

## SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Settlement Agreement and Release of Claims (“Settlement Agreement”) is made and entered into by and between Lucas Schneider (“Plaintiff” or “Class Representative”), individually and on behalf of the Settlement Class (as defined in Paragraph 2, below), on the one hand, and Defendant Assurance IQ, LLC (“Defendant”), on the other hand, in *Schneider v. Assurance IQ, LLC*, King County Superior Court, Case No. 22-2-15633-3 SEA (the “Litigation” or “Action”). This Settlement Agreement is subject to the terms and conditions hereof and the approval of the Court. For purposes of this Settlement Agreement, Plaintiff and Defendant are referred to individually as a “Party” and collectively as the “Parties.”

### SETTLEMENT AMOUNT

As described in detail hereafter, and pursuant to all of the terms and conditions set forth hereafter, Defendant will pay a maximum amount of \$195,000 (the “Gross Settlement Fund”) to resolve and release all of the claims as set forth in further detail hereafter in Paragraphs 18 and 19, inclusive of all damages, settlement payments, attorneys’ fees and costs, service awards, and settlement administration costs.

The Gross Settlement Fund amount of \$195,000 is based on Defendant’s representation that there are 39 Settlement Class members ( $\$5,000 \times 39 = \$195,000$ ). If a review of Defendant’s and/or Settlement Class members’ records reveal additional Settlement Class members, the parties agree to negotiate in good faith regarding any increase to the Gross Settlement Fund for additional Settlement Class members.

### BACKGROUND

1. On September 27, 2022, Plaintiff filed the Class Action Complaint for Damages, Injunctive Relief, and Declaratory Relief (the “Complaint”), in the Litigation, alleging three causes of action: (1) Violation of RCW 49.62; (2) Injunctive Relief; and (3) Declaratory Relief.
2. For purposes of this Settlement Agreement, the “Settlement Class” is defined as follows:

All current and former Washington employees of Assurance IQ, LLC who signed a noncompetition covenant between January 1, 2020 and the date of preliminary approval and whose annual earnings were less than \$100,000 in 2020, \$101,390 in 2021, and/or \$107,301.04 in 2022, who have not already released claims relating to such covenants.

3. Defendant and all Releasees (as defined below) deny any liability or wrongdoing of any kind associated with the claims being released herein. Neither this Settlement Agreement nor any exhibit thereto, nor any other document pertaining to the settlement contemplated herein, may be offered in any other case or proceeding as evidence of any admission by Defendant or Releasees of any liability on any claims for damages or other relief or in connection with briefing/argument over certification or decertification of any claims against Defendant or

Releasees. Any stipulation or admission by Defendant contained herein is made for settlement purposes only.

4. Nevertheless, in the interest of avoiding the costs and disruption of ongoing litigation and resolving the claims asserted in the Litigation, the Parties believe that the settlement negotiated and set forth in this Settlement Agreement is fair, reasonable, and adequate.

#### TERMS OF THE SETTLEMENT

5. **Establishment of the Gross Settlement Fund:** Defendant will pay a maximum amount of \$5,000 per Settlement Class member, subject to the terms and provisions of this Settlement Agreement. This payment by Defendant shall settle and forever resolve all of the claims being released by this Settlement Agreement, and will include: (a) all payments to Settlement Class members; (b) all costs of administration of the settlement; (c) all attorneys' fees and costs awards; and (d) a service award to the Class Representative. The settlement payments are not being made for any other purpose and will not be construed as "compensation" for purposes of determining eligibility for any health and welfare benefits, unemployment compensation, or other compensation or benefits provided by Defendant. In addition, no individual receiving a payment based on this settlement shall be entitled to any additional or increased health, welfare, retirement, employer tax contributions, or other benefits as a result of their participation in the settlement.

6. **Qualified Settlement Fund:** The Gross Settlement Fund shall be paid to a Qualified Settlement Fund established by the Settlement Administrator on or before fourteen (14) business days after the Court's final approval of the class action settlement and related judgment have become final and non-appealable. The monies transferred to the Qualified Settlement Fund pursuant to this paragraph shall be in the amount of the Gross Settlement Fund.

7. **Calculation of Net Settlement Fund:** The Net Settlement Fund will constitute the total sum from which Settlement Class members will be paid. The Net Settlement Fund derives from the Gross Settlement Fund. The Net Settlement Fund is the Gross Settlement Fund minus attorneys' fees and costs awarded to Plaintiff's Counsel, Service Awards to the Class Representatives, and the Settlement Administrator's costs and fees.

8. **Effective Date:** This Settlement Agreement shall become effective when the settlement is considered as "Final." For purposes of this Settlement Agreement, "Effective Date" and "Final" mean (i) in the event that the settlement has received Final Approval by the Court and there were no timely objections filed, or that any timely objections have been withdrawn, then upon the passage of the applicable date for any interested party to seek appellate review of the Court's order of final approval of the settlement without a timely appeal being filed; or, (ii) in the event that one or more timely objections has/have been filed and not withdrawn, then upon the passage of the applicable date for an objector to seek appellate review of the Court's order of final approval of the settlement, without a timely appeal having been filed; or, (iii) in the event that a timely appeal of the Court's order of final approval has been filed, then the Settlement Agreement shall be final when the applicable appellate court has rendered a final decision or opinion affirming the Court's final approval without material modification, and the applicable date for seeking further appellate review has passed without such further review being sought, or if such review is sought, the exhaustion thereof. In the event that the Court fails to approve the settlement, or if the

appropriate appellate court fails to approve the settlement or if this Settlement Agreement is otherwise terminated: (1) this Settlement Agreement shall have no force and effect and the Parties shall be restored to their respective positions prior to entering into it, and no party shall be bound by any of the terms of the Settlement Agreement other than Paragraph 3; (2) Defendant shall have no obligation to make any payments to the Settlement Class members, Plaintiff, or Plaintiff's Counsel; (3) any preliminary approval order, final approval order or judgment, shall be vacated; and (4) the Settlement Agreement and all negotiations, statements, proceedings and data relating thereto shall be deemed confidential settlement communications and not subject to disclosure for any purpose in any proceeding.

