

**Class Action Agreement and Stipulation of Settlement and Release**

This Class Action Agreement and Stipulation of Settlement and Release (“**Settlement Agreement**,” “Settlement” or “Agreement”) is made and entered into on 03/01/2022 07:07 UTC by and between the following parties: Tasha Smith (“Smith”) (“Plaintiff” or “Named Plaintiff”), individually and on behalf of similarly situated persons (“Plaintiffs”), and Defendants Acceptance Solutions Group, Inc. (“ASG”) and David Lansburgh (collectively referred to as “Defendants”). Plaintiffs and Defendants are collectively referred to herein as the “Parties.”

As more fully set forth below, Plaintiff, individually and on behalf of similarly situated persons, filed a collective and class action lawsuit against Defendants, captioned *Smith, et al. v. Acceptance Solutions Group, Inc., et al.*, 21-cv-1675, in the United States District Court for the Northern District of Illinois (the “Lawsuit”), seeking relief for alleged overtime miscalculations. This Settlement Agreement constitutes the Parties’ settlement for the claims alleged under the Fair Labor Standards Act (“FLSA”), and the Illinois Minimum Wage Law (“IMWL”), in the Lawsuit on behalf of the Settlement Class.

**RECITALS**

1. On or about March 26, 2021, Named Plaintiff filed the Lawsuit on behalf of herself and similarly situated employees of Defendants, seeking relief individually, in the form of a class action under Rule 23 of the Federal Rules of Civil Procedure, and in the form of a collective action under Section 216(b) of the FLSA for, *inter alia*, Defendants’ alleged failure to pay proper overtime wages.

2. The Parties are represented as follows:

- The Fish Law Firm is counsel of record for Plaintiffs (“Plaintiffs’ Counsel” or “Class Counsel”).

- Katten Muchin Rosenman LLP is counsel of record for Defendants (“Defendants’ Counsel”).

3. Plaintiffs and Plaintiffs’ Counsel believe that the claims which are the subject of the instant Settlement represent meritorious claims for violations of the FLSA and IMWL, and are appropriate for class and collective action treatment. Defendants and Defendants’ Counsel believe that the claims are subject to viable defenses under the FLSA and IMWL, but agree that they are appropriate for class and collective action treatment.

4. One area of dispute between the Parties is the applicable statute of limitations. Both the FLSA and the IMWL have a three-year statute of limitations (29 U.S.C. § 255(a) and 820 ILCS 105/12(a), respectively). Plaintiffs and Plaintiffs’ Counsel believe that a prior collective and class action lawsuit against Defendants, captioned *Washington, et al. v. Acceptance Solutions Group, Inc., et al.*, 19-cv-1415 (N.D. Ill. February 27, 2019) (the “Washington Lawsuit”), tolled the statute of limitations and allows this Lawsuit to encompass Class Members and damages for unpaid overtime going back to February 27, 2016 (three years prior to the filing date of the Washington Lawsuit) instead of March 26, 2018 (three years prior to the filing date of the instant lawsuit). Defendants and Defendants’ Counsel believe that the filing of the Washington Lawsuit did not toll the statute of limitations for Class Members in the instant Lawsuit, and that the Class should only include Class Members who have damages for unpaid overtime on or after March 26, 2018.

5. Extensive arm’s-length settlement negotiations have taken place between the Parties for several months, including the exchange of payroll records and numerous telephone conferences between Plaintiffs’ Counsel and Defendants’ Counsel.

6. Each of the Parties acknowledge that the Settlement Payments and Release of Claims, as described below, are a fair and reasonable settlement and release of claims of a *bona*

*fide* dispute over Plaintiffs' pay at issue, including the appropriate statute of limitations, and constitute good, valid, and sufficient consideration for the promises contained herein.

7. Plaintiffs acknowledge that they have been given the opportunity to consult with an attorney prior to signing this Agreement and have been given a reasonable period within which to consider the Agreement. Plaintiffs further acknowledge that they have either sought and obtained advice from legal counsel before entering in this Agreement or have elected not to do so, that they understand the contents of this Agreement, and they voluntarily consent and agree to each provision contained herein.

8. Plaintiffs agree that they are competent, as a matter of law, to enter into this Agreement.

9. Despite Defendants' good faith belief that they have good defenses to the claims alleged by Plaintiffs, Defendants enter into this Settlement to obtain the conclusive and