IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA

JOSEPH GALLANT, TINA HASENOUR and SUSAN BLANKENBERGER, individually and on behalf of all others similarly situated, Plaintiffs, v. ARROW CONSULTATION SERVICES, INC., Defendant.	Case No. 19 Civ. 925-SEB-MPB

JOINT STIPULATION OF SETTLEMENT AND RELEASE

This Joint Stipulation of Settlement and Release (the "Agreement") is entered into by and between Plaintiffs Joseph Gallant, Susan Blankenberger, and Tina Hasenour (collectively, the "Lead Plaintiffs"), individually and on behalf of the class of individuals that they seek to represent (collectively with Lead Plaintiffs, "Plaintiffs"), in the matter of *Gallant v. Arrow Consultation Services, Inc.*, No. 19 Civ. 925, and Defendant Arrow Consultation Services, Inc. ("Defendant") (together with Lead Plaintiffs, the "Parties").

RECITALS

WHEREAS, on March 5, 2019, the Lead Plaintiffs filed a complaint in *Gallant v. Arrow Consultation Services, Inc.*, No. 19 Civ. 925 (S.D. Ind.), asserting claims under the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 *et seq.*, on behalf of putative collective action members, and claims under the Indiana Wage Payment Act ("WPA"), Indiana Code 22-2-5-1, on behalf of putative class action members (the "Litigation");

WHEREAS, the purpose of this Agreement is to settle fully and finally all claims asserted in the Litigation on behalf of Home Managers for non-payment and underpayment of overtime compensation during the period between October 27, 2013 and the Effective Date;

WHEREAS, Defendant denies the allegations made by Lead Plaintiffs and denies that it is liable or owes damages to anyone with respect to the alleged Claims. Nonetheless, without admitting or conceding any liability or damages, Defendant has agreed to settle the Claims on the terms and conditions set forth in this Agreement;

WHEREAS, on December 10, 2019, the parties engaged in a settlement conference facilitated by Magistrate Judge Matthew P. Brookman, and reached an accord resulting in this Agreement; and

WHEREAS, Plaintiffs' Counsel analyzed and evaluated the merits of the Litigation, conducted interviews with the Lead Plaintiffs and others, obtained and reviewed discovery relating to, *inter alia*, Defendant's compensation practices and Plaintiffs' work hours and job duties, and obtained conditional certification of an FLSA collective; and based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of the Litigation, including the possibility that, if not settled now, the Litigation might not result in any recovery or might result in a recovery less favorable, and that any recovery would not occur for several years; Plaintiffs' Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Plaintiffs;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties agree to a full and complete settlement of the Litigation on the following terms and conditions.

1. DEFINITIONS

The defined terms set forth in this Agreement have the meanings ascribed to them below.

1.1 "Acceptance Period" means the 120-day period that an Eligible Settlement Participant has to sign and negotiate a Settlement Check after it is postmarked.

1.2 "Agreement" means this agreement and the exhibits hereto, which the Parties understand and agree set forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.

1.3 "Approval Date" means the date on which the Approval Motion is granted.

1.4 "Approval Motion" means a motion for Court approval of the collective action settlement, service payments to the Lead Plaintiffs, and attorneys' fees and costs.

1.5 "Class List" means a list, in electronic form, of all Eligible Settlement Participants' names, Last Known Addresses, Last Known Email Addresses, Social Security Numbers, and dates of employment.

1.6 "Class Data" means a list, in electronic form, with the following information for all Eligible Settlement Participants: (i) average annual Home Manager salary; (ii) scheduled weekly hours; (iii) actual weekly hours worked;[1] (iv) average hourly rate for hours worked beyond the scheduled weekly hours; and (v) extra compensation paid for additional work performed on an hourly basis .

1.7 "Court" means the U.S. District Court for the Southern District of Indiana.

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[1] To the extent Defendant does not have records to show the number of weekly hours worked over the scheduled weekly hours, Defendant may instead provide the annual compensation paid to each Eligible Settlement Participant for additional shift work and the average hourly rate for this additional shift work.

1.8 "Defendant" means Arrow Consultation Services, Inc.

1.9 "Defendants' Counsel" means Joshua Hague and Amy Adolay of Krieg DeVault LLP.

1.10 "Effective Date" means the date on which this Agreement becomes effective, which shall mean the later of (i) 31 days following the Court's Order Granting Approval of the Settlement if no appeal is taken of such Order, or (ii) the Court's entry of a final order and judgment after any and all appeals are resolved.

1.11 "Eligible Settlement Participant" means any and all current and former employees employed by Defendant as Home Managers in the Relevant Period, including:

(A) The current or former Home Managers who filed a Consent to Join Collective Action form during the 216(b) notice period pursuant to the Court's Order Granting Plaintiff's Motion for Conditional Certification issued on April 8, 2019 ("Opt-Ins"); and

(B) The current or former Home Managers who did not previously file a Consent to Join form in the Litigation and were employed by Defendant as Home Managers during the Relevant Period (Non-Opt-Ins").

1.12 "Employer Payroll Taxes" means all taxes and withholdings an employer is required to make arising out of or based upon the payment of employment/wage compensation in this Litigation, including FICA, FUTA, and SUTA obligations.

1.13 "Gross Settlement Amount" means Seven Hundred and Fifty Thousand Dollars ($750,000.00), which is the maximum amount that Defendant has agreed to pay (other than a maximum of $7,500 in Employer Payroll Taxes) to fully resolve and settle this Litigation, including any claim for attorneys' fees and costs approved by the Court; any and all amounts to be paid to Settlement Participants; any portion of the Employer Payroll Taxes that exceeds $7,500; the cost of settlement administration; any Court-approved Service Awards; and any other costs, fees, or purported damages associated with the Litigation. The first $7,500 of Employer Payroll Taxes shall be paid by Defendant separate and apart from (i.e. in addition to) the Gross Settlement Amount.

1.14 "Last Known Address" or "Last Known Addresses" means the most recently recorded personal mailing address for an Eligible Settlement Participant as shown in Defendant's records.

"Last Known E-mail Address" or "Last Known E-mail Addresses" means the most recently recorded personal e-mail address, if any, for an Eligible Settlement Participant contained in Defendant's records.

"Last Known Telephone Number" or "Last Known Telephone Numbers" means the most recently recorded personal mobile and/or home telephone number for an Eligible Settlement Participant contained in Defendant's records and readily available to Defendant.