9. **Attorneys' Fees and Costs:** "Plaintiff's Counsel" refers to Plaintiff's Counsel in this Litigation, Emery Reddy, PLLC. Plaintiff's Counsel may apply to the Court for, and Defendant will not oppose, an award of attorneys' fees, costs, and expenses incurred in connection with the prosecution of this matter, and all of the work remaining to be performed by Plaintiff's Counsel in documenting the settlement, securing Court approval of the settlement, all further appellate proceedings, carrying out their duties to see that the settlement is fairly administered and implemented, and obtaining dismissal of the action, in a total amount not to exceed \$63,375 for attorneys' fees and costs. Amounts awarded by the Court for attorneys' fees, costs, and expenses shall be paid from the Gross Settlement Fund. The settlement is not conditioned upon the Court approving the entirety of Plaintiff's Counsel's request for such Attorneys' Fees and Costs. The non-approval by the Court of the requested Attorneys' Fees and Costs shall not be a basis for terminating this Settlement Agreement.

10. **Service Award:** Subject to approval by the Court, Plaintiff will be eligible to receive a service award of up to \$20,000 in consideration for serving as Class Representative ("Service Award"). The Service Award is in addition to the settlement award to which Plaintiff is entitled along with all other Settlement Class members, and Defendant will not oppose the requested Service Award. The settlement is not conditioned upon the Court approving the entirety of Plaintiff's Counsel's request for such Service Award. The non-approval by the Court of the requested Service Award shall not be a basis for terminating this Settlement Agreement. Any of the amounts referenced in this Paragraph 10 which are not awarded to Plaintiff by the Court shall revert to the Gross Settlement Fund, as the case may be, for distribution to the Settlement Class members. The Service Award approved by the Court shall be paid by the Settlement Administrator from the Qualified Settlement Fund within ten (10) days after the settlement monies are transferred to the Qualified Settlement Fund.

11. **Lesser Award:** In the event that a lesser sum is awarded for the attorneys' fees and costs referenced above in Paragraph 9, or for the Service Awards referenced above in Paragraph 10, the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff's Counsel to terminate the settlement, but such an order shall be appealable by them at Plaintiff's cost. In the event that such an appeal is filed, administration of the settlement shall be stayed pending resolution of the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts remain which are distributable to the Settlement Class members, the cost of administration of such additional payments will be paid out of such additional amounts and will not be chargeable to or payable by Defendant. Any amount not awarded in attorneys' fees, costs and expenses, and/or enhancement awards, but which is not challenged via appeal by Plaintiff's Counsel, shall be added to the Net Settlement Fund and distributed to the Settlement Class

members in accordance with the terms of the Settlement Agreement. Payments to Class members other than the Class Representative shall not exceed \$5,000 per class member.

12. **Settlement Administrator's Costs:** Subject to the Court's approval, the Parties will select the Settlement Administrator to perform all duties of administration including, without limitation, receiving and updating through normal and customary procedures the Class List to be provided by Defendant, so that it is updated prior to the Notice of Class Action Settlement ("Notice") being mailed, printing and mailing the Court-approved Notice, performing necessary additional skip traces on Notices and/or checks returned as undeliverable, calculating Settlement Class members' shares of the Net Settlement Fund, preparing and mailing of settlement checks, responding to Settlement Class member inquiries as appropriate, preparing any appropriate or required tax returns and tax forms in connection with the Settlement Fund and settlement payments, including any withholding, and filing or remitting those returns and forms, along with withheld amounts, to the appropriate governmental agencies, and generally performing all normal and customary duties associated with the administration of such settlements. All class administration fees for the Settlement Administrator's services will be paid out of the Gross Settlement Fund. The Settlement Administrator will coordinate the calculations of the payroll taxes and deductions, if any, with Defendant, to ensure that, to the extent such taxes and deductions are or could be deemed to have been made by the Settlement Administrator on behalf of Defendant by government taxing authorities, they are made in compliance with Defendant's tax withholding and remittance obligations for such payments.

13. **Compilation of Class List:** The Parties agree that within fifteen (15) days after preliminary approval of this Settlement Agreement by the Court, Defendant will provide to Plaintiff's Counsel and the Settlement Administrator a final class list ("Class List") of all Settlement Class members, based on Defendant's records. The Class List shall include the full name, last known mailing address, phone number, hire date, termination date, and Social Security number (last 4 digits) of each Settlement Class member during the Settlement Class Period. The Settlement Administrator will perform normal and customary address updates and verifications as necessary prior to the mailing of the Notice to the Settlement Class, and will calculate the preliminary, projected settlement award for each Settlement Class member.

