Administration Costs. If there are any timely submitted opt outs or a reduction in the Class
9 Representative Enhancement Payments, Class Counsel Award, the PAGA Settlement Amount, and/or
10 the Settlement Administration Costs, the Settlement Administrator shall proportionately increase the
11 Individual Settlement Payments for each Participating Settlement Class Member so that the amount
12 actually distributed to Participating Settlement Class Members equals one hundred percent (100%) of
13 the corresponding Net Settlement Amount.

14 41. Attorneys' Fees and Costs. Class Counsel shall apply to the Court for attorneys' fees
15 of not more than thirty-three (33%) of the Gross Settlement Fund, or Five Hundred Twenty-Eight
16 Thousand Dollars (\$528,000.00), plus reasonable costs and expenses incurred, not to exceed Thirty-
17 Five Thousand Dollars (\$35,000.00) subject to proof by Class Counsel. The Settlement Administrator
18 (and not Peloton) shall issue an IRS Form 1099 to Class Counsel reflecting the Class Counsel Award.
19 The amount of the Class Counsel Award shall not be impacted if the Escalator Clause in Paragraph 63
20 is triggered. If the Escalator Clause in Paragraph 63 is triggered, and Peloton elects to increase the
21 Gross Settlement Fund in accordance with option (a), Class Counsel shall remain limited to attorneys'
22 fees of not more than \$528,000.000. Peloton agrees not to oppose Class Counsel's reasonable,
23 collective request for a single award of attorneys' fees and costs in the amounts set forth in this
24 Paragraph.

25 42. Class Representative Enhancement Payments. In exchange for general releases of all
26 known and unknown claims that they may have against Peloton and Released Parties based on their
27 employment with Peloton (including a waiver of claims under Civil Code section 1542), and in
28 recognition of their service to the class, Plaintiffs shall apply for Class Representative Enhancement

1 Payments in the amounts set forth in Paragraph 7. The Class Representative Enhancement Payments
2 will be paid from the Gross Settlement Fund and will be in addition to Plaintiffs' Individual Settlement
3 Payments paid pursuant to the Settlement Agreement. The Settlement Administrator (and not Peloton)
4 shall issue an IRS Form 1099 to each Plaintiff reflecting their Class Representative Enhancement
5 Payments. Plaintiffs agree to assume responsibility of remitting to the Internal Revenue Service, the
6 California Franchise Tax Board, and any other relevant taxing authority the amounts required by law,
7 if any, from their Class Representative Enhancement Payments. Peloton and the Released Parties are
8 not responsible for any taxes, interest, penalties, or costs for which Plaintiffs may be responsible for
9 paying any governmental entity in connection with their receipt of any settlement moneys.

10 43. Settlement Administration Costs. The Settlement Administrator will be paid for the
11 reasonable costs it incurs for purposes of administering the Settlement and distributing payments from
12 the Gross Settlement Fund. These costs, which will be paid from the Gross Settlement Fund, will
13 include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing and
14 collection of 1099 and W-2 IRS Forms, distributing Notice Packets, processing Requests for Exclusion,
15 Notices of Objection, and workweek disputes, performing single skip trace on Notice Packets returned
16 as undeliverable, calculating and distributing from the Gross Settlement Fund, all Individual Settlement
17 Payments, PAGA Settlement Amount, Class Representative Enhancement Payments, and Class
18 Counsel Award, and providing necessary reports and declarations, among other tasks set forth in this
19 Agreement.

20 44. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
21 of One Hundred Thousand Dollars (\$100,000) from the Gross Settlement Fund will be designated for
22 satisfaction of Plaintiffs' and PAGA Employees' PAGA claims. Pursuant to PAGA, Seventy-Five
23 Percent (75%), or Seventy-Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA
24 and Twenty-Five Percent (25%), or Twenty-Five Thousand Dollars (\$25,000), will be distributed on a
25 pro rata basis based on the number of Workweeks during the PAGA Period.

26 45. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
27 Participating Class Members as provided in this Agreement. No portion of the Net Settlement Amount
28 will revert to or be retained by Peloton.

1 46. Individual Settlement Payment Calculations. Individual Settlement Payments will be
2 calculated and apportioned from the Net Settlement Amount to Settlement Class Members on a pro
3 rata basis depending on the number of Workweeks during the Class Period. Settlement Class Members
4 do not need to submit a claim to participate and receive their Individual Settlement Payment. The
5 Parties agree that individuals who participated in the finally approved class and PAGA action
6 settlement in *Hernandez et al. v. Peloton Interactive, Inc.*, Case Nos. RG20053333 and RG20061729,
7 may only participate in this Settlement as Settlement Class Members if they worked beyond December
8 2, 2021 (the end of the *Hernandez* release), in which case they will only receive credit for Workweeks
9 from December 2, 2021 through the end of the Class Period, as applicable.

10 47. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated
11 and apportioned from the 25% portion of the PAGA Settlement Amount allocated to PAGA Employees
12 on a pro rata basis depending on the number of Workweeks during the PAGA Period. PAGA
13 Employees do not need to submit a claim to participate in the PAGA portion of the Settlement and also
14 may not opt out or object to the resolution of the PAGA claim. The Parties agree that individuals who
15 participated in the PAGA action settlement in *Hernandez et al. v. Peloton Interactive, Inc.*, Case Nos.
16 RG20053333 and RG20061729, may only participate as PAGA Employees if they worked beyond
17 December 2, 2021 (the end of the *Hernandez* release period), in which case they will only receive credit
18 for their Workweeks from December 2, 2021 through the end of the PAGA Period.

19 48. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
20 Participating Settlement Class Members and Individual PAGA Payments made to PAGA Employees
21 under this Settlement, as well as any other payments made pursuant to this Settlement, will not be
22 utilized to calculate any additional benefits under any benefit plans to which any Settlement Class
23 Members may be eligible, including, but not limited to, profit-sharing plans, bonus plans, 401(k) plans,
24 stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather,
25 it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or
26 amounts to which any Settlement Class Members may be entitled under any benefit plans. For the
27 avoidance of doubt, no Settlement Class Member shall be entitled to any additional right, contribution,
28 or amount under any benefit plan as a result of this Settlement or payments made hereunder.

1 49. Administration Process. The Parties agree to cooperate in the administration of the
2 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred
3 in the administration of the Settlement.

4 50. Notice to Labor and Workforce Development Agency. Within ten (10) calendar days
5 of the entry of the Court's order granting Preliminary Approval, Class Counsel will notify the LWDA
6 of that order consistent with this Agreement and Labor Code sections 2699(l)(2)-(3).

7 51. Class Action Fairness Act of 2005 ("CAFA") Notice. Within ten (10) calendar days
8 after Plaintiffs file their motion for Preliminary Approval of this proposed Settlement Agreement,
9 Peloton will serve the appropriate officials with such notice in compliance with 28 U.S.C. § 1715. The
10 Final Approval Hearing will not be noticed for a date any earlier than one hundred (100) calendar days
11 after the date in which Plaintiffs file their motion for Preliminary Approval.

12 52. Preparation of the Class List. Within thirty (30) calendar days of the entry of the Court's
13 order granting Preliminary Approval, Peloton will provide the Class List to the Settlement
14 Administrator. The Class List provided to the Settlement Administrator will remain confidential and
15 will not be disclosed to anyone, including Class Counsel, except as required by applicable tax
16 authorities, pursuant to the express written consent of Peloton, to enforce the terms of this Agreement,
17 or by order of the Court. To protect Class Members' privacy rights, the Administrator must restrict
18 access to the Class List to Administrator employees who need access to the Class List to effect and
19 perform under this Agreement. The Class List shall be used only for the purpose of administering this
20 Settlement and for no other purpose. All Class Members' details, including all the information in the
21 Class List shall be protected as private and confidential and not used for purposes other than the
22 administration of this Settlement. The Administrator will use appropriate technical and organizational
23 measures to protect the Class List and will delete all information when it is no longer required to be
24 held for the purpose of administering this Settlement. Notwithstanding the foregoing, this Section may
25 be amended by the Parties in a manner necessary to effectuate payment to Participating Settlement
26 Class Members. Within fifteen (15) calendar days after the Response Deadline, the Settlement
27 Administrator will provide to counsel for Peloton and Class Counsel the number of Participating
28

1 Settlement Class Members, and the number of Settlement Class Members who filed a timely Request
2 for Exclusion.

3 53. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days after receiving the
4 Class List from Peloton, the Settlement Administrator will mail a Notice Packet to all Settlement Class
5 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified
6 in the Class List.