1.15 "Litigation" or the "Lawsuit" or the "Action" means *Gallant v. Arrow Consultation Services, Inc.*, No. 19 Civ. 925-SEB-MPB. "Complaint" means the Class and Collective Action Complaint that was filed in the Lawsuit.

1.16 "Lead Plaintiffs" means Joseph Gallant, Susan Blankenberger, and Tina Hasenour.

1.17 "Net Settlement Fund" means the remainder of the Gross Settlement Amount after deductions/payments for Court-approved: (i) Settlement Administration fees and costs; (ii) Plaintiffs' Counsel's attorneys' fees and costs; (iii) Service Awards to Lead Plaintiffs; (iv) any amount of the Employer Payroll Taxes greater than $7,500; and (v) any other Court-approved fees and costs.

1.18 "Order Granting Approval of Settlement" or "Approval Order" means an order entered by the Court, which gives final approval to the Settlement and this Agreement and enters final judgment.

1.19 "Parties" collectively means the Lead Plaintiffs and Defendant.

1.20 "Participating Settlement Members" means each Eligible Settlement Participant, including any Lead Plaintiff, who timely signs and cashes a Settlement Check.

1.21 "Plaintiffs" and/or "Class" means the Lead Plaintiffs and the class of individuals that they seek to represent.

1.22 "Plaintiffs' Counsel" means Outten & Golden LLP and Cohen & Malad LLP.

1.23 "Qualified Settlement Fund" or "QSF" means the account established by the Settlement Administrator from the Gross Settlement Amount paid by Defendant. The QSF will be controlled by the Settlement Administrator subject to the terms of this Agreement and the Court's order(s). Interest, if any, earned on any monies in the QSF will become part of the Net Settlement Fund.

1.24 "Releasee" means Defendant and its respective current and former affiliates, subsidiaries and other related entities.

1.25 "Relevant Period" means the time period of each Eligible Settlement Participant's employment with Defendant that is eligible for payment pursuant to this Agreement. The Relevant Period covers the time period between October 27, 2013 and the Order Granting Approval of Settlement.

1.26 "Reminder Postcard" means the agreed-to postcard sent to all Eligible Settlement Participants who have not cashed their checks within 45 days after the Settlement Notices and Settlement Checks are mailed, which provides the information stated in Paragraph 2.8.

1.27 "Settlement" means the settlement between the Parties embodied and contained in this Agreement.

1.28 "Settlement Administrator" means Analytics Consulting LLC, which was selected by Plaintiffs' Counsel with Defendants' Counsel's consent.

1.29 "Settlement Amount" or "Settlement Amounts" means each Eligible Settlement Participant's proportionate share of the Net Settlement Fund calculated in accordance with this Agreement.

1.30 "Settlement Check" means the check issued to each Eligible Settlement Participant for their proportionate share of the Net Settlement Fund calculated in accordance with this Agreement.

1.31 "Settlement Notice" means the documents entitled Notice of Settlement (for Opt-Ins) and Notice of Settlement and Opportunity to Join Collective Action (for Non-Opt-Ins), to be approved by the Court in a form substantially similar to Exhibits B and C, respectively, attached hereto.

2. APPROVAL AND NOTICE TO ELIGIBLE SETTLEMENT PARTICIPANTS

2.1 This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Litigation.

2.2 Plaintiffs' Counsel shall engage the Settlement Administrator to administer the settlement.

2.3 The Settlement Administrator will be responsible for establishing a QSF account; preparing and mailing the Settlement Notice and reminder postcards to Eligible Settlement Participants; creating and maintaining a website containing information about the settlement; preparing and mailing Settlement Checks; distributing approved Service Awards and attorneys' fees and expenses; calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms; calculating all Settlement Amounts to be paid to Eligible Settlement Participants; copying Plaintiffs' Counsel and Defendant's Counsel on material correspondence and promptly notifying Plaintiffs' Counsel and Defendant's Counsel of any material requests or communications made by any Party and referring any privileged and/or confidential communications to Plaintiffs' Counsel; ascertaining current address and addressee information for each Settlement Notice returned as undeliverable and the mailing of the Settlement Notice; responding to inquiries of Plaintiffs, Plaintiffs' Counsel, and Defendant's Counsel consistent with the Administrator's duties specified herein; maintaining adequate records of its activities, including the dates of the mailing of Notice(s), returned mail and other communications and attempted written or electronic communications with Plaintiffs; timely responding to communications from the Parties, Plaintiffs' Counsel or Defendant's Counsel; retaining and providing a copy of Settlement Checks signed by the Participating Settlement Members to Defendant's Counsel; and such other tasks the Parties mutually agree.

2.4 The Parties will have equal access to the Settlement Administrator and all information related to the administration of the Settlement. The Settlement Administrator shall

provide such information to either Party upon request. The Settlement Administrator will provide regular reports to counsel for the Parties regarding the status of the mailing of the Settlement Notice, the claims administration process, and distribution of the Settlement Checks.

2.5 The Parties agree to cooperate with the Settlement Administrator, provide accurate information, to the extent reasonably available, necessary to calculate the Settlement Amounts, and assist the Settlement Administrator in locating Eligible Settlement Participants.

2.6 On or before February 21, 2020, Plaintiffs will file a Motion for Approval of Collective Action Settlement, Service Payments, and Attorneys' Fees and Costs ("Approval Motion"), which shall include: (i) a proposed Approval Order; (ii) the proposed Settlement Notices for Opt-Ins and Non-Opt-Ins; and (iii) an executed version of this Agreement. The proposed Settlement Notices and Approval Order attached hereto as Exhibits A through C, respectively. Among other things, the Approval Motion will ask the Court to issue and enter the Approval Order approving the Settlement as fair, adequate, and reasonable; approve the proposed Settlement Notices to be sent to the Eligible Settlement Participants, incorporate the terms of the Settlement; and enter judgment dismissing the case without prejudice, with leave to reinstate on or before 180 days after the first Settlement Notices are sent pursuant to the terms of the Settlement. In the event a motion to reinstate is not filed on or before 180 days after the first Settlement Notices are sent, the case shall be deemed, without further order of the Court, to be dismissed with prejudice.