14. **Notice Period:** Within twenty-five (25) days of its receipt of the Class List, the Settlement Administrator will send the Settlement Class members, by first-class mail, at their last known address or such other address as located by the Settlement Administrator, the Court-approved Notice and Claim Form in the form attached hereto as **Exhibit A**. Any Notices returned undeliverable shall be traced once to obtain a new address and be re-mailed by First Class U.S. Mail. Settlement Class members shall have thirty (30) days from the date of mailing to submit a Claim for payment of the Settlement Award, opt out of the settlement, or object to the class action settlement, which must be either postmarked by, or emailed or facsimiled on or before the 30th day ("Notice Period"). To the extent any mailed Notice is returned as undeliverable, such person shall be permitted thirty (30) days from any re-mailing of the Notice to submit a claim, opt out, or object to the class action settlement ("Re-mailing Notice Period"). Payment to Settlement Class members who make a Claim will be made within twenty (20) days after the Court's order is entered approving the class action settlement becoming a Final, non-appealable order. The named Plaintiff will not be required to submit a Claim to receive his/her share of settlement funds but also agrees, by signing this Agreement, to not opt out or object.

15. **Objection and Opt-Out Rights to Settlement:** The Notice mailed to all Settlement Class members will advise each Settlement Class member of their right to submit a claim, object to all or any part of the Settlement Agreement, or opt out of the settlement. Any Settlement Class member who wishes to object or opt out shall be advised that they must submit any such objection or exclusion in writing to the Settlement Administrator postmarked no later than thirty (30) days from the date of mailing of the Notice. Any objection must contain the full name, current home (or mailing) address, and last four digits of the Social Security number of the objector, and must state the grounds for the objection. If an objector wishes to be heard at the time of the hearing on final approval, he/she must notify the Court and all counsel in writing not less than thirty (30) days before the scheduled date of the Final Approval hearing of his/her intention to appear. Defendant retains the right to void the Settlement Agreement if more than four of the total number of Class members timely request exclusion from the settlement. Defendant shall have thirty (30) days after the conclusion of the opt-out deadline to exercise this option and shall communicate this decision to all Parties in writing. If Defendant exercises its option to revoke the Settlement Agreement for this reason, it shall be responsible for all Settlement Administration Expenses incurred up to the date of such revocation. Defendant also retains the right to revoke the Settlement Agreement if (i) the Court increases the Gross Settlement Fund to be paid by Defendant or (ii) narrows the scope of the releases by the Settlement Class and Class Representative set forth below. Defendant shall have ten (10) days after the relevant Court action to exercise this option and shall communicate this decision to all Parties in writing. In the event this Settlement Agreement becomes void, its terms shall have no force or effect, other than Paragraph 3.

16. **Challenges to Class List:** To be considered timely, any dispute regarding the settlement payment or the underlying data used to calculate the settlement payment must be submitted by the Settlement Class member within thirty (30) days of the mailing of the Notice. In response to any dispute raised by a proposed Settlement Class member about their omission from the Class List, Defendant will first verify the information contained in the proposed Settlement Class member's personnel file and payroll records. Unless the proposed Settlement Class member can establish that he or she should have been included on the Class List based on documentary evidence, Defendant's records will control. Plaintiff's Counsel and Defendant's Counsel will then make a good faith effort to resolve the dispute informally. If counsel for the Parties cannot agree, the dispute shall be resolved by the Settlement Administrator, who shall examine the records provided by the Defendant and the proposed Settlement Class member, and shall be the final arbiter of disputes relating to a proposed Settlement Class member's omission from the Class List. The Settlement Administrator's determination regarding any such dispute shall be final for purposes of administering Notice of the settlement, subject to final review, determination and approval by the Court.

17. **Calculation of Settlement Class Members' Settlement Awards:** All Settlement Class members will be eligible to receive an equal share of the Net Settlement Fund, not to exceed \$5,000 per Class member. Settlement awards will be allocated as non-wage damages and interest. Settlement Class members agree to indemnify and hold Defendants harmless from any claim for unpaid taxes for the Settlement Payment from any taxing authority.

18. **Settlement Class Member Release:** Upon final approval of this Settlement Agreement by the Court, each Settlement Class member who does not timely opt out in accordance with the procedures set forth in Paragraph 15 will release Defendant and its past and present

parents, subsidiaries, and affiliates and all of their officers, directors, employees, and plan administrators, and all successors and assigns of each (“Releasees”), from any and all claims for violations of RCW 49.62 (Noncompetition Covenants) that accrue during or arise out of or relate to their employment with Defendant or alleged employment with or by any other Releasees, known or unknown, relating back to the full extent of the federal and state statutes of limitations and continuing through the date of preliminary approval, including, without limitation, all state claims for restrictive covenant and/or noncompetition covenant violations and related claims for penalties, interest, liquidated damages, exemplary damages, attorneys’ fees, costs, and expenses.

19. **Additional Release by Class Representative:** In addition to the Release set forth in Paragraph 18, Plaintiff, for himself alone, releases all Releasees from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action, contingent or accrued, known or unknown, of any kind or nature arising out of or related to his employment with Defendant and/or the termination thereof (if any has occurred), which do or may exist as of the date of the execution of this Settlement Agreement and through and including the date the Court grants preliminary approval of this Settlement Agreement. For the avoidance of doubt, this is a full and general release to the maximum extent allowed by law.