7 54. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
8 Administrator will perform a search based on the National Change of Address Database for information
9 to update and correct for any known or identifiable address changes. Any Notice Packets returned to
10 the Settlement Administrator as non-deliverable on or before the Response Deadline will be re-sent
11 promptly via regular First-Class U.S. Mail within three (3) business days of receipt to the forwarding
12 address affixed thereto and the Settlement Administrator will indicate the date of such remailing on the
13 Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly
14 attempt to determine the correct address using a skip-trace or other search using the name, address,
15 and/or Social Security number of the Settlement Class Member involved, and will then perform a single
16 re-mailing within three (3) business days of receipt. Settlement Class Members will have until the later
17 of: (i) fifteen (15) calendar days from the date of the re-mailing; or (ii) the Response Deadline, to
18 submit a Notice of Objection, Request for Exclusion, or Workweeks dispute.

19 55. Notice Packets. All Settlement Class Members will be mailed a Notice Packet. Each
20 Notice Packet will provide: (i) information regarding the nature of the Actions; (ii) a summary of the
21 Settlement Agreement's principal terms; (iii) the Settlement Class definition; (iv) the total number of
22 Workweeks each respective Settlement Class Member worked for Peloton during the Class Period; (v)
23 each Settlement Class Member's estimated Individual Settlement Payment and the formula for
24 calculating Individual Settlement Payments; (vi) each PAGA Employee's estimated Individual PAGA
25 Payment and the formula for calculating Individual PAGA Payments; (vii) the dates which comprise
26 the Class Period and the PAGA Period; (viii) instructions on how to submit Requests for Exclusion or
27 Notices of Objection or Workweeks disputes; (ix) the deadlines by which the Settlement Class Member
28 must postmark or fax Requests for Exclusion, Notices of Objection, and Workweeks disputes; (x) the

1 claims to be released; and (xi) the Settlement Administrator's contact information, including the
2 website address where the electronic versions of the materials in the Notice Packet will be available.
3 The Parties' proposed Notice Packet is attached hereto as **Exhibit A**.

4 56. Disputed Information in Notice Packets. Settlement Class Members will have an
5 opportunity to dispute the individualized information provided in their Notice Packets. To the extent
6 Settlement Class Members dispute their employment dates or the number of Workweeks on record,
7 Settlement Class Members may produce evidence to the Settlement Administrator showing that such
8 information is inaccurate by the Response Deadline. The Settlement Administrator will decide the
9 dispute. Peloton's records will be presumed correct, but the Settlement Administrator will evaluate the
10 evidence submitted by the Settlement Class Member and will make the final decision as to the merits
11 of the dispute. All disputes will be decided by the Settlement Administrator within fifteen (15) business
12 days of the Response Deadline.

13 57. Request for Exclusion Procedures. Any Settlement Class Member wishing to opt out
14 of the Settlement Agreement must sign and fax or mail a written Request for Exclusion to the
15 Settlement Administrator by the Response Deadline. In the case of Requests for Exclusion that are
16 mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine
17 whether a Request for Exclusion has been timely submitted. Consistent with California law, PAGA
18 Employees may not opt out of the Settlement Agreement. Any Settlement Class Member who timely
19 submits a Request for Exclusion will still receive an Individual PAGA Payment representing their
20 portion of the PAGA Settlement Amount. All signatories and their counsel must not encourage opt-
21 outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means.
22 This provision shall not prohibit Class Council from making objective statements to Settlement Class
23 Members who call Class Counsel with inquiries regarding the Settlement Agreement, or from otherwise
24 discharging Class Counsel's ethical obligations.

25 58. Defective Submissions. If a Settlement Class Member's Request for Exclusion is
26 defective as to the requirements listed herein, that Settlement Class Member will be given an
27 opportunity to cure the defect(s). The Settlement Administrator will mail the Settlement Class Member
28 a cure letter within three (3) business days of receiving the defective submission to advise the

1 Settlement Class Member that his or her submission is defective and that the Settlement Class Member
2 must cure the defect(s) to render the Request for Exclusion valid. The Settlement Class Member will
3 have until the later of: (i) the Response Deadline; or (ii) ten (10) calendar days from the date of the
4 cure letter to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is
5 not postmarked or received by fax within that period, it will be deemed untimely.

6 59. Cancellation of Settlement Agreement. Within fourteen (14) calendar days of the
7 Response Deadline, as defined in the Court's Order granting Preliminary Approval of the Settlement,
8 Peloton will have the option, in its sole discretion, to void the Settlement Agreement in its entirety if
9 ten percent (10%) or more of all individuals eligible to become members of the Settlement Class submit
10 timely and valid Requests for Exclusion or are otherwise deemed by the Court not to be bound by the
11 Settlement. If Peloton exercises this option, it shall be responsible for all Settlement Administration
12 Costs incurred to the date of cancellation. The Parties and their counsel agree they will not encourage
13 any Settlement Class Member to opt-out.

14 60. Releases.

15 (a) Release of Class Claims by Settlement Class Members. The Parties agree that
16 upon the Effective Date and Peloton's full funding of the Gross Settlement Fund,
17 it is their intent that the terms set forth in this Settlement Agreement will release
18 any further attempt by lawsuit, administrative claim or action, arbitration,
19 demand, claims for civil penalties, or other action of any kind by each and all of
20 the Participating Settlement Class Members, who shall release their right to
21 pursue any and all claims against the Released Parties for the Released Class
22 Claims, as fully described in Paragraph 27, arising during the Class Period.

23 (b) Release of PAGA Claims by PAGA Employees. The Parties agree that upon
24 the Effective Date and Peloton's full funding of the Gross Settlement Fund, it is
25 their intent that the terms set forth in this Settlement Agreement will release any
26 further attempt by lawsuit, administrative claim or action, demand, claims for
27 civil penalties, or other action of any kind by each and all of the PAGA
28 Employees, who shall release their right to pursue any and all claims against the

1 Released Parties for the Released PAGA Claims, as fully described in Paragraph
2 28, arising during the PAGA Period.

3 (c) Release of FLSA Claims by Settlement Class Members. The Parties agree that
4 upon the Effective Date and Peloton's full funding of the Gross Settlement Fund,
5 it is their intent that the terms set forth in this Settlement Agreement will release
6 any further attempt by lawsuit, administrative claim or action, arbitration,
7 demand, claims for civil penalties, or other action of any kind by each and all of
8 the Participating Settlement Class Members, who shall release their right to
9 pursue any and all claims against the Released Parties for the Released FLSA
10 Claims, as fully described in Paragraph 29, arising during the Class Period.

11 (d) Release of Claims by Plaintiffs. Upon the Effective Date and Peloton's full
12 funding of the Gross Settlement Fund, in addition to the claims being released
13 by all Participating Settlement Class Members and PAGA Employees, Plaintiffs
14 will release and forever discharge the Released Parties, to the fullest extent
15 permitted by law, of and from any and all claims, known and unknown, asserted
16 and not asserted, which Plaintiffs have or may have against the Released Parties
17 based in any way on, or otherwise related to or arising from, their employment
18 with Peloton as of the date of execution of this Settlement Agreement. The
19 releases include, but are not limited to, all disputes relating to or arising out of
20 any state, local, or federal statute, ordinance, regulation, order, or common law,
21 including, but not limited to, Title VII of the Civil Rights Act of 1964, as
22 amended, 42 U.S.C. §§ 2000(e), *et seq.*; the Civil Rights Act of 1866, as
23 amended, 42 U.S.C. §§ 1981, *et seq.*; the Equal Pay Act, as amended, 29 U.S.C.
24 § 206(d); the Fair Labor Standards Act of 1939, as amended, 29 U.S.C. §§ 201,
25 *et seq.* and Code of Federal Regulations; the Orders of the California Industrial
26 Welfare Commission regulating wages, hours and working conditions; the
27 California Fair Employment & Housing Act, as amended, Cal. Govt. Code §§
28 12900, *et seq.*; the California Family Rights Act of 1991, as amended; Cal. Govt.