2.7 Within fourteen business days of the Approval Date, Defendant shall give the Settlement Administrator a list, in electronic form, containing all Eligible Settlement Participants' names, Last Known Addresses, Last Known Email Addresses, Social Security Numbers, and the dates of employment during the Relevant Period (collectively "Class List"). Upon request by the Settlement Administrator or Class Counsel, as needed to contact Eligible Settlement Participants for purposes of settlement administration, Defendant shall also provide Last Known Telephone Numbers. In addition, for each year during which the individual was employed as a Home Manager, Defendant shall give the Settlement Administrator a list, in electronic form, with the following information for all Eligible Settlement Participants: (i) average annual Home Manager salary; (ii) scheduled weekly hours; (iii) actual weekly hours worked; (iv) average hourly rate for hours worked beyond the scheduled weekly hours; and (v) extra compensation paid for additional work performed ("Class Data").[2]

2.8 Settlement Notices, along with Settlement Checks, will be mailed via First Class United States Mail to Eligible Settlement Participants by the Settlement Administrator within 30 days of the Effective Date. Forty-five (45) days after the Settlement Notices and

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[2] As provided in Section 1.6, to the extent Defendant does not have records to show the number of weekly hours worked over the scheduled weekly hours, Defendant may instead provide the annual compensation paid to each Eligible Settlement Participant for additional shift work and the average hourly rate for this additional shift work.

Settlement Checks are mailed, the Settlement Administrator shall send a reminder by First Class United States Mail and e-mail to the Eligible Settlement Participants who have not cashed their checks that inquires whether they received their Settlement Check and reminds them of the expiration of the Acceptance Period. In the event an Eligible Settlement Participant reports a lost or destroyed Settlement Check within the Acceptance Period, the Settlement Administrator shall issue a stop payment order on the original check and issue a new check.

2.9 The Settlement Administrator will take all reasonable steps to obtain the correct address of any Eligible Settlement Participant for whom a Settlement Notice and Settlement Check is returned by the post office as undeliverable, including two skip traces, and shall attempt a re-mailing to any Eligible Settlement Participant for whom it obtains a more recent address. The Settlement Administrator will notify Plaintiffs' Counsel and Defendants' Counsel of any Settlement Notice and Settlement Check sent to a Plaintiff that is returned as undeliverable after the first mailing, as well as any such Settlement Notice and Settlement Check returned as undeliverable after any subsequent mailing(s) as set forth in this Agreement.

2.10 Sixty (60) days before the close of the Acceptance Period, the Settlement Administrator shall provide Plaintiffs' Counsel with a list of the names and contact information for all Eligible Settlement Participants who have not signed and cashed a Settlement Check. Within 10 days after such date, Plaintiffs' Counsel will attempt to contact Eligible Settlement Participants who have not signed and cashed a Settlement Check. At Plaintiffs' Counsel's request, the Settlement Administrator also shall take additional steps to remind Eligible Settlement Participants of their eligibility to participate in the Settlement.

2.11 If within 30 days after the close of the Acceptance Period an Eligible Settlement Participant reports a lost or destroyed check, and informs the Settlement Administrator that she or he did not receive a check or otherwise requests reissuance of her or his Settlement Check, Defendant may approve the reissuance of a Settlement Check to such Eligible Settlement Participant on a case-by-case basis for good cause shown. Reissuance to a given Eligible Settlement Participant will not require reissuance to any other Eligible Settlement Participant. Defendant will not unreasonably withhold approval to reissue a Settlement Check.

2.12 Plaintiffs' Counsel and Defendant's Counsel have the right to make inquiries and receive any information from the Settlement Administrator related to the settlement administration process, except that Defendant's Counsel will not be entitled to receive communications from Eligible Settlement Participants that Plaintiffs' Counsel reasonably designates under applicable law, after review, as attorney-client privileged. The Settlement Administrator will periodically update Plaintiffs' Counsel and Defendant's Counsel regarding returned mailings for which it is unable to obtain corrected addresses.

2.13 Retention/Filing of Copies of Settlement Checks. The Settlement Administrator shall on a weekly basis compile and transmit to Defendant's Counsel and Plaintiffs' Counsel

statistics on the number of individuals who have signed and cashed Settlement Checks. At the end of the Acceptance Period, the Settlement Administrator shall provide copies of signed and cashed checks to Plaintiffs' Counsel and Defendant's Counsel.

2.14 In the event that the Court fails to approve this Agreement and enter the Approval Order, or such Approval Order does not become Effective as defined herein, or the Court issues an order finally approving the Agreement in a form materially different from this Agreement, the Parties jointly agree to: (a) attempt to renegotiate the Settlement for the purpose of obtaining Court approval of a renegotiated settlement and agreement and/or (b) seek reconsideration or appellate review of the decision denying approval of the Agreement. In the event reconsideration and/or appellate review is denied, or a mutually agreed-upon settlement modification is not approved, and the Parties decide to forego further negotiation of a settlement, the Litigation will proceed as if no settlement had been attempted. In that event, nothing in the Settlement or Agreement may be used by or against any Party under Rule 408 of the Federal Rules of Evidence.

3. SETTLEMENT TERMS

3.1 Settlement Payments.

(A) Defendant agrees to pay Seven Hundred and Fifty Thousand Dollars ($750,000.00), which shall fully resolve and satisfy any and all amounts to be paid to Eligible Settlement Participants, any Court-approved Service Awards as more fully set forth herein, the Settlement Administrator's fees and costs, any share of Employer Payroll Taxes over $7,500, and any claim for Plaintiffs' Counsel's fees and costs.

(B) Defendant shall transmit the Gross Settlement Amount to the Settlement Administrator, who will deposit such funds into the QSF, within 14 days of the Effective Date. Nothing herein shall prevent Defendant from transmitting the Gross Settlement Amount to the Settlement Administrator on a date earlier than required under this Agreement.

(C) Any portion of the Net Settlement Fund that is unclaimed more than 30 days after the close of the Acceptance Period shall revert to Defendant.

(D) Within 30 days of the Effective Date, the Settlement Administrator will partially distribute the money in the QSF by making the following payments:

i. Paying Plaintiffs' Counsel's Court-approved attorneys' fees and costs as described in Section 3.2.

ii. Paying the Court-approved Service Awards as described in Section 3.3.

iii. Paying the costs of the Settlement Administrator as awarded or approved by the Court.

iv. Paying any share of the Employer Payroll Taxes over $7,500.

v. Issuing checks to Eligible Settlement Participants for their Settlement Amounts, as described in Section 3.5.