20. **Released Claims; Opt Outs:** As part of the final approval of the settlement, Plaintiff and Settlement Class members who do not opt out shall be deemed to have waived the right from filing, initiating or continuing to prosecute any actions, claims, complaints, or proceedings in court or arbitration with respect to the claims released as described in Paragraphs 18 and 19 above. This settlement is conditioned upon the release by Settlement Class members and Plaintiff as described in Paragraphs 18 and 19 above, and upon covenants by Plaintiff and all Settlement Class members that they will not and cannot participate in any actions, lawsuits, proceedings, complaints or charges brought individually or by any persons or entity in any court, arbitration or before any administrative body with respect to the claims released as described in Paragraphs 18 and 19 above, nor will such Settlement Class members or Plaintiff contest or interfere with efforts by Defendant or by any other released parties to oppose any attempt to bring such released claims against any of them. Plaintiff or Settlement Class Members who maintain any action, lawsuits, proceedings, complaints or charges in court, arbitration, with the Washington State Department of Labor & Industries, or with any other agency, persons, entity in any court arbitration or before any administrative body for the Released Claims described in Paragraphs 18 and 19 above, or opt outs, shall not be eligible for any payments. Provided however, nothing in this Paragraph will preclude any Settlement Class members or Plaintiff from communicating with their attorney or law enforcement, or from complying with any lawful request for information.

21. **Tax Treatment of Settlement Payments:**

- a. Settlement awards will be allocated as non-wage damages and interest.
- b. Each recipient of any monies paid in accordance with this Settlement Agreement is responsible for any taxes associated with the monies received by each recipient.
- c. The Settlement Administrator will prepare a Form 1099 for each Settlement Class member that reflects their non-wage settlement payment. Settlement

Class members will be responsible for correctly characterizing the compensation that they receive pursuant to the Form 1099 and for payment of any taxes owing on said amount.

- d. The Parties acknowledge and agree that neither Defendant nor its attorneys have made any representations regarding the tax consequences of the settlement payments made under this Settlement Agreement. Settlement Class members will be required to pay all federal, state or local taxes, if any, which are required by law to be paid with respect to the settlement payments. The Parties further agree that Defendant shall have no legal obligation to pay, on behalf of Settlement Class members, any taxes, deficiencies, levies, assessments, fines, penalties, interest, or costs, which may be required to be paid with respect to the settlement payments.

22. **Tax Treatment of Plaintiff's Service Award:** The Plaintiff will receive an IRS Form 1099 for his individual service award prepared by the Settlement Administrator, and will be responsible for correctly characterizing this additional compensation for tax purposes and for payment of any taxes owing on said amount.

23. **Funding of Settlement:** Within ten (10) days following the occurrence of the Effective Date of the settlement as defined in Paragraph 8 above, Defendant shall transfer the total Gross Settlement Fund amount to an account specifically created by the Settlement Administrator for the administration of this settlement. No funds will be payable by Defendant prior to that time. Within ten (10) days following Defendant's deposit of the funds into the account created by the Settlement Administrator, the Settlement Administrator shall distribute the funds in accordance with the terms of this Settlement Agreement as approved by the Court, including the settlement awards from the Net Settlement Fund to all Settlement Class members that have submitted a timely claim, and the Court-approved attorneys' fees, costs, and expenses, and the Plaintiff's Service Award.

24. **Undistributed Funds:** Any portion of the Gross Settlement Fund not distributed as per the terms hereof, including, without limitation, any amounts allocated to individuals who opt out of the Settlement Class, shall revert to Defendant. In the event that any checks mailed to Settlement Class members remain uncashed after the expiration of 90 days, or an envelope mailed to a Settlement Class member is returned and no forwarding address can be located for the Settlement Class member after reasonable efforts have been made, then any such additional funds shall revert to Defendant.

25. **Court Approval:** Except as otherwise provided above, a failure of the Court to approve any material term or aspect of this Settlement Agreement shall render the entire Settlement Agreement void and unenforceable as to all Parties herein. As agreed to above, this paragraph does not apply to the failure of the Court to approve the Attorneys' Fee Award in Paragraph 9 or the Service Award in Paragraph 10. If the Settlement Agreement becomes void, this Settlement Agreement, as well as all releases signed in connection herewith, shall have no force or effect, other than paragraph 3. All negotiations, statements and proceedings related thereto shall be without prejudice to the rights of any party, all of whom shall be restored to their respective positions in this action prior to the settlement; the Settlement Class created pursuant to this

Settlement Agreement shall be of no force or effect; and neither this Settlement Agreement nor any ancillary documents, actions or filings shall be admissible or offered into evidence in this action or any other action or proceeding for any purpose.

26. **No Statement to Public or Media:** The parties agree to refrain from making any statement to the public or the media, including on social media, regarding the litigation or this Settlement Agreement.

#### **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

27. The Parties shall promptly seek the Court's approval of this settlement. As soon as practicable after execution of this Settlement Agreement, Plaintiff and Plaintiff's Counsel shall apply to the Court for the entry of a preliminary approval order which would accomplish the following:

- a. Schedule a final approval hearing on the question of whether the settlement, including the payment of attorneys' fees and costs and the Class Representative's service award, should be finally approved as fair, reasonable, and adequate, and finally resolving any outstanding issues or disputes remaining from the administration of the Notice of the settlement;
- b. Approve, as to form and content, the proposed Notice of Class Action Settlement and Settlement Claim Form;
- c. Direct the mailing of the Notice of Class Action Settlement by first class mail to the Settlement Class members;
- d. Preliminarily approve the settlement subject to the final review and approval by the Court;
- e. Preliminarily approve the Settlement Administrator selected by the Parties and approve payment of the Settlement Administrator's reasonable fees and costs;
- f. Preliminarily approve Plaintiff's Counsel's requests for attorneys' fees and litigation expenses and costs subject to final review and approval by the Court; and
- g. Preliminarily approve Plaintiff's Counsel's request that the Class Representative receive a service award in the amount of \$20,000, subject to final review and approval by the Court.