1 Code § 12945.2; the California Unruh Civil Rights Act, as amended, Cal. Civ.
2 Code §§ 51, *et seq.*; the California Labor Code (including any claim for civil
3 penalties under the California Labor Code Private Attorneys General Act); the
4 California Government Code; Article 1 of the California Constitution; the
5 Rehabilitation Act of 1973, as amended, 29 U.S.C. §§ 701 *et seq.*; the Americans
6 with Disabilities Act of 1990, 42 U.S.C. §§ 12100, *et seq.*; the Family and
7 Medical Leave Act of 1993, 29 U.S.C. §§ 2601, *et seq.* and any state law
8 equivalent; the Employee Retirement Income Security Act of 1974, 29 U.S.C.
9 §§ 1001, *et seq.*; the National Labor Relations Act, as amended, 29 U.S.C. §§
10 151, *et seq.*; California Business and Professions Code §§ 17200, *et seq.*; other
11 statutory and common law claims; statutory or common law rights to attorneys'
12 fees and costs, penalties/fines, and/or punitive damages; any action based on
13 contract, quasi-contract, quantum meruit, implied contract, tort, wrongful or
14 constructive discharge, breach of the covenant of good faith and fair dealing,
15 defamation, libel, slander, immigration issues, infliction of emotional distress,
16 negligence, assault, battery, conspiracy, harassment, retaliation, discrimination
17 on any basis prohibited by statute or public policy, conversion, any interference
18 with business opportunity or with contract or based upon any other theory;
19 and/or similar causes of action.

20 (e) Named Plaintiffs' General Release. Upon the execution of the Settlement
21 Agreement, to the extent allowed by California law, the Named Plaintiffs each
22 waive all rights and benefits afforded by section 1542 of the California Civil
23 Code as to any Released Claims. Section 1542 provides:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT
25 THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR
26 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF
27 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR
28

1 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
2 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

3 61. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Settlement Class
4 Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely and
5 valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
6 Class Claims and Released PAGA Claims (collectively, the “Released Claims”), as well as any
7 Judgment that may be entered by the Court if it grants final approval to the Settlement. The Settlement
8 Agreement shall constitute, and may be pleaded as, a complete and total defense to any Released
9 Claims currently pending or raised in the future. Notwithstanding the foregoing, this Settlement
10 Agreement, if approved, precludes further PAGA claims irrespective of whether a request for exclusion
11 is submitted. As a result, all PAGA Employees—regardless of whether they submit a Request for
12 Exclusion—shall receive a check for their share of the PAGA Settlement Amount when settlement
13 payments are delivered, and they will be bound by a release of the PAGA claims as outlined in the
14 section entitled “Release of PAGA Claims by PAGA Employees” in this Agreement.

15 62. Notice of Objection Procedures. To object to the Settlement Agreement, a Settlement
16 Class Member must mail or fax a valid Notice of Objection to the Settlement Administrator on or
17 before the Response Deadline. The Notice of Objection must be signed by the Settlement Class
18 Member and contain all information required by this Settlement Agreement. The postmark or fax-
19 stamp date will be deemed the exclusive means for determining that the Notice of Objection is timely.
20 The Settlement Administrator will notify any person from whom it receives a Notice of Objection that
21 is not timely and/or valid if, in fact, such Notice of Objection is not timely and/or valid. Any disputes
22 regarding the timeliness, validity or effectiveness of a Notice of Objection shall be decided by the
23 Settlement Administrator consistent with the terms of this Agreement, and with the Parties’ input, if
24 appropriate. Settlement Class Members who fail to object in the manner specified above will be
25 deemed to have waived all objections to the Settlement and will be foreclosed from making any
26 objections, whether by appeal or otherwise, to the Settlement Agreement. Settlement Class Members
27 who submit timely Notices of Objection may appear at the Final Approval Hearing to have their
28 objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or

1 otherwise encourage Settlement Class Members to submit written objections to the Settlement
2 Agreement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent
3 any Settlement Class Members with respect to any such objections to this Settlement.

4 63. Escalator Clause. The Gross Settlement Amount was calculated with, and is premised
5 on, the understanding that there are approximately 686 Settlement Class Members who worked
6 approximately 26,488 Workweeks through August 9, 2023, the date of the Parties' mediation. The
7 Parties agree that if the total number of Workweeks during the Class Period exceeds one hundred fifteen
8 percent (115%) of the estimated 26,488 Workweeks (i.e., exceeds 30,461 workweeks), Peloton shall
9 have the option to either:

10 (a) Proportionally increase the Gross Settlement Fund commensurate with the
11 percentage increase in the number of total Workweeks beyond fifteen percent
12 (15%). As an example and for the avoidance of doubt, if the total Workweeks
13 increases to 2% above 30,461 workweeks, then the Gross Settlement Fund shall
14 increase by 2%; or

15 (b) Modify the Class Period end date for purposes of calculating the number of
16 Workweeks only, to an earlier date so that the total number of Workweeks is no
17 more than 115% of 26,488 (i.e., 30,461 Workweeks), in which case there shall
18 be no impact on the amount of the Gross Settlement Fund.

19 64. Certification Reports Regarding Individual Settlement Payment Calculations. The
20 Settlement Administrator will provide Peloton's counsel and Class Counsel a weekly report that
21 identifies the number of Settlement Class Members who have submitted valid Requests for Exclusion,
22 or objected to the Settlement, and whether any Settlement Class Member has submitted a challenge to
23 any information contained in his or her Notice Packet. Additionally, the Settlement Administrator will
24 provide counsel for both Parties with any updated reports regarding the administration of the Settlement
25 Agreement as needed or requested, as consistent with the terms of the Settlement Agreement.

26 65. Distribution Timing of Individual Settlement Payments. The Settlement Administrator
27 will distribute the funds in the Gross Settlement Fund within the time period set forth with respect to
28 each category of payment.

1 (a) Class Counsel Award and Class Representative Enhancement Payments:

2 Within fourteen (14) calendar days of the Funding Date, Plaintiffs and Class
3 Counsel will provide W-9 forms to the Settlement Administrator, who will
4 issue payments to Class Counsel of the Class Counsel Award and Class
5 Representative Enhancement Payments in the amounts awarded by the Court.

6 (b) Individual Settlement Payment and PAGA Settlement Amount: Within

7 twenty-one (21) calendar days of the Funding Date, the Settlement
8 Administrator will issue the LWDA Payment to the LWDA, the Individual
9 Settlement Payments to the Participating Settlement Class Members, and the
10 Individual PAGA Payments to the PAGA Employees. The Settlement
11 Administrator will also issue a payment to itself for Court-approved services
12 performed in connection with the Settlement in the amount approved by the
13 Court.

14 66. Uncashed Settlement Checks. Individual Settlement Payment and/or Individual PAGA
15 Payment checks remaining uncashed for more than one hundred eighty (180) calendar days after
16 issuance will be void. Funds from the uncashed checks shall be distributed to the Controller of the
17 State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section
18 1500 *et seq.*, for the benefits of those PAGA Employees and Participating Settlement Class Members
19 who did not cash their checks until such time they claim their property. The Parties agree that this
20 disposition results in no “unpaid residue” under California Civil Procedure Code Section 384, as the
21 entire Net Settlement Amount (plus the PAGA Settlement Amount) will be paid to the PAGA
22 Employees and Participating Settlement Class Members, whether or not they all cash their Individual
23 Settlement Payment and/or Individual PAGA Payment checks.

24 67. Certification of Completion. Upon completion of the administration of the Settlement,
25 the Settlement Administrator will provide a written declaration under oath to certify such completion
26 to the Court and counsel for all Parties.