3.2 Settlement Amounts Payable as Attorneys' Fees and Costs.

(A) In their Approval Motion, Plaintiffs' Counsel shall ask the Court to approve payment of one-third of the Gross Settlement Amount as an award of attorneys' fees. In addition, Plaintiffs' Counsel shall seek reimbursement of actual case-related costs and expenses from the Gross Settlement Amount. These amounts shall constitute full satisfaction of any claim for attorneys' fees or costs, and Plaintiffs' Counsel agree that they shall not seek, nor be entitled to, any additional attorneys' fees or costs under any theory or from any source, incurred in relation to this case other than for any fees and costs incurred related to any efforts to enforce the terms of this Agreement. Defendant will not oppose such request provided it is consistent with the terms of this Agreement.

(B) The substance of Plaintiffs' Counsel's application for attorneys' fees and costs is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement and this Agreement. The outcome of any proceeding related to Plaintiffs' Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise affect the Court's ruling on the Approval Motion. In the event that the Court (or any appellate court) awards less than the requested amounts, only the awarded amounts shall be paid and shall constitute full satisfaction of the obligations of this Section and full payment hereunder. Any money requested for attorneys' fees or costs that are not approved by the Court shall become part of the Net Settlement Fund.

3.3 Service Awards to Lead Plaintiffs.

(A) In their Approval Motion, the Lead Plaintiffs will apply to the Court to receive Five Thousand Dollars and Zero Cents ($5,000.00) each from the Gross Settlement Amount for the services they rendered to the Settlement Class. Defendant will not oppose such request provided it is consistent with the terms of this Agreement.

(B) These Service Awards and any requirements for obtaining any such payment are separate and apart from, and in addition to, Lead Plaintiffs' recovery from the Net Settlement Fund as an Eligible Settlement Participant. The substance of the Lead Plaintiffs' application for a Service Award is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy and good faith of the Settlement and this Agreement. The outcome of the Court's ruling on the application for a Service Award shall not terminate this Agreement or otherwise affect the Court's ruling on the

Approval Motion. Any Service Award money not approved by the Court shall become part of the Net Settlement Fund.

3.4 Distribution of Payments to Eligible Settlement Participants.

(A) Payments to Eligible Settlement Participants will be made from the Net Settlement Fund. The estimated Settlement Amount for each Eligible Settlement Participant will be determined by the Settlement Administrator pursuant to the following formula:

i. **Base Salary Rate**: For each year worked by every Eligible Settlement Participant, including the Lead Plaintiffs, during the Relevant Period, the Settlement Administrator shall divide the average salary[3] by the number of weeks in a year (i.e., 52) and the number of hours in a standard workweek (i.e., 40). The resulting number is the Eligible Settlement Participant's Base Salary Rate.

ii. **Regular Overtime Wages**: For each week worked by every Eligible Settlement Participant, including the Lead Plaintiffs, during the Relevant Period, the Settlement Administrator shall add the number of scheduled weekly hours over 40 plus 5 off-the-clock hours and multiply that sum times 1.5, times the Base Salary Rate for that year, and add the total for all workweeks together. The resulting number is the Eligible Settlement Participant's Regular Overtime Wages.

iii. **Extra Shift Overtime Wages**: For each week worked by every Eligible Settlement Participant, including the Lead Plaintiffs, during the Relevant Period, the Settlement Administrator shall multiply the number of hours worked over the scheduled weekly hours[4] by 1.5, times the Base Salary Rate for that year, and add the total for all workweeks together. Then, the Settlement Administrator shall subtract any wages paid to the Eligible Settlement Participant for work over the scheduled weekly hours from that total. The resulting number is the Eligible Settlement Participant's Extra Shift Overtime wages.

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[3] The average salary shall be the average of each Eligible Settlement Participant's annual Home Manager salary. It shall not include wages for any additional work performed.

[4] If Defendant does not have records to show the number of weekly hours worked over the scheduled weekly hours, that number will be calculated as follows: the Settlement Administrator shall divide the annual compensation paid to each Eligible Settlement Participant for additional shift work by the average hourly rate for this additional shift work.

iv. For every Eligible Settlement Participant, the Settlement Administrator shall add up the total of Regular Overtime Wages and Extra Shift Overtime Wages.

v. For each Opt-In who submitted a Consent to Join Collective Action form during the 216(b) notice period pursuant to the Court's Order Granting Plaintiff's Motion for Conditional Certification issued on April 8, 2019, the Settlement Administrator shall assign a 1.3-point award multiplier.

vi. The resulting number shall form each Eligible Settlement Participant's Settlement Amount. If, after calculating interest, liquidated damages, and other non-wage relief throughout the Relevant Period, the total calculated for all Eligible Settlement Participant's Settlement Amount exceeds Five Hundred Thousand Dollars and 00/100 ($500,000), then each Eligible Settlement Participants Settlement Amount shall form the basis for the pro rata distribution of the Net Settlement Fund among all Eligible Settlement Participants. If, after calculating interest, liquidated damages, and other non-wage relief throughout the Relevant Period, the total calculated for all Eligible Settlement Participant's Settlement Amount does not exceed Five Hundred Thousand Dollars and 00/100 ($500,000), then each Eligible Settlement Participant's Settlement Amount shall be paid, inclusive of interest, liquidated damages, and other non-wage relief, and any unused Net Settlement Funds shall revert to the Defendant.

(B) The Settlement Administrator's shall provide Defendant with Five (5) days to review his/her/its proposed calculations and make suggested revisions and provide supporting documentation, with a copy to Plaintiffs' Counsel. The Settlement Administrator shall consider any proposed revisions before making his/hers/its final calculations. His/her/its final calculations regarding the Eligible Settlement Participants' Settlement Amounts from the Net Settlement Fund will be final and binding.