Not later than ten (10) days before submitting the motion for preliminary approval of this Settlement Agreement to the Court and final approval papers, Plaintiff's Counsel will submit a near-final draft thereof (including all supporting papers and proposed order) to Defendant's Counsel for their review and comments and will cooperate in good faith with Defendant to address its edits/comments.



## DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL

28. In conjunction with the request for final approval of the settlement provided for in this Settlement Agreement, Plaintiff's Counsel will submit a proposed final order and judgment:

- a. Granting final approval of the settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Approving Plaintiff's Counsel's application for an award of attorneys' fees and reimbursement of costs and expenses;
- c. Approving the service award to the Class Representative;
- d. Permanently enjoining and restraining Plaintiff and Settlement Class members from initiating or pursuing any claims settled herein and released by this settlement; and
- e. Dismissing this Action on the merits and with prejudice. Not later than five (5) days prior to the submission of the motion(s) seeking the foregoing, Plaintiff's Counsel will submit a near-final draft thereof (including all supporting papers and proposed order) to Defendant's Counsel for their review and comments.

Not later than ten (10) days before submitting the motion for final approval of this Settlement Agreement to the Court, Plaintiff's Counsel will submit a near-final draft thereof (including all supporting papers and proposed order) to Defendant's Counsel for their review and comments and will cooperate in good faith with Defendant to address its edits/comments.

## COMPUTATION OF DEADLINES

29. For purposes of this Settlement Agreement, if the prescribed time period in which to complete any required or permitted action expires on a Saturday, Sunday, or legal holiday (as defined by CR 6(a)), such time period shall be continued to the following business day. For illustrative purposes, and recognizing that certain of the deadlines listed herein may be continued due to unforeseen delay of the part of the Parties and/or by order of the Court, the following schedule provides an outline of the deadlines required under this Settlement Agreement:

EVENT	DATE
Execution of the Settlement Agreement	Execution of the Settlement Agreement
Plaintiff's Counsel to provide draft of Motion for Preliminary Approval of Settlement to Defendant's Counsel	25 days after execution of the Settlement Agreement
Plaintiff's Counsel to File Motion for Preliminary Approval of Settlement	No earlier than 35 days after execution of the Settlement Agreement

Preliminary Approval Order	Preliminary Approval Order
Defendant's Counsel to Provide Settlement Administrator with Class List and Related Data	15 days after Preliminary Approval Order
Mailing of Notice, start of Notice Period	40 days after the Preliminary Approval Order (i.e., 25 days after Defendant's Counsel provides the Class List to the Settlement Administrator and Plaintiff's Counsel)
End of Notice Period, deadline for Settlement Class members to opt out or object to the settlement	70 days after the Preliminary Approval Order (i.e., 30 days after start of the Notice Period)
Settlement Administrator to provide report to Plaintiff's Counsel and Defendant's Counsel identifying Settlement Class members, opt outs, and objections	75 days after the Preliminary Approval Order (i.e., 5 days after end of Notice Period)
Defendant's deadline to void the Settlement Agreement if > 4 Class members opt out	100 days after the Preliminary Approval Order (i.e., 30 days after end of Notice Period)
Plaintiff's Counsel to provide Defendant's Counsel with draft of Motion for Final Approval of Settlement	10 days prior to deadline to file Motion for Final Approval
Plaintiff's Counsel to file Motion for Final Approval of Settlement	9 Court days prior to the Final Approval Hearing
Final Approval Hearing	Final Approval Hearing (no earlier than 130 days after the Preliminary Approval Order)
Final Approval Order	Final Approval Order
Effective Date	31 days after the Final Approval Order (the "Effective Date")
Funding Date	14 business days after the Effective Date (the "Funding Date")
Mailing of settlement checks to Settlement Class members, payment of attorneys' fees & costs, service award, and settlement administration costs award	10 days after the Funding Date
Deadline for Plaintiff's Counsel to file Satisfaction of Judgment	60 days after the Effective Date (i.e., 30 days after the mailing of settlement checks to Eligible Class members, payment of attorneys' fees & costs award, service award, and settlement administration costs award)
Deadline for Settlement Class members to cash settlement checks	90 days after mailing of settlement checks
Unclaimed settlement monies revert to Defendant	120 days after mailing of settlement checks

### **PARTIES' AUTHORITY**

30. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

### **MUTUAL FULL COOPERATION**

31. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including, but not limited to, execution of such documents, and to take such other actions as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's preliminary approval of this Settlement Agreement.

### **NO PRIOR ASSIGNMENTS**

32. The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

### **CONSTRUCTION**

33. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between counsel. The Parties further agree that this Settlement Agreement shall not be construed in favor of, or against, any party by reason of the extent to which any party, or his/her or its counsel, participated in the drafting of this Settlement Agreement.

### **CAPTIONS AND INTERPRETATIONS**

34. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

### **MODIFICATION**

35. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

### INTEGRATION CLAUSE

36. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

### BINDING ON ASSIGNS

37. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

### COUNTERPARTS

38. This Settlement Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to all Parties.

### GOVERNING LAW

39. The Parties agree that Washington law governs the interpretation and application of this Settlement Agreement.

Dated: Mar 13 2023

*Lucas Schneider*

\_\_\_\_\_  
Plaintiff Lucas Schneider, individually and on behalf of the Class

Dated: 3/14/2023 | 9:57:54 AM PDT

*Gulliver Swenson*

\_\_\_\_\_  
Defendant Assurance IQ, LLC  
By: Gulliver Swenson, Chief People Officer

# EXHIBIT A

## **You may be eligible for a payment from a class action settlement relating to Assurance IQ, LLC’s employment policies.**

*A state court authorized this Notice. This is not junk mail, an advertisement, or a solicitation from a lawyer.*

- A settlement has been proposed in the class action lawsuit *Schneider v. Assurance IQ, LLC*, Case No. 22-2-15633-3 SEA.
- Your rights and options—and the deadlines to exercise them—are explained in this Notice. For complete details, view the Settlement Agreement, available at [www.assuranceiq.com](http://www.assuranceiq.com), or contact the Settlement Administrator, CAC Services Group, LLC, at (866) 602-2260 or [info@cacsg.com](mailto:info@cacsg.com).

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM</b>	You will receive a payment for your share of the settlement and will release certain claims against Assurance.
<b>OBJECT TO THE SETTLEMENT</b>	Write to the Court with reasons why you do not agree with the settlement.
<b>ATTEND THE FINAL APPROVAL HEARING</b>	You may ask the Court for permission for you or your attorney to speak about your objection at the Final Approval Hearing.
<b>DO NOTHING</b>	You will not receive any payment from the settlement. If you do nothing you will still release your possible claim against Assurance or related parties. If you do nothing you will not be allowed to be part of any other lawsuit against Assurance or related parties for the legal claims resolved by this settlement.
<b>OPT-OUT OF SETTLEMENT</b>	You will not be a participant in the settlement. If you opt-out you will not receive payment and will not release your potential claim against Assurance.

- The Court still has to decide whether to grant final approval the settlement. Payments will only be made after the Court grants final approval of the settlement and after any appeals are resolved.

## **BASIC INFORMATION**

### **1. Why is this Notice being provided?**

The Court directed that this Notice be provided because you have a right to know about a proposed settlement that has been reached in this class action lawsuit and about all of your options before the Court decides whether to grant final approval of the settlement. If the Court approves the settlement, and after objections or appeals, if any, are resolved, the Settlement Administrator appointed by the Court will distribute the payments that the settlement allows. This Notice explains the lawsuit, the settlement, your legal rights, what payments are available, who is eligible for them, and how to receive them.

The Court in charge of this case is the Superior Court of the State of Washington, County of King. The case is *Schneider v. Assurance IQ, LLC* (the “Lawsuit”).

### **2. What is this lawsuit about?**

The person who filed the Lawsuit – Lucas Schneider – is called the Plaintiff. The company the Plaintiff sued – Assurance IQ, LLC (“Assurance”) – is called the Defendant.

Plaintiff claims that Assurance violated Washington law by entering into noncompetition covenants with employees whose annual earnings were less than \$100,000 in 2020, \$101,390 in 2021, and/or \$107,301.04 in 2022.

Assurance has denied and continues to deny all of the claims made in the Lawsuit, as well as all charges of wrongdoing or liability against it.

### **3. What is a class action settlement?**

In a class action, the Plaintiff (also called Class Representative) sues on behalf of people who have similar claims. Together, all these people are called a Class or the Class members. One court and one judge resolves the issues for all Class members who do not exclude themselves.

The Plaintiff negotiated a settlement that allows the Plaintiff, the Class members, and Assurance to avoid the risks and costs of lengthy and uncertain litigation and the uncertainty of a trial and appeals. It also allows Class members to obtain payment without further delay. The Plaintiff and his attorneys believe the settlement is in the best interest of all Class members. The Court did not decide in favor of the Plaintiff or Assurance, and this settlement does not mean that Assurance did anything wrong.

### **4. How much is the settlement?**

Subject to Court approval, Assurance agreed to pay a total of \$195,000 to settle the Lawsuit (“Fund”). The Fund will cover settlement payments to the Class members; Class Representative’s service award; Class Counsel’s attorneys’ fees, costs, and expenses; and the Settlement Administrator’s fees.

## **WHO IS INCLUDED IN THE SETTLEMENT?**

### **5. How do I know if I am eligible to be part of the settlement?**

You are eligible to be part of this settlement if you are a current or former employees of Assurance IQ, LLC who: (1) signed a noncompetition covenant between January 1, 2020 and [date of preliminary approval], (2) your annual earnings were less than \$100,000 in 2020, \$101,390 in 2021, and/or \$107,301.04 in 2022, and (3) you have not already released claims relating to such covenants.

You have been identified from Assurance’s records as a Class member and are therefore eligible to be part of the settlement.

### **HOW TO GET SETTLEMENT BENEFITS—SUBMITTING A CLAIM FORM**

#### **6. How do I get benefits from the settlement?**

To receive a settlement payment, you must complete and submit the attached Claim Form. Read the instructions carefully, fill out the Claim Form, and submit it by mail postmarked no later than \_\_\_\_\_, 2023 to:

CAC Services Group, LLC  
6420 Flying Cloud Drive, Suite 101  
Eden Prairie, MN 55344  
Phone: (866) 602-2260  
Email: info@cacs.com

#### **7. How much will my settlement payment be?**

Each Class member is eligible to receive \$\_\_\_\_\_.

This payment will be treated as non-taxable damages and interest, which means there will be no payroll or tax withholdings.

#### **8. When will I get my payment?**

The Court will hold a Final Approval Hearing on \_\_\_\_\_ at \_\_\_\_ A.M./P.M. to decide whether to approve the settlement. If the Court approves the settlement, there may be appeals. It is always uncertain whether any appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. Please be patient.

Checks may be cashed or negotiated within 180 days of being issued. After 180 days, the check will be void.

#### **9. What am I giving up as part of the settlement?**

If the Court approves the settlement, you will give up your right to sue Assurance IQ, LLC and its past and present parents, subsidiaries, and affiliates and all of their officers, directors, employees, and plan administrators, and all successors and assigns of each (“Releasees”), from any and all claims for violations of RCW 49.62 (Noncompetition Covenants) that accrue during or arise out of or relate to your employment with Assurance IQ, LLC or alleged employment with or by any other Releasees, known or unknown, relating back to the full extent of the federal and state statutes of limitations and continuing through [date of preliminary approval], including, without limitation, all state claims for restrictive covenant and/or noncompetition covenant violations and related claims for penalties, interest, liquidated damages, exemplary damages, attorneys’ fees, costs, and expenses.

The specific claims you are giving up against Assurance IQ, LLC are described in Paragraphs 18 and 20 of the Settlement Agreement. The Settlement Agreement is available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com).

The Settlement Agreement describes the released claims with specific descriptions, so read it carefully. If you have any questions about what this means you can talk to the law firms listed in Question 14 for free or you can, of course, talk to your own lawyer at your own expense.



### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you want to keep the right to sue Assurance and other related entities about issues in the Litigation, and do not want a payment from this settlement, you must affirmatively opt-out of the settlement.

#### **10. If I do not submit a Claim Form, can I still get payment from the settlement?**

No. If you do not submit a Claim Form, you will not be entitled to any benefits of the settlement, but you will still be bound by any judgment and/or release in this case.

#### **11. If I do not submit a Claim Form, can I sue Assurance for the same thing later?**

No. If you do not submit a Claim Form, you are still subject to the release and give up any right to sue Assurance for the claims that this settlement resolves. You will be enjoined from starting your own lawsuit or to be part of any different lawsuit relating to the claims in this case.

### **THE LAWYERS REPRESENTING YOU**

#### **12. Do I have a lawyer in this case?**

Yes. The Court appointed Timothy W. Emery of Emery Reddy, PLLC, 600 Stewart Street, Suite 1100, Seattle, WA 98101 to represent you and other Settlement Class members. These lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

#### **13. How will Class Counsel and the Class Representative be paid?**

If the settlement is approved and becomes final, Class Counsel will ask the Court to award attorneys' fees, costs, and expenses in the amount of \$63,375. Class Counsel will also request approval of a service award for the Class Representative in the amount of \$20,000. If approved, these amounts, as well as the costs of settlement administration, will be paid out of the Fund.

### **OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the settlement or some part of it.

#### **14. How do I tell the Court that I do not like the settlement?**

If you are a Settlement Class member, you can object to the settlement if you do not like it or a portion of it. You can give reasons why you think the Court should not approve the settlement. The Court will consider your views before making a decision. To object, you must file with the Court and mail copies to Class Counsel and Assurance's Counsel a written notice stating that you object to the settlement in *Schneider v. Assurance IQ, LLC*, Case No. 22-2-15633-3 SEA.

Your objection must include:

- 1) Your full name, address, telephone number, and e-mail address;
- 2) Information or proof showing you are a Settlement Class member;
- 3) The reasons why you object to the settlement, including any documents supporting your objection;
- 4) The name and address of your attorney, if you have retained one;
- 5) The name and address of any attorneys representing you that may appear at the Final Approval Hearing;

- 6) A statement confirming whether you and/or your counsel intend to personally appear and/or testify at the Final Approval Hearing;
- 7) A list, by case name, court, and docket number, of all other cases in which you (directly or through a lawyer) have filed an objection to any proposed class action settlement within the last three years;
- 8) A list, by case name, court, and docket number, of all other cases in which your lawyer (on behalf of any person or entity) has filed an objection to any proposed class action settlement within the last three years;
- 9) Your signature or the signature of your attorney or other duly authorized representative (along with documentation illustrating representation).

Your objection must be filed with the Clerk of the Superior Court of the State of Washington, County of King, 516 Third Avenue, Room \_\_\_\_, Seattle, WA 98104 no later than \_\_\_\_\_, **2023**. You must also mail copies of your objection to Class Counsel and Assurance’s Counsel postmarked no later than \_\_\_\_\_, **2023**, at all of the addresses below.

<b>CLASS COUNSEL</b>	<b>ASSURANCE’S COUNSEL</b>
Timothy W. Emery Patrick B. Reddy Paul Cipriani <b>EMERY REDDY, PLLC</b> 600 Stewart Street, Suite 1100 Seattle, WA 98101 Phone: (206) 442-9106	Molly A. Terwilliger Robin Nunn Claire M. Lesikar <b>MORGAN, LEWIS &amp; BOCKIUS LLP</b> 1301 Second Avenue, Suite 2800 Seattle, WA 98101 Phone: (206) 274-6400

### **OPTING OUT OF THE SETTLEMENT**

If you are a Settlement Class member, you can opt-out of the settlement if you do not like it or a portion of it and want to preserve a potential claim against defendants. To opt-out, you must send the Settlement Administrator, Class Counsel, and Assurance’s Counsel a written notice stating that you opt-out of the settlement in *Schneider v. Assurance IQ, LLC*, Case No. 22-2-15633-3 SEA.

Your Opt-Out Notice must include:

- 1) Your full name, address, telephone number, and e-mail address;
- 2) Information or proof showing you are a Settlement Class member;
- 3) The reasons why you are opting-out of the settlement,
- 4) Your signature or the signature of your attorney or other duly authorized representative (along with documentation illustrating representation).

### **THE COURT’S FINAL APPROVAL HEARING**

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to.

#### **15. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Final Approval Hearing at \_\_:\_\_ a.m./p.m. on \_\_\_\_\_, **2023**, in the Superior Court of the State of Washington, County of King, 516 Third Avenue, Room \_\_\_\_, Seattle, WA 98104. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. The Court will take into consideration any properly-filed written objections and may also listen to people who have asked

to speak at the hearing (*see* Question 14). The Court will also decide whether to approve attorneys' fees and costs to Class Counsel and the service award to the Class Representative.

**16. Do I have to come to the Final Approval Hearing?**

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you file an objection, you do not have to come to Court to talk about it. You may also hire your own lawyer to attend, at your own expense, but you are not required to do so.

**17. May I speak at the Final Approval Hearing?**

Yes, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must follow the instructions provided in Question 14 above.

**IF YOU DO NOTHING**

**18. What happens if I do nothing?**

If you do nothing, you will not receive any compensation from this settlement but you will be bound by the judgment and release. This means you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Assurance or related parties about the issues involved in the Lawsuit that were resolved by this settlement.

**GETTING MORE INFORMATION**

**19. How do I get more information about the settlement?**

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement, which is available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). You can also get more information by calling, emailing, or writing the Settlement Administrator:

CAC Services Group, LLC  
6420 Flying Cloud Drive, Suite 101  
Eden Prairie, MN 55344  
Phone: (866) 602-2260  
Email: [info@cacsg.com](mailto:info@cacsg.com)

***Please do not call the Court or the Clerk of the Court for additional information.  
They cannot answer any questions regarding the settlement or the Lawsuit.***

<ClaimID> <Barcode>  
<FirstName> <LastName>  
<Address1>  
<Address2>  
<City> <State> <Zip>

## **CLAIM FORM**

If you wish to be a part of the class action settlement in *Schneider v. Assurance IQ, LLC*, King County Superior Court Case No. 22-2-15633-3 SEA, and receive a settlement payment, you need to provide the information requested below. Please type or print clearly in blue or black ink.

This claim form must be submitted via mail and postmarked no later than \_\_\_\_\_, **2023**.

The Notice you received with this claim form describes your legal rights and options. Please visit the official settlement website, [www.\\_\\_\\_\\_\\_.com](http://www._____.com), or call or email the Settlement Administrator, CAC Services Group, LLC, at (866) 602-2260 or [info@cacsg.com](mailto:info@cacsg.com) for more information.

### **1. Estimated Settlement Payment**

Your estimated settlement payment is \$\_\_\_\_\_.

### **2. Release**

I hereby release and discharge Assurance IQ, LLC and its past and present parents, subsidiaries, and affiliates and all of their officers, directors, employees, and plan administrators, and all successors and assigns of each (“Releasees”), from any and all claims for violations of RCW 49.62 (Noncompetition Covenants) that accrue during or arise out of or relate to my employment with Assurance IQ, LLC or alleged employment with or by any other Releasees, known or unknown, relating back to the full extent of the federal and state statutes of limitations and continuing through the date of preliminary approval, including, without limitation, all state claims for restrictive covenant and/or noncompetition covenant violations and related claims for penalties, interest, liquidated damages, exemplary damages, attorneys’ fees, costs, and expenses.

I agree to submit to the jurisdiction of the Superior Court of King County in the State of Washington for purposes of this Lawsuit and enforcement of this settlement. I acknowledge that I am bound by and subject to the terms of any judgment that may be entered in this Lawsuit. I agree to supply additional information to support this proof of claim if I am asked to do so.

I have submitted no other claims against Assurance IQ, LLC for violations of RCW 49.62.

### **3. Settlement Class Member Information**

I declare under penalty of perjury under the laws of the State of Washington that the information supplied in this claim form is true and correct to the best of my knowledge, and that this claim form was executed on the date set forth below.

I understand that I may be asked to provide supplemental information by the Settlement Administrator before my claim will be considered complete and valid.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Telephone No.

\_\_\_\_\_  
Email Address (*optional*)

\_\_\_\_\_  
Last 4 Digits of SSN (*for identification purposes only*)

**IF YOU WISH TO BE INCLUDED IN THE SETTLEMENT AND RECEIVE A PAYMENT, YOU MUST SUBMIT THIS CLAIM FORM BY \_\_\_\_\_, 2023 TO:**

CAC Services Group, LLC  
6420 Flying Cloud Drive, Suite 101  
Eden Prairie, MN 55344  
Phone: (866) 602-2260  
Email: info@cacsg.com

**IMPORTANT: CLAIM FORMS POSTMARKED AFTER \_\_\_\_\_, 2023 WILL NOT BE VALID AND WILL NOT RESULT IN PAYMENT OF ANY FUNDS TO YOU**