27 68. Treatment of Individual Settlement Payments. For tax purposes, the Individual PAGA
28 Payments from the PAGA Settlement Amount will be treated as 100% penalties and will be reported

1 on IRS Form 1099. Individual Settlement Payments will be allocated as follows: (i) Thirty-Five
2 Percent (35%) to settlement of wage claims and (ii) Sixty-Five Percent (65%) to settlement of claims
3 for interest and statutory penalties. The portion allocated to wages shall be reported on an IRS Form
4 W-2 and the portion allocated to interest and penalties shall be reported on an IRS Form 1099 by the
5 Settlement Administrator. Participating Settlement Class Members shall be responsible for remitting
6 to state and/or federal taxing authorities such other taxes as may be due. Neither this Agreement, nor
7 any of its attachments, should be interpreted to contain or constitute representations or advice regarding
8 any U.S. federal or state tax issue. Settlement Class Members and PAGA Employees will be
9 specifically informed that neither Peloton nor Class Counsel make any representations regarding the
10 tax implications of any amounts paid under this Settlement Agreement, and that if Settlement Class
11 Members or PAGA Employees have any questions regarding those implications, they should consult a
12 tax expert.

13 69. Administration of Taxes by the Settlement Administrator. The Settlement
14 Administrator will be responsible for issuing to Plaintiffs, Participating Settlement Class Members, and
15 Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid
16 pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all
17 Settlement Class Member payroll taxes and penalties to the appropriate government authorities. All
18 Settlement Class Members, including Participating Settlement Class Members and PAGA Employees,
19 shall be solely and exclusively responsible for remitting to state and/or federal taxing authorities any
20 applicable other taxes due, and agree that Peloton, the Released Parties, and Class Counsel are not
21 responsible for any taxes, penalties, interest, liabilities, costs, and expenses caused or claimed by any
22 such taxing authority relating in any way to the PAGA Employees', Settlement Class Members' and
23 Participating Settlement Class Members' tax treatment of payments made to them pursuant to this
24 Stipulation or failure to timely or properly pay any taxes owed on their respective Individual Settlement
25 Payment.

26 70. Tax Liability. Peloton makes no representation as to the tax treatment or legal effect of
27 the payments called for hereunder. Likewise, Class Counsel does not provide any tax advice and makes
28 no representations regarding tax treatment or consequences. Plaintiffs, both in their individual

1 capacities and as representatives on behalf of Participating Settlement Class Members and PAGA
2 Employees, are not relying on any statement, representation, or calculation by Peloton, other Released
3 Parties, the Settlement Administrator, or Class Counsel, in this regard.

4 71. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
5 OF THIS SECTION, THE “ACKNOWLEDGING PARTY,” AND EACH PARTY TO THIS
6 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
7 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
8 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
9 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL
10 ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
11 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
12 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
13 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN,
14 INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
15 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT
16 BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR
17 ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
18 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER
19 PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
20 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY
21 HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY
22 SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER
23 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
24 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
25 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
26 AGREEMENT.

27 72. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
28 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

1 transfer, or encumber to any person or entity, any portion of any liability, claim, demand, action, cause
2 of action or right herein released and discharged.

3 73. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
4 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
5 reason, then this Settlement Agreement, except as expressly agreed upon in writing by the Parties, will
6 be null and void. Any order or judgment entered by the Court in furtherance of this Settlement
7 Agreement will likewise be treated as void from the beginning. To the extent settlement approval is
8 denied for any non-material reason, the parties agree to cooperate in curing any non-material
9 deficiencies to obtain approval of the settlement.

10 74. Termination of Settlement Agreement. Plaintiffs (by unanimous agreement of all
11 Plaintiffs) and Peloton will each have the right to unilaterally terminate this Settlement Agreement by
12 providing written notice of their election to do so (“Termination Notice”) to all other Parties hereto
13 within ten (10) business days of any of the following occurrences; provided, however, that the Parties
14 agree to cooperate in good faith to address any issues the Court raises in connection with issuing
15 Preliminary and/or Final Approval of the Settlement:

- 16 (a) the Court rejects, materially modifies, materially amends or changes, or
17 declines to issue a Preliminary Approval Order or a Final Approval Order with
18 respect to the Settlement Agreement and the Parties are not permitted to
19 remedy any deficiencies the Court identifies;
- 20 (b) an appellate court reverses the Final Approval Order, and the Settlement
21 Agreement is not reinstated without material change by the Court on remand;
22 or
- 23 (c) any court incorporates terms into, or deletes or strikes terms from, or modifies,
24 amends, or changes the Preliminary Approval Order, the Final Approval
25 Order, or the Settlement Agreement in a way that Plaintiffs or Peloton
26 reasonably consider material, unless the modification or amendment is
27 accepted in writing by all Parties, except that, as provided above, the Court’s
28 approval of Attorneys’ Fees and Costs, Class Counsel Awards, and Class

1 Representative Enhancement Payments, or their amounts, is not a condition of
2 the Settlement Agreement.

3 75. Reversion *Nunc Pro Tunc*. If this Settlement Agreement is terminated pursuant to its
4 terms, or the Effective Date for any reason does not occur: (a) all Orders certifying the Settlement
5 Class for purposes of effecting this Settlement, and all preliminary and/or final findings regarding the
6 Settlement Class, shall be void *ab initio* and automatically vacated upon notice to the Court, (b) the
7 Actions shall proceed as though the Settlement Class had never been certified pursuant to this
8 Settlement Agreement and such findings had never been made, and (c) the Actions shall revert *nunc*
9 *pro tunc* to the procedural status quo as of the date and time immediately before the execution of the
10 Settlement Agreement, in accordance with this Settlement Agreement. The Parties further agree that,
11 by assenting to the filing of a Consolidated Amended Complaint for purposes of this Settlement only,
12 Peloton has no obligation to file an Answer or other response, and that Peloton does not admit any facts
13 or waive any defenses to the allegations and claims therein, nor shall it be deemed as a consent to
14 proceed to litigate any allegations as pled in the Consolidated Amended Complaint should this
15 Settlement Agreement not receive Final Approval. In the event this Settlement does not receive Final
16 Approval, the Consolidated Amended Complaint shall have no force or effect, and the prior operative
17 complaints in each of the separate Actions shall control.

18 76. Preliminary Approval Hearing. The Parties intend and agree by this Settlement
19 Agreement that Plaintiffs will obtain a hearing before the Court to request the Preliminary Approval of
20 the Settlement and the entry of an Order: (i) conditionally certifying the Settlement Class for settlement
21 purposes only, as specified herein; (ii) granting preliminary approval to the proposed Settlement
22 Agreement; (iii) setting a deadline for Class Counsel to file an application for attorney's fees and costs
23 and an application for a Class Representative Enhancement Award for Plaintiffs; and (iv) setting a date
24 for a Final Approval Hearing. The Preliminary Approval Order will provide for the Notice Packet to
25 be sent to all Settlement Class Members as specified herein. In conjunction with the Preliminary
26 Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this
27 Settlement, and will include the proposed Notice Packet, which will include the proposed Notice of
28 Class Action Settlement, attached as **Exhibit A**. Class Counsel will be responsible for drafting and

1 filing all documents necessary to obtain preliminary approval. Class Counsel will share the draft
2 Motion for Preliminary Approval with Peloton's Counsel at least seven (7) days before filing any such
3 Motion with the Court and will work in good faith with Peloton's Counsel to resolve any concerns as
4 to the Motion prior to filing. Peloton, through counsel, will review and comment on the motion papers.
5 The parties shall cooperate in good faith to meet and confer and resolve any differences regarding
6 motions for approval and supporting documents.

7 77. Final Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to
8 postmark Requests for Exclusion or Notices of Objection (and no earlier than one hundred (100)
9 calendar days after the date on which Plaintiffs file their motion for Preliminary Approval) and with
10 the Court's permission, a Final Approval Hearing will be conducted to determine the Final Approval
11 of the Settlement along with the amounts properly payable for: (i) Individual Settlement Payments; (ii)
12 the PAGA Settlement Amount; (iii) the Class Representative Enhancement Payments; (iv) the Class
13 Counsel Award; and (v) all Settlement Administration Costs. Class Counsel will be responsible for
14 drafting and filing all documents necessary to obtain final approval. Class Counsel will also be
15 responsible for drafting the Class Counsel Award and Class Representative Enhancement Payments
16 application to be heard at the Final Approval Hearing. If any differences or disputes arise regarding the
17 final approval motion, the parties shall cooperate in good faith to meet and confer and resolve such
18 disagreements.

19 78. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the
20 Court and/or after the Final Approval Hearing, the Parties will present a proposed form of Judgment to
21 the Court for its approval, which Class Counsel shall submit to the Court: (i) approving the Settlement
22 Agreement, adjudging the terms thereof to be fair, reasonable, adequate, and directing consummation
23 of its terms and provisions; (ii) approving Class Counsel's application for an award of attorney's fees
24 and costs from the Gross Settlement Amount; (iii) approving the Class Representative Enhancement
25 Awards from the Gross Settlement Amount; (iv) approving the PAGA Settlement Amount from the
26 Gross Settlement Amount; (v) approving the Settlement Administrator's fees from the Gross
27 Settlement Amount; and (vi) barring all PAGA Employees and Participating Class Members from
28 prosecuting against the Released Parties, or any of them, any of the Released Claims. After entry of

1 the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the
2 interpretation and enforcement of the terms of the Settlement; (ii) Settlement administration matters;
3 and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this
4 Settlement.

5 79. Older Workers' Benefit Protection Act Waiver by Plaintiffs.

6 (a) Plaintiffs specifically intend that the claims they are releasing herein include
7 any claims that Plaintiffs may have under the Age Discrimination in
8 Employment Act of 1967, as amended by the Older Workers' Benefit
9 Protection Act of 1990.

10 (b) Plaintiffs are advised to consult with their counsel before signing this
11 Settlement Agreement because Plaintiffs are permanently giving up significant
12 legal rights. Plaintiffs acknowledge that they have been so advised.

13 (c) Plaintiffs acknowledge that they have been given at least twenty-one (21)
14 calendar days to execute and return this Settlement Agreement and have been
15 advised that, after they execute this Settlement Agreement, Plaintiffs have
16 seven (7) calendar days to reconsider and revoke the Settlement Agreement,
17 recognizing that Plaintiffs will not be provided anything under this Settlement
18 Agreement until at least that seven (7)-day revocation period has expired. The
19 general release will then become effective on the eighth (8th) calendar day
20 after it is signed, provided that Plaintiffs do not revoke it.

21 (d) In order to effectively revoke this general release, the Parties agree that
22 Plaintiffs must provide written notice of such revocation within seven (7)
23 calendar days after Plaintiffs execute this Settlement Agreement to counsel for
24 Peloton, Megan Cooney, via email to mcooney@gibsondunn.com.

25 80. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include
26 the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
27 set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.
28

1 81. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
2 entirety of the Parties' settlement terms and, should this Settlement Agreement receive Final Approval,
3 its terms will supersede all prior written or oral agreements between the Parties.

4 82. Amendment or Modification. No amendment, change, or modification to this
5 Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

6 83. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
8 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
9 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
10 effectuate the terms of this Settlement Agreement. The individual signing on Peloton's behalf
11 represents and warrants that he or she is authorized to execute this Settlement Agreement on Peloton's
12 behalf, to bind Peloton by its terms, and to act with respect to such subsequent cooperation or follow-
13 up as may be reasonably necessary as set out herein. The Parties and their counsel will cooperate with
14 each other and use their best efforts to effect the implementation of the Settlement. If the Parties are
15 unable to reach agreement on the form or content of any document needed to implement the Settlement,
16 or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
17 the Parties may seek the assistance of the Court to resolve such disagreement.

18 84. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
19 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

20 85. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
21 will be governed by and interpreted according to the laws of the State of California.

22 86. Execution and Counterparts. This Settlement Agreement is subject to the execution of
23 all Parties. The Settlement Agreement may be executed in one or more counterparts. All executed
24 counterparts and each of them, including facsimile and scanned copies of the signature page, will be
25 deemed to be one and the same instrument.

26 87. Acknowledgement that the Settlement Is Fair and Reasonable. The Parties believe this
27 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at
28 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into

1 account all relevant factors, present and potential. The Parties further acknowledge that they are each
2 represented by competent counsel and that they have had an opportunity to consult with their counsel
3 regarding the fairness and reasonableness of this Settlement.

4 88. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
5 the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
6 with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

7 89. Waiver of Certain Appeals. With the exception of a right to appeal the reduction of any
8 award of attorneys' fees, costs, and expenses as provided herein, Plaintiffs and Peloton hereby waive
9 their right to appeal or seek other judicial review of any order that is materially consistent with the
10 terms of this Agreement.

11 90. Class Certification for Settlement Purposes Only. The Parties stipulate to certification
12 of the Settlement Class under Rule 23 of the Federal Rules of Civil Procedure for purposes of
13 implementing the Settlement only, which is in no way an admission by Peloton that class certification
14 is proper. The Settlement will not be admissible in any proceeding as evidence that: (i) a class or
15 collective should be certified as Plaintiffs have proposed for any claims, including but not limited to
16 any currently non-certified claims; (ii) any of the Actions should proceed on a representative basis
17 pursuant to PAGA; or (iii) Peloton is liable to Plaintiffs or any other individuals they claim to represent
18 in any of the Actions in connection with any claims that were or could have been asserted in any of the
19 Actions. Should the Court decline to preliminarily or finally approve the Settlement, then this
20 Settlement, and any class certified pursuant thereto, are all void *ab initio*. Peloton expressly reserves
21 the right to oppose class certification of any purported class should the Settlement fail to become final
22 and effective pursuant to this Agreement.

23 91. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
24 that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In
25 entering into this Agreement, Peloton does not admit, and specifically denies, that it violated any
26 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute
27 or any other applicable laws, regulations, or legal requirements; breached any contract; violated or
28 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful

1 conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor
2 any of the negotiations connected with it, will be construed as an admission or concession by Peloton
3 of any such violations or failures to comply with any applicable law. Except as necessary in a
4 proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions will
5 not be offered or received as evidence in any action or proceeding to establish any liability or admission
6 on the part of Peloton or to establish the existence of any condition constituting a violation of, or a non-
7 compliance with, federal, state, local, or other applicable law.


8 92. Media Restrictions. The Parties and their counsel agree that they will not issue any
9 press releases or initiate any contact with the media about the fact, amount, or terms of the Agreement.
10 Unless required by applicable law, neither the Plaintiffs nor Class Counsel shall publicize the terms of
11 this Agreement in any medium, or initiate or issue any press release or have any communications to
12 the press or media concerning the Actions, the Settlement of the Actions, and/or this Agreement, except
13 as posted by the Settlement Administrator as ordered by the Court. Class Counsel shall not include,
14 and shall affirmatively remove, any reference to any of the foregoing subjects in any advertising, mass
15 mailing, website, or other communication. If counsel for either Party receives an inquiry about the
16 Settlement from the media, counsel may respond only after the motion for Preliminary Approval has
17 been filed and only by confirming the terms of the Agreement. Notwithstanding the foregoing, nothing
18 will prevent Class Counsel from communicating confidentially with Settlement Class Members as
19 necessary to fulfill their obligations as Class Counsel.

20 93. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
21 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
22 further waiver by such party of the same or any other condition, covenant, right, or remedy.

23 94. Enforcement Actions. In the event that one or more of the Parties institutes any legal
24 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
25 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
26 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
27 expert witness fees incurred in connection with any enforcement actions.

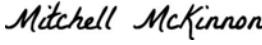
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Dated: January 11, 2024

By: 


Mark Cohen
Plaintiff, Class, and PAGA Representative

Dated: December 22, 2023

By: 

Mitchell McKinnon
Plaintiff and Class Representative

Dated: December 22, 2023

By: 


Timothy Van Nortwick
Plaintiff, Class, and PAGA Representative

Dated: December 22, 2023

By: 


Brent Brice
Plaintiff and Class Representative

Dated: December 22, 2023

By: 

Zachery Rizzo
Plaintiff and Class Representative

Dated: December 22, 2023

By: 


Joshua Reyes
Plaintiff, Class, and PAGA Representative

Dated: December 22, 2023

By: 


Onika Jack
Plaintiff, Class, and PAGA Representative

Dated: December 22, 2023

By: 

Herbert Hernandez
Plaintiff and Class Representative

Dated: December 28, 2023

By: 

Nicholaus James
Plaintiff, Class, and PAGA Representative

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Dated: December 29, 2023

By: LaCretia Davis
LaCretia Davis
Plaintiff, Class, and PAGA Representative

Dated: December __, 2023

By: _____
Salvador Pulido

Dated: December __, 2023

By: _____
Tammy Albarrán
Chief Legal Officer
Peloton Interactive, Inc.

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Dated: December __, 2023

By: _____
LaCretia Davis
Plaintiff, Class, and PAGA Representative

Dated: January 3, 2024

By:  _____
Salvador Pulido

Dated: December __, 2023

By: _____
Tammy Albarrán
Chief Legal Officer
Peloton Interactive, Inc.

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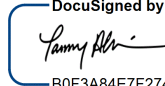
Dated: December __, 2023

By: _____
LaCretia Davis
Plaintiff, Class, and PAGA Representative

Dated: December __, 2023

By: _____
Salvador Pulido

Dated: December ²⁹, 2023

By: _____

B0E3A84E7E274E6
Tammy Albarrán
Chief Legal Officer
Peloton Interactive, Inc.

Approval as to Form and Content by Counsel:

Dated: January 11, 2024

Beligan Law Group, LLP

By: Leah Beligan
Leah M. Beligan Puno

Attorney for Plaintiff Mark Cohen

Dated: January 8, 2024

Schneider Wallace Cottrell Konecky LLP

By: _____
Carolyn Cottrell
David C. Leimbach
Andrew Cooledge

Attorneys for Plaintiffs Mitchell McKinnon,
Timothy Van Nortwick, Brent Brice, Zachery
Rizzo, Joshua Reyes, Onika Jack, Herbert
Hernandez, Nicholas James, LaCretia Davis, and
Salvador Pulido

Gibson, Dunn & Crutcher LLP

Dated: January __, 2024

By: _____
Megan Cooney
Danielle Moss

Attorneys for Defendant Peloton Interactive, Inc.

Approval as to Form and Content by Counsel:

Dated: January __, 2024

Beligan Law Group, LLP

By: _____
Leah M. Beligan Puno

Attorney for Plaintiff Mark Cohen

Dated: January 8, 2024

Schneider Wallace Cottrell Konecky LLP

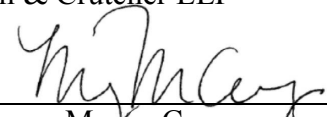
By: _____


Carolyn Cottrell
David C. Leimbach
Andrew Cooledge

Attorneys for Plaintiffs Mitchell McKinnon,
Timothy Van Nortwick, Brent Brice, Zachery
Rizzo, Joshua Reyes, Onika Jack, Herbert
Hernandez, Nicholas James, LaCretia Davis, and
Salvador Pulido

Gibson, Dunn & Crutcher LLP

Dated: January 8, 2024

By: _____

Megan Cooney
Danielle Moss

Attorneys for Defendant Peloton Interactive, Inc.

EXHIBIT A

COURT-APPROVED NOTICE OF SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Cohen, et al. v. Peloton Interactive, Inc., Case No. 2:22-cv-01425-MWF-E (C.D. Cal.)

*The United States District Court for the Central District of California has authorized this Notice. **Read it carefully!** This is not junk mail, spam, attorney advertising, or solicitation. You are not being sued.*

You may be eligible to participate in a class, collective, and representative action settlement reached between Peloton Interactive, Inc. (“Peloton”) and certain current and former employees in California (the “Settlement”). The lead case is titled *Cohen, et al. v. Peloton Interactive, Inc.*, Case No. 2:22-cv-01425-MWF-E (C.D. Cal.) (“*Cohen*”), and the Settlement will resolve claims that were or could have been alleged in the Third Amended Complaint filed in *Cohen* and in two related cases titled *McKinnon, et al. v. Peloton Interactive, Inc.*, Case No. 2:22-cv-03368-MWF(Ex) (C.D. Cal.) and *Reyes et al. v. Peloton Interactive, Inc.*, Case No. 22STCV35186 (L.A. Super. Ct.) (together with “*Cohen*,” the “Actions”).

The Actions were filed on behalf of current and former non-exempt, hourly employees who worked for Peloton in California at any time between November 18, 2020, and **the date of preliminary approval of the settlement** (the “Class Period”) (altogether, the “Class Members”). The Actions sought recovery for: (1) alleged violations of the California Labor Code and the federal Fair Labor Standards Act (“FLSA”); and (2) penalties under the California Private Attorneys General Act (“PAGA”), specifically on behalf of all non-exempt, hourly employees who worked for Peloton in California at any time between July 27, 2021 and **the date of preliminary approval of the settlement** (the “PAGA Period”) (altogether, the “PAGA Employees”).

Based on Peloton’s records, **your total Individual Settlement Payment is estimated to be \$ _____ (less withholding), which includes an estimated \$ _____ allocated as your Individual PAGA Payment.** The actual amounts you receive may differ depending on several factors. (If no amount is stated for your Individual PAGA Payment, then according to Peloton’s records you are not eligible to receive a distribution from the PAGA Settlement Amount because you did not work for Peloton during the PAGA Period defined above.)

The above estimates are based on Peloton’s records, which reflect that **you worked _____ workweeks during the Class Period.** Peloton’s records also reflect that **you worked [____ pay periods] (and/or [____ workweeks]) during the PAGA Period** (if blank, Peloton’s records reflect you did not work for Peloton during the PAGA Period). If you believe that you worked more or less workweeks during either period, you can submit a dispute by the deadline date. *See* Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether or not you act. **Please read this Notice carefully.** You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment

that requires Peloton to make payments under the Settlement and requires Participating Settlement Class Members and PAGA Employees to give up their rights to assert certain claims against Peloton.

Peloton will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>1) Do Nothing and Receive Funds.</p>	<p>If you do nothing, you will be a Participating Settlement Class Member, eligible for an Individual Settlement Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert the claims against Peloton that are covered by this Settlement (“Released Claims”).</p>
<p>2) Opt Out of Class Settlement by </p>	<p>If you do not want to fully participate in the Settlement, you can opt out of the Class Settlement by sending the Settlement Administrator a timely written Request for Exclusion. Once excluded, you will not be eligible for an Individual Settlement Payment for any Released Class Claims or Released FLSA Claims described in the Settlement. You also will not be permitted to object to any portion of the proposed Settlement. <i>See</i> Section 6 of this Notice.</p> <p>You cannot opt out of the PAGA portion of the proposed Settlement. All PAGA Employees will receive an Individual PAGA Payment on a prorated basis, and the PAGA Employees must give up their rights to pursue Released PAGA Claims (defined below).</p>
<p>3) Object to Class Settlement by </p>	<p>All Settlement Class Members who do not opt out (the “Participating Settlement Class Members”) can object to the Settlement. <i>See</i> Section 7 of this Notice. If you opt out of the Class Settlement, you may not object. Even if you do not opt-out of the Class Settlement, you may not object to the PAGA Settlement.</p>
<p>4) Dispute the Calculation of Your Workweeks/Pay Periods </p>	<p>The amount of your Individual Settlement Payment and Individual PAGA Payment (if applicable) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The first page of this Notice states the numbers of Class Period Workweeks and PAGA Period Pay Periods (if applicable) Peloton’s records show you worked. If you have any objection to the numbers of workweeks and/or pay periods</p>

	stated, you must make a dispute by contacting the Settlement Administrator. <i>See</i> Section 4 of this Notice.
5) You Can Participate in the Final Approval Hearing on [DATE]	The Court’s Final Approval Hearing is scheduled to take place on [DATE], at [TIME]. You are not required to attend, but you have the right to appear if you choose. <i>See</i> Section 8 of this Notice.

1. WHAT ARE THE ACTIONS ABOUT?

Plaintiffs are former Peloton employees. This Settlement encompasses the three lawsuits stated above, which are referred to in this Notice as the “Actions.” Plaintiffs allege Peloton failed to pay for all hours worked by employees (including overtime), failed to pay overtime at the correctly calculated legal rate, failed to timely pay all wages due upon termination, failed to reimburse business expenses, failed to provide meal periods or pay the legal premiums for noncompliant meal periods, failed to provide rest breaks or pay the legal premiums for noncompliant rest breaks, failed to keep accurate records of hours worked, and failed to provide accurate itemized wage statements. Plaintiffs also asserted a claim for PAGA penalties based on their allegations.

Peloton denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTIONS HAVE SETTLED?

The Court has made no determination whether Peloton or Plaintiffs are correct on the merits. Plaintiffs and Peloton hired an experienced, neutral mediator to try to resolve the Actions by negotiating an end to the case by agreement (i.e., settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (the “Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Peloton have negotiated a proposed Settlement subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Peloton does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal because they believe that: (1) Peloton has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Settlement Class Members and PAGA Employees. The Court has preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

Peloton Will Pay a Gross Settlement Amount of \$1,600,000.00 (the “Gross Settlement”). Assuming the Court grants Final Approval, Peloton has agreed to deposit the Gross Settlement into an account controlled by the Settlement Administrator. The Settlement Administrator will then use the Gross Settlement to pay the Individual Settlement Payments; the PAGA Settlement, including portions allocated to the California Labor Workforce Development Agency (“LWDA”) and PAGA Employee; Individual Service Awards for the Named Plaintiffs; Class Counsel’s attorney fees and costs; and the Settlement Administrator’s expenses for administration of the Settlement.

Court-Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs will ask the Court to approve certain deductions from the Gross Settlement, the amounts of which are subject to the Court’s review and approval. Participating Settlement Class Members have the right to object to any of these deductions. The Court will consider all objections. The proposed amounts the Parties have agreed to, which the Court will consider at the Final Approval Hearing, are set out below:

- Up to \$563,000.00 (33% of the Gross Settlement) to Class Counsel for attorneys’ fees. To date, Class Counsel have worked and incurred expenses on the Actions without payment.
- Up to \$35,000.00 for Class Counsel’s reasonable costs and expenses, which were incurred in prosecuting the Actions and obtaining the Settlement for the Plaintiffs and Settlement Class Members.
- Up to \$10,000.00 for each Plaintiff as Class Representative Enhancement Payments for their efforts in preparing and filing the Actions, working with Class Counsel, and representing the Class and PAGA Employees. A Class Representative Enhancement Payment will be the only monies the named Plaintiffs will receive, other than their Individual Settlement Payment and/or Individual PAGA Payment (if applicable).
- Up to \$15,000.00 to the Settlement Administrator for costs of administering the Settlement.
- \$100,000.00 will be allocated to the PAGA Settlement. 75% of the PAGA Settlement will be distributed to the LWDA. The remaining 25% will be distributed to the PAGA Employees as their individual share of the PAGA Settlement prorated based on their number of pay periods / workweeks worked during the PAGA Period.

Net Settlement Distributed to Class Members. After making the above deductions in the amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Settlement Payments to Participating Settlement Class Members prorated based on their workweeks worked within the Class Period.

Taxes Owed on Payments to Class Members. Plaintiffs and Peloton will ask the Court to approve an allocation of 35% of each Individual Settlement Payment to taxable wages (the “Wage

Portion”), and 65% to interest, penalties, and other non-wages (“Non-Wage Portion”). The Wage Portion is subject to tax withholding, and will be reported on IRS W-2 Forms. Peloton will separately pay employer payroll taxes it owes on the Wage Portion. All PAGA Settlement payments to individual PAGA Employees will be counted as penalties rather than wages for tax purposes. The Settlement Administrator will report such individual PAGA payments, and the Non-Wage Portions of the Individual Settlement Payments, on IRS 1099 Forms. Although Plaintiffs and Peloton have agreed to these allocations, neither side is giving you any tax advice, including, for example, whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments and/or Individual PAGA Payments (if applicable) will show the date when the check expires (the void date). The Parties have agreed that the void date will be 180 days from the date the check is issued. If you don’t cash your check by the void date, your check will be automatically cancelled and the money will go to the California Controller’s Unclaimed Property Fund.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Settlement Class Member, participating fully in the Settlement and related releases, unless you notify the Administrator in writing via mail or fax, no later than [REDACTED], of your decision to opt out. The Request for Exclusion should be from the Settlement Class Member and should state their name, present address, telephone number, and a simple statement that they wish to be excluded from the Settlement. Settlement Class Members who do not participate in the Settlement will not receive Individual Settlement Payment for any Released Class Claims or Released FLSA Claims, and with the exception of the Released PAGA Claims, will preserve their rights to personally pursue claims against Peloton that are not covered by the Settlement. You cannot exclude yourself from the PAGA Settlement. Settlement Class Members who exclude themselves from the Class Settlement remain eligible for Individual PAGA Payments, if applicable, and will still legally give up their right to assert PAGA claims against Peloton based on the facts alleged in the Action.

If the Court Denies Final Approval, the Proposed Settlement Will be Void. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. The Parties have agreed that if either of these occur, the Settlement will be void, meaning Peloton will not pay any money to Settlement Class Members, and Settlement Class Members will not release any claims against Peloton.

Settlement Administrator. The Parties have selected, and the Court has approved, a neutral company, **CPT Group, Inc.**, as the Settlement Administrator. The Settlement Administrator will send this Notice, calculate and make payments, process Settlement Class Members’ Requests for Exclusion and/or Objections, and perform all other tasks necessary to administering this Settlement. The Settlement Administrator is authorized to decide Settlement Class Member disputes over Workweeks, mail and re-mail checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section 9 of this Notice.

Participating Class Members' Releases. After the Judgment is final and Peloton has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Settlement Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opt out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Peloton or related entities for claims based on the facts as alleged in the Action and resolved by this Settlement. Specifically, the Participating Settlement Class Members will be bound by the following release:

The Parties agree that upon the Effective Date and Peloton's full funding of the Gross Settlement Fund, it is their intent that the terms set forth in this Settlement Agreement will release any further attempt by lawsuit, administrative claim or action, arbitration, demand, claims for civil penalties, or other action of any kind by each and all of the Participating Settlement Class Members, who shall release their right to pursue any and all claims against the Released Parties for the Released Class Claims, as fully described in the Settlement Agreement and as specified therein, arising during the Class Period. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

"Released Class Claims" means all claims, actions, demands, causes of action, suits, debts, obligations, demands, rights, liabilities, or legal theories of relief, that are based on the facts and legal theories asserted in the operative complaint in the Actions, or which relate to the primary rights asserted in the operative complaint in the Actions, including without limitation claims for: (1) failure to timely pay all minimum, regular, and /or overtime wages in violation of Labor Code sections 204, 210, 510, 558, 1194, 1197, and 1198; (2) failure to provide meal and rest periods and meal and rest period premium pay in violation of Labor Code section 226.7; (3) failure to pay all accrued and vested vacation/PTO in violation of Labor Code section 227.3; (4) failure to reimburse business expenses in violation of Labor Code section 2802; (5) failure to pay all wages due and owing upon separation of employment and/or the mandatory waiting time penalties in violation of Labor Code sections 201-203, and 210; (6) failure to furnish accurate itemized wage statements in violation of Labor Code section 226; (7) failure to maintain accurate records in violation of Labor Code sections 226 and 1174; and (8) engaging in unlawful, unfair and/or fraudulent business practices in violation of the California Business & Professions Code section 17200 et seq.

FLSA Release. Each Settlement Class Member who cashes, deposits, or otherwise negotiates his or her settlement check will be deemed to have opted in for purposes of the FLSA, and as a result will release his or her claims against the Released Parties. Settlement Class Members who do not cash or deposit their settlement checks shall not release their FLSA claims but shall still release their Class Claims and PAGA Claims, as applicable. Specifically, Participating Class Members will be bound by the following release with respect to FLSA claims:

The Parties agree that upon the Effective Date and Peloton's full funding of the Gross Settlement Fund, it is their intent that the terms set forth in this Settlement Agreement will release any further attempt by lawsuit, administrative claim or action, arbitration, demand,

claims for civil penalties, or other action of any kind by each and all of the Participating Settlement Class Members, who shall release their right to pursue any and all claims against the Released Parties for the Released FLSA Claims, as fully described in the Settlement Agreement, arising during the Class Period.

“Released FLSA Claims” means all claims for failure to properly pay all minimum, regular, and/or overtime wages in violation of the FLSA. Each Settlement Class Member who cashes deposits, or otherwise negotiates his or her settlement check shall be deemed to have opted-in for purposes of the FLSA and as a result will release his or her claims against the Released Parties. Settlement Class Members who do not cash or deposit their settlement checks shall not release their FLSA Claims, but shall still release their Class Claims and PAGA Claims, as applicable.

PAGA Employees’ PAGA Release. After the Court’s judgment is final, and Peloton has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all PAGA Employees will be barred from asserting PAGA claims against Peloton, whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Participating Settlement Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Peloton or related entities based on the claims for PAGA penalties under the California Labor Code predicated on claims that were alleged, or reasonably could have been alleged in the Actions and resolved by this Settlement. Specifically, the PAGA Employees’ Releases for Participating and Non-Participating Class Members are as follows:

The Parties agree that upon the Effective Date and Peloton’s full funding of the Gross Settlement Fund, it is their intent that the terms set forth in this Settlement Agreement will release any further attempt by lawsuit, administrative claim or action, demand, claims for civil penalties, or other action of any kind by each and all of the PAGA Employees, who shall release their right to pursue any and all claims against the Released Parties for the Released PAGA Claims, as fully described in the settlement agreement and specified in the relevant portion thereof, arising during the PAGA Period.

“Released PAGA Claims” means all claims pursuant to the California Labor Code Private Attorneys General Act (codified in Labor Code section 2698 et seq.) based on the facts and legal theories asserted in the operative complaint in the Actions, or which relate to the primary rights asserted in the operative complaint in the Actions, including without limitation PAGA claims for: (1) failure to timely pay all minimum, regular, and /or overtime wages in violation of Labor Code sections 204, 210, 510, 558, 1182.12, 1194, 1197, 1197.1, and 1198; (2) failure to provide meal and rest periods and meal and rest period premium pay in violation of Labor Code sections 226.7, 512, and 558; (3) failure to pay all accrued and vested vacation/PTO in violation of Labor Code section 227.3; (4) failed to reimburse business expenses in violation of Labor Code section 2802; (5) failure to pay all wages due and owing upon separation of employment and/or the mandatory waiting time penalties in violation of Labor Code sections 201-203, 210 and 558; (6) failure to furnish accurate itemized wage statements in violation of Labor Code sections 226 and 558; and (7) failure to maintain accurate records in violation of Labor Code sections 226 and 1174. The period of the Released PAGA Claims shall extend to the limits of the PAGA

Period. The res judicata effect of the Judgment will be the same as that of the Release.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Settlement Payments. The Settlement Administrator will calculate Individual Settlement Payments by (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Participating Settlement Class Members, and (b) multiplying the result by the number of workweeks worked by each individual Participating Settlement Class Member.

Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by dividing \$25,000.00 by the total number of pay periods worked during the PAGA Period by all PAGA Employees, then multiplying the result by the number of pay periods worked during the PAGA Period by each individual PAGA Employee.

Workweek/Pay Period Disputes. The number of workweeks you worked during the Class Period and the number of pay periods you worked during the PAGA Period, as reflected in Peloton's records, are stated on the first page of this Notice. You have until [DATE] to dispute the number of workweeks and/or pay periods determined by the Settlement Administrator based on Peloton's records. You can submit your dispute by signing and sending a letter to the Settlement Administrator via mail, email, or fax. Section 9 of this Notice contains the Settlement Administrator's contact information.

If you make such a challenge, you must support it by sending copies of pay stubs and/or any other documents you wish the Settlement Administrator to consider in making its determination on your challenge. The Settlement Administrator will accept Peloton's calculation of workweeks and/or pay periods based on Peloton's records as accurate unless you send copies of records establishing contrary information. You should send copies rather than originals, as the Settlement Administrator will not return any documents you submit for this purpose. The Settlement Administrator will resolve workweek and/or pay period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Settlement Class Members) and Peloton's counsel. The Settlement Administrator's decision is final and cannot be appealed or otherwise challenged.

5. HOW WILL I GET PAID?

Participating Settlement Class Members. The Settlement Administrator will send, by U.S. mail, a single check to each Settlement Class Member who does not opt-out. Those Settlement Class Members who also qualify as PAGA Employees will receive a single check for an Individual Settlement Payment that includes the Individual PAGA Payment.

Non-Participating Settlement Class Members. The Settlement Administrator will send, by U.S. mail, a single check for the Individual PAGA Payment to every PAGA Employee who opts out of the Class Settlement.

Your check will be sent to the same address this Notice is sent to. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice contains the Settlement Administrator's contact information.

6. HOW DO I OPT OUT OF THE CLASS SETTLEMENT?

To opt out and exclude yourself from the Settlement, send a written and signed letter to the Settlement Administrator with your name, current address, telephone number and/or email address, and a simple statement that you do not want to participate in the Settlement. The Settlement Administrator will exclude you based on any writing communicating your request to opt out. Be sure to personally sign your request, identify the Actions, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes).

You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Settlement Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of this Notice sets forth the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE CLASS SETTLEMENT?

Only Participating Settlement Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Peloton are asking the Court to approve. At least [REDACTED] days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair; and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses and (ii) the amount Plaintiffs are requesting for their Individual Service Awards for their service as class and collective representatives. Upon reasonable request, Class Counsel will send you copies of these documents at no cost to you. Class Counsel's information is stated in Section 9 of this Notice, below.

You cannot ask the Court to order a different settlement. The Court can only approve or reject the Settlement. If the Court denies approval, no payments will be sent out to you or other Settlement Class Members, and the Actions will continue.

- 6) **The deadline for sending written objections to the Settlement Administrator is [REDACTED].** If you wish to object, you must do so in writing. Your objection must be sent to the Settlement Administrator via fax or mail by the deadline in accordance with the Settlement. The fax-stamp and/or postmark date determines whether your objection was timely submitted. Your objection must be signed by you and include: (i) your full name, address, and telephone number; (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other documents upon which your objection is based; and (iv) a statement whether you intend to appear at the Final Approval Hearing.

If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. Participating Settlement Class Members who fail to adhere to the objection procedure will be deemed to have waived their right to object,

whether by appeal or otherwise.

For details regarding the Final Approval Hearing, please see Section 8 immediately below.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on [DATE] at [TIME] in Courtroom 5A of the United States District Court for the Central District of California, located at 350 West First Street , Los Angeles, CA 90012.

At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Settlement Administrator. The Court will invite comments from objectors who complied with the objection procedure, Class Counsel, and Peloton's Counsel before making a decision. Unless otherwise stated on the Court's website, the hearing will be conducted in person. Check the Court's website for the most current information (<https://www.cacd.uscourts.gov/honorable-michael-w-fitzgerald>).

It is possible the Court may reschedule the Final Approval Hearing. You should check the Settlement Administrator's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Settlement sets forth everything Peloton and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Settlement, the Judgment or any other Settlement-related documents is to [go to the Administrator's website at \[URL\]](#). You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the courts' website (<https://www.cacd.uscourts.gov/> and/or <https://www.lacourt.org/>.)

DO NOT CALL THE COURT WITH INQUIRIES REGARDING THE SETTLEMENT.

If you need more information regarding the Settlement, please contact the persons below:

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

Class Counsel:

Carolyn H. Cottrell

Andrew T. Cooledge

SCHNEIDER WALLACE

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10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund at <https://ucpi.sco.ca.gov/en/Property/SearchIndex> for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.