(C) Defendant's Payroll Tax Responsibility and Tax Characterization of Payments.

i. For tax purposes, 50% of the payment to each Participating Settlement Member pursuant to this Agreement shall be treated as back wages and 50% of such payment shall be treated as interest, liquidated damages and other non-wage relief.

ii. Payments treated as back wages shall be made net of all applicable employment taxes, including, without limitation, federal, state and local income tax withholding and the employee share of the FICA tax, and shall be reported to the Internal Revenue Service ("IRS") and the payee under the payee's name and Social Security number

on an IRS Form W-2. Payments treated as Service Awards, interest and/or liquidated damages shall be made without withholding and shall be reported to the IRS and the payee, to the extent required by law, under the payee's name and Social Security number on an IRS Form 1099. The Settlement Administrator shall be responsible for determining the appropriate number of exemptions to be used in calculating payroll tax and withholding, deciding the appropriate tax rate, issuing the Settlement Checks and Service Awards, and issuing IRS Forms W-2 and Forms 1099. Payments of attorneys' fees and costs pursuant to Section 3.2 shall be made without withholding, and be reported to the IRS and to each of Plaintiffs' Counsel payees under the payee's name and taxpayer identification number, which each such payee shall provide for this purpose, on an IRS Form 1099.

iii. The Settlement Administrator shall calculate and Defendant shall pay to the Settlement Administrator the employer's share of any statutory FICA, FUTA, and other payroll taxes arising from any payments to Participating Settlement Members for wages. The first $7,500 of the Employer Payroll Taxes shall be paid separate and apart from the Gross Settlement Amount. Any amount of Employer Payroll Taxes greater than $7,500 shall be paid from the Gross Settlement Amount. The Settlement Administrator shall provide the estimated amount of such payroll tax amount to Defendant's Counsel within seven days after it receives a copy of the Approval Order. The Settlement Administrator shall be responsible for remitting those taxes to the appropriate state and federal taxing authorities, filing the required tax returns, and issuing the required IRS forms to the Participating Settlement Members.

iv. The employee portion of all applicable taxes will be the sole responsibility of the individual Participating Settlement Member receiving a Settlement Check or Service Award. The Parties make no representations, and it is understood and agreed that the Parties have made no representations, as to the taxability of any portions of the settlement payments to any Participating Settlement Members, the payment of any costs or award of attorneys' fees, or any payments to the Lead Plaintiffs. The Settlement Notice will advise Participating Settlement Members to seek their own tax advice. Neither Plaintiffs' Counsel nor Defendant's Counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor will it be relied upon as such.

v. With respect to payments received pursuant to this Agreement that are characterized as Attorneys' Fees, Plaintiffs' Counsel assumes

responsibility of any and all federal, state and local taxes or contributions which may hereafter be imposed or required to be paid under any federal, state, or local law of any kind.

4. RELEASE OF CLAIMS

4.1 All Settlement Checks shall contain, on the back of the check, the following limited endorsement:

> **CONSENT TO JOIN AND FINAL RELEASE OF CLAIMS:**
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> I understand that I have up to 120 days from the postmark on the envelope containing the Settlement Check to sign and cash it or the check will be null and void.
>
> By signing and cashing this check, I consent to join in the case entitled *Gallant v. Arrow Consultation Services, Inc.*, No. 19 Civ. 925, pending in the United States District Court for the Southern District of Indiana, and agree to be bound by the Settlement Agreement negotiated by Class Counsel in that case.
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> I waive, release, and forever discharge any claim I have or may have from October 27, 2013 to [Approval Date] against Arrow Consultation Services, Inc., and its affiliates, parents, subsidiaries, predecessors, successors, employees and agents, from all demands, claims, and actions that were or could have been asserted in this case under the FLSA and state wage and hour law, based on the allegations in the complaint, that accrued during the time period that I worked for Arrow as a Home Manager, regardless of whether I was paid at a Home Manager rate or a different rate, including without limitation claims for minimum wages and overtime; claims for unpaid wages, penalties, or overtime pay; claims for failure to maintain and furnish employees with proper wage records and notices; claims for failure to issue proper wage statements; and claims for unlawful deductions.

Any modification or amendment of the above language by a Plaintiff, at Defendant's discretion, may not be accepted, and may void the Settlement Check. The Settlement Administrator shall provide Defendant signed copies of each Settlement Check after they have been cashed, and will reissue the checks to any Plaintiff whose check is so voided.

4.2 Except as provided in this Agreement, upon payment of the attorneys' fees, expenses, and costs approved by the Court, Plaintiffs' Counsel and the Plaintiffs hereby irrevocably and unconditionally release, acquit, and forever discharge any claim that he, she or they may have against Defendant for attorneys' fees or costs associated with Plaintiffs' Counsel's representation of the Class. Plaintiffs' Counsel further understands and agrees that any fee payments approved by the Court will be the full, final and complete payment of all attorneys' fees, expenses and costs associated with Plaintiffs' Counsel's representation in the Litigation.

4.3 By signing the Agreement, Lead Plaintiffs become parties to the Agreement.

5. MUTUAL COOPERATION

5.1 The Parties agree to reasonably cooperate with each other and to take all steps necessary and appropriate to obtain the Court's approval of this Agreement and all of its terms and to effectuate the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their commercially reasonable efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, and in accordance with its terms, Plaintiffs' Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's approval of this Agreement.

6. NOTICES

6.1 Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiffs and/or Settlement Participants:

Molly Brooks
Outten & Golden LLP
685 Third Avenue, 25th Floor
New York, NY 10017
(212) 245-1000
mb@outtengolden.com

To Defendants:

Joshua Hague
Krieg DeVault
12800 North Meridian Street
Suite 300
Carmel, IN 46032

7. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS

7.1 Further Acts. Each party, upon the request of any other party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

7.2 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement.

7.3 Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Defendant, its affiliates, parents, subsidiaries, predecessors, successors, employees and agents; and, with respect to Plaintiffs, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys and assigns.

7.4 Arms' Length Transaction; Materiality of Terms. The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.

7.5 Captions. The captions or headings of the Sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

7.6 Construction. The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each party participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any party by virtue of draftsmanship.

7.7 Governing Law. This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of Indiana, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.

7.8 Continuing Jurisdiction. The Court shall retain jurisdiction over the interpretation and implementation of this Agreement as well as any and all matters arising out of, or related to, the interpretation or implementation of this Agreement and of the Settlement contemplated thereby.

7.9 Waivers, etc. to Be in Writing. No waiver, modification or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification or amendment, with any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement

7.10 Notice. The Settlement Notices will advise all Eligible Settlement Participants of the binding nature of the release and that by signing and cashing a Settlement Check they are bound by the release provisions in this Agreement.

7.11 Counterparts. The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.

7.12 Facsimile and Electronic Signatures. Any party may execute this Agreement by signing, including by electronic means, or by causing its counsel to sign on the designated signature block below and transmitting that signature page via facsimile or e-mail to counsel for the other party. Any signature made and transmitted by facsimile or e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party whose counsel transmits the signature page by facsimile or e-mail.

Signatories. This Agreement is valid and binding if signed by Defendant's authorized representative and any one of the Lead Plaintiffs.

WE AGREE TO THESE TERMS.

DATED: _____

ARROW CONSULTATION SERVICES, INC.

By: _____ 2/2-/2020

IT counsel pursuant to section 7.12

DATED: _____

JOSEPH GALLANT

BY: _____

_____

DocuSign Envelope ID: 723FB904-F45D-4A84-AA13-8F04B2A55E40

DATED: 2/20/2020

JOSEPH GALLANT

BY: DocuSigned by:
B673C7BEEC60444...

DATED: 2/21/2020

SUSAN BLANKENBERGER

BY: DocuSigned by:
8E0B5BB38A5B4B6...

DATED: 2/21/2020

TINA HASENOUR

BY: DocuSigned by:
5C51D7465191415...

Exhibit A

THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA

JOSEPH GALLANT, TINA HASENOUR and SUSAN BLANKENBERGER, individually and on behalf of all others similarly situated, Plaintiffs, v. ARROW CONSULTATION SERVICES, INC., Defendant.	Case No. 19 Civ. 925-SEB-MPB

[PROPOSED] ORDER APPROVING SETTLEMENT, SERVICE PAYMENTS, AND ATTORNEYS' FEES AND COSTS

This matter comes before the Court on Plaintiffs' Unopposed Motion for Approval of Settlement, Service Payments, and Attorneys' Fees and Costs ("Motion"). Having considered Plaintiffs' Motion and supporting Memorandum and exhibits, the Court hereby GRANTS Plaintiff's Motion and ORDERS as follows:

1. The Court finds that the settlement in this Fair Labor Standards Act ("FLSA") action is fair, reasonable, and just. The settlement is approved, and the terms of the agreement are incorporated herein.

2. Plaintiffs' proposed Notices of Settlement, and the plan for their distribution, are approved. The content of the Notices fully complies with due process. The Notices describe the terms of the settlement and inform the class about the allocation of attorneys' fees and costs.

3. The Service Payments are approved.

4. Plaintiffs' Counsel's request for attorneys' fees and out-of-pocket costs and expenses

is granted.

5. Analytics LLC is approved as the Settlement Claims Administrator.

6. This action is dismissed without prejudice, with leave to reinstate on or before 180 days after the first Settlement Notices are sent pursuant to the terms of the Settlement. In the event a motion to reinstate is not filed on or before 180 days after the first Settlement Notices are sent, the case shall be deemed, without further order of the Court, to be dismissed with prejudice.

It is so ORDERED this ___ day of _____, 2020

_____

Honorable Sarah Evans Barker
United States District Judge

Exhibit B

THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA

JOSEPH GALLANT, TINA HASENOUR and SUSAN BLANKENBERGER, individually and on behalf of all others similarly situated, Plaintiffs, v. ARROW CONSULTATION SERVICES, INC., Defendant.	Case No. 19 Civ. 925-SEB-MPB

OFFICIAL COURT NOTICE OF SETTLEMENT AND
OPPORTUNITY TO JOIN COLLECTIVE ACTION

To:

[Name]
[Address]
[City, State Zip]

If you were a Home Manager employed by Arrow Consultation Services, Inc. at any time between October 27, 2013 and [Approval Date], you are entitled to a payment from a collective action lawsuit settlement. A settlement check payable to you is enclosed. Read this entire Notice before signing and cashing the check.

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

- This Notice is directed to any individual *who has not already opted-in to this action* and was employed by Arrow Consultation Services, Inc. ("Arrow") as a Home Manager ("HM") at any time from October 27, 2013 to [Approval Date] (the "Eligibility Period").

- The three Named Plaintiffs identified in the caption are former HMs who sued Arrow alleging that it failed to pay them and other HMs properly for overtime hours they worked. The Plaintiffs filed the lawsuit as a collective and class action under the federal Fair Labor Standards Act ("FLSA") and Indiana state wage and hour laws.

- Arrow has denied the Plaintiffs' allegations and asserts that HMs were compensated correctly under the law. Nevertheless, the Parties have agreed to settle this dispute for the purpose of avoiding further disputes and litigation with its attendant risk, expense, and inconvenience. The Court has not made any ruling on the merits of the claims and no Party has prevailed in this action. However, the Court has reviewed and approved this settlement and this Notice.

- The settlement monies are being used to pay current and former employees who were employed as HMs at any time during the Eligibility Period and to pay attorneys' fees, service awards, litigation costs, and the expense of administering the settlement.

- Although it denies the allegations, Arrow is encouraging all eligible HMs to accept their settlement payment. Arrow will not take an adverse action against any eligible HM whether or not she or he joins the lawsuit and accepts a settlement payment.

- Under the allocation formula created by the settlement, you are being offered the enclosed gross settlement payment of approximately $_____, prior to applicable withholdings as more fully explained below. This amount is based on the number of hours you worked over 40 per week and an hourly wage rate calculated from your salary, less any payment already received for hours worked over 40 per week, for all weeks worked since October 27, 2013, as well as whether you previously opted into the action.

- According to Arrow's records, you worked as an HM from [DATE] to [DATE] during the Eligibility Period. You may have worked longer as an HM during other periods.

- Neither Class Counsel nor Arrow make any representations concerning the tax consequences of your settlement payment. You are advised to obtain personal tax advice prior to acting in response to this Notice.

- Your decisions have legal consequences for you. You have a choice to make:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
IF YOU SIGN AND CASH THE CHECK	By signing and cashing the settlement check, you are agreeing to participate in the lawsuit and the settlement and you are releasing all claims to non-payment or improper payment of overtime compensation you may have against Arrow in the position of HM, through [Approval Date].
IF YOU DO NOT SIGN AND CASH THE CHECK	If you do not want to participate in the lawsuit or be bound by the settlement, you should not sign or cash your settlement check. If you do not sign and cash your settlement check on or before [120 days after the postmark of the envelope containing this Notice], your check will be cancelled, you will not join the lawsuit, you will not receive a settlement payment in this case, and you will not release any claims against Arrow.

- These rights and options are explained more fully below.

BASIC INFORMATION

1. Why did I receive this Notice and a settlement check?

Arrow's records state that you worked as an exempt Home Manager for Arrow in one or more work weeks from October 27, 2013 to [Approval Date]. You are receiving this Notice because you have a right to know about the settlement of a collective action lawsuit that affects your rights.

This Notice explains the lawsuit, the settlement and your rights and options.

Along with this Notice, you are receiving a settlement check that you may cash if you agree to join ("opt-in" to) this lawsuit and to release all claims against Arrow through [Approval Date] for non-payment or improper payment of overtime compensation relating to your employment as an HM.

The Court supervising this case is the United States District Court for the Southern District of Indiana located in Indianapolis, Indiana. The lawsuit is known as *Gallant et al. v. Arrow Consultation Services, Inc.*, No. 19 Civ. 925.

The individuals who filed the lawsuit are the "Named Plaintiffs." Arrow is the "Defendant."

2. What is this lawsuit about?

The lawsuit alleges that Arrow misclassified HMs under federal and state wage and hour laws as exempt from the right to receive overtime pay if and when they worked in excess of 40 hours in a workweek, and did not pay or did not properly pay them for the hours worked in excess of 40 hours in a workweek.

Arrow denies these allegations and asserts that HMs were classified correctly as exempt employees under federal and state wage and hour laws and were not entitled to overtime pay.

The Court has not made any ruling on the merits of the claims or defenses, and no Party has prevailed in this action

3. What is a collective action?

In a "collective action," one or more individuals called "Named Plaintiffs" sue on behalf of other individuals who may have similar claims. However, the individuals who have similar claims do not become part of the collective action unless they opt-in, or agree to join the collective action. You may opt-in to this collective action and participate in the settlement of

this lawsuit by signing and cashing the enclosed settlement check.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Arrow and neither Party prevailed. The Parties agreed to a settlement to avoid further disputes and the risk, expense, and inconvenience of litigation. The Plaintiffs and their attorneys believe that this settlement is a good outcome for all individuals who decide to opt in to the suit. But you need not opt in if you believe the settlement is not in your interests.

WHO IS IN THE SETTLEMENT

5. How do I know if I will be included in the Settlement?

You are receiving a settlement check because you were employed by Arrow as an HM at some time from October 27, 2013 to [Approval Date]. If you sign and cash the settlement check, you will be bound by the settlement and you will be releasing claims for non-payment or improper payment of overtime compensation you maybe have against Arrow in your position of HM, through [Approval Date].

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The settlement fully resolves and satisfies any claims for attorneys' fees and costs approved by the Court, all amounts to be paid to individuals who opt in to the suit and settlement, any Court-approved service awards to Plaintiffs, interest, and the Settlement Administrator's fees and costs. The settlement funds for collective action members are being divided among current and former HMs based on the number of hours they worked over 40 in a week during the Eligibility Period, their pay rate, any payment they have already received for those hours, and whether they previously opted-in to the lawsuit or not. Settlement checks that are not cashed on or before [120 days after the postmark of the envelope containing this Notice] will be null and void.

7. How much is my payment and how was it calculated?

Based on the allocation formula that has been approved by the Court, you are receiving a gross settlement payment for $_____, half of which is subject to deductions for applicable taxes and withholding like any other paycheck, and for which you will receive a W-2, and half of which will be reported on IRS Form 1099. The Settlement Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by following the instructions in Paragraph 12 below.

HOW YOU GET A PAYMENT

8. How do I get my payment?

A check is enclosed. All you have to do is sign and cash the settlement check.

9. What am I giving if I opt-in to this collective action and accept the settlement check?

You will not become a member of this collective action unless you sign and cash your settlement check on or before [120 days after the postmark of the envelope containing this Notice]. If you sign and cash the settlement check, you will be releasing all claims against Arrow through [Approval Date] for non-payment or improper payment of overtime compensation relating to your employment as an HM. It also means that all of the Court's orders in this case will apply to you and will legally bind you.

By signing and cashing your settlement check, you waive, release, and forever discharge any demands, claims and actions you have or may have through [Approval Date], against Arrow, and their affiliates, parents, subsidiaries, predecessors, successors, employees and agents, whether known or unknown, for non-payment or improper payment of overtime compensation under any federal, state, or local law or regulation or common law, including but not limited to claims under the federal Fair Labor Standards Act and the wage and hour laws in Indiana, during the time period that you worked for Arrow as a Home Manager, regardless of whether you were paid at a Home Manager rate or a different rate.

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in this case?

The Court has determined that the lawyers at the law firms of Outten & Golden LLP and Cohen and Malad, LLP are qualified to represent you and all individuals who opt in to this collective action. These lawyers are called "Class Counsel." You will not be charged for these attorneys. You do not need to retain your own attorney to participate as a member of this collective action. However, you may consult with any attorney you choose at your own expense before deciding whether to opt in to this case.

11. How will the lawyers be paid?

The Court has approved payment to Class Counsel of one-third of the settlement fund for attorneys' fees. These fees compensate Class Counsel for investigating the facts, litigating the case and negotiating and finalizing the settlement. The Court also has approved payment of Class Counsel's out-of-pocket costs. The costs of the Settlement Administrator are also paid from the settlement fund.

The Court has approved payments to the Named Plaintiffs to recognize the risks they took and their services to the collective action. The three Named Plaintiffs who initiated the lawsuit before the settlement was reached will each receive a payment of $5,000 in addition to their settlement payment under the allocation formula.

FOR MORE INFORMATION

12. Are there more details about the Settlement?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You are encouraged to read it. To the extent there is any inconsistency between this Notice and the Settlement Agreement, the provisions in the Settlement Agreement control. You may obtain a copy of the Settlement Agreement by accessing it online at www.[site].com or by sending a request, in writing, to:

[SETTLEMENT ADMINISTRATOR]
Arrow HM Settlement
[ADDRESS LINE ONE]
[ADDRESS LINE TWO]
Facsimile: (XXX) XXX-XXXX
Email: XXX@XXXX.com

13. How do I get more information?

If you have other questions about the settlement, you can contact the Settlement Administrator, or Class Counsel at the addresses and/or telephone numbers below:

Molly Brooks
Rachel Dempsey
Outten & Golden LLP
385 Third Ave., 25th Floor
New York, New York 10017
(212) 245-1000
(212) 977-4005 (facsimile)

Richard E. Shevitz
Scott D. Gilchrist
Cohen & Malad LLP
One Indiana Square, Suite 1400
Indianapolis, IN 46204
(317) 636-6481
(317) 636-2593 (facsimile)

DATED: _____, 2020

Exhibit C

THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA

JOSEPH GALLANT, TINA HASENOUR and SUSAN BLANKENBERGER, individually and on behalf of all others similarly situated, Plaintiffs, v. ARROW CONSULTATION SERVICES, INC., Defendant.	Case No. 19 Civ. 925-SEB-MPB

OFFICIAL COURT NOTICE OF SETTLEMENT

To:

[Name]
[Address]
[City, State Zip]

You joined the lawsuit identified above. Recently, the United States District Court approved a settlement of the lawsuit and authorized this Notice.

A settlement check payable to you is enclosed. Read this entire Notice before signing and cashing the check.

- This Notice is directed to any individual who was employed by Arrow Consultation Services, Inc. ("Arrow") as a Home Manager ("HM") and previously opted in to this lawsuit by filing a consent to join the action.

- The three Named Plaintiffs identified in the caption are former HMs who sued Arrow alleging that it failed to pay them and other HMs properly for overtime hours they worked. The Named Plaintiffs filed the lawsuit as a collective and class action under the federal Fair Labor Standards Act ("FLSA") and Indiana state wage and hour laws.

- Arrow has denied the Plaintiffs' allegations and asserts that HMs were compensated correctly under the law. Nevertheless, the Parties have agreed to settle this dispute for

the purpose of avoiding further disputes and litigation with its attendant risk, expense, and inconvenience. The Court has not made any ruling on the merits of the claims and no Party has prevailed in this action. However, the Court has reviewed and approved this settlement and this Notice.

- The settlement monies are being used to pay current and former employees who were employed as HMs at any time between October 27, 2013 and [Approval Date] ("Eligibility Period") and to pay attorneys' fees, service awards, litigation costs, and the expense of administering the settlement.

- Although it denies the allegations, Arrow is encouraging all eligible HMs to accept their settlement payment. Arrow will not take an adverse action against any eligible HM whether or not she or he joins the lawsuit and accepts a settlement payment.

- Under the allocation formula created by the settlement, you are being offered the enclosed gross settlement payment of approximately $_____, prior to applicable withholdings as more fully explained below. This amount is based on the number of hours you worked over 40 per week and an hourly wage rate calculated from your salary, less any payment already received for hours worked over 40 per week, for all weeks worked since October 27, 2013, as well as whether you previously opted into the action.

- According to Arrow's records, you worked as an HM from [DATE] to [DATE] during the Eligibility Period. You may have worked longer as an HM during other periods.

- Neither Class Counsel nor Arrow make any representations concerning the tax consequences of your settlement payment. You are advised to obtain personal tax advice prior to acting in response to this Notice.

BASIC INFORMATION

1. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Arrow and neither Party prevailed. The Parties agreed to a settlement to avoid further disputes and the risk, expense, and inconvenience of litigation. The Plaintiffs and their attorneys believe that this settlement is a good outcome for all individuals who decided to opt in to the suit.

THE SETTLEMENT BENEFITS – WHAT YOU GET

2. What does the Settlement provide?

The settlement fully resolves and satisfies any claims for attorneys' fees and costs approved by the Court, all amounts to be paid to individuals who opt in to the suit and settlement, any Court-approved service awards to Plaintiffs, interest, and the Settlement Administrator's fees and costs. The settlement funds for collective action members are being

divided among current and former HMs based on the number of hours they worked over 40 in a week during the Eligibility Period, their pay rate, any payment they have already received for those hours, and whether they previously opted-in to the lawsuit or not. Settlement checks that are not cashed on or before [120 days after the postmark of the envelope containing this Notice] will be null and void.

3. How much is my payment and how was it calculated?

Based on the allocation formula that has been approved by the Court, you are receiving a gross settlement payment for $_____, half of which is subject to deductions for applicable taxes and withholding like any other paycheck, and for which you will receive a W-2, and half of which will be reported on IRS Form 1099. The Settlement Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by following the instructions in Paragraph 7 below.

HOW YOU GET A PAYMENT

4. How do I get my payment?

A check is enclosed. All you have to do is sign and cash the settlement check.

5. What am I giving by accepting the settlement check?

By signing and cashing your settlement check, you waive, release, and forever discharge any demands, claims and actions you have or may have through [Approval Date], against Arrow, and their affiliates, parents, subsidiaries, predecessors, successors, employees and agents, whether known or unknown, for non-payment or improper payment of overtime compensation under any federal, state, or local law or regulation or common law, including but not limited to claims under the federal Fair Labor Standards Act and the wage and hour laws in Indiana, during the time period that you worked for Arrow as a Home Manager, regardless of whether you were paid at a Home Manager rate or a different rate.

THE LAWYERS REPRESENTING YOU

6. How will the lawyers be paid?

The Court has approved payment to Class Counsel of one-third of the settlement fund for attorneys' fees. These fees compensate Class Counsel for investigating the facts, litigating the case and negotiating and finalizing the settlement. The Court also has approved payment of Class Counsel's out-of-pocket costs. The costs of the Settlement Administrator are also paid from the settlement fund.

The Court has approved payments to the Named Plaintiffs to recognize the risks they

took and their services to the collective action. The three Named Plaintiffs who initiated the lawsuit before the settlement was reached will each receive a payment of $5,000 in addition to their settlement payment under the allocation formula.

FOR MORE INFORMATION

7. Are there more details about the Settlement?

This Notice summarizes the proposed settlement. More details are in a Settlement Agreement. You are encouraged to read it. To the extent there is any inconsistency between this Notice and the Settlement Agreement, the provisions in the Settlement Agreement control. You may obtain a copy of the Settlement Agreement by accessing it online at www.[site].com or by sending a request, in writing, to:

[SETTLEMENT ADMINISTRATOR]
Arrow HM Settlement
[ADDRESS LINE ONE]
[ADDRESS LINE TWO]
Facsimile: (XXX) XXX-XXXX
Email: XXX@XXXX.com

8. How do I get more information?

If you have other questions about the settlement, you can contact the Settlement Administrator, or Class Counsel at the addresses and/or telephone numbers below:

Molly Brooks
Rachel Dempsey
Outten & Golden LLP
385 Third Ave., 25th Floor
New York, New York 10017
(212) 245-1000
(212) 977-4005 (facsimile)

Richard E. Shevitz
Scott D. Gilchrist
Cohen & Malad LLP
One Indiana Square, Suite 1400
Indianapolis, IN 46204
(317) 636-6481
(317) 636-2593 (facsimile)

DATED: _____, 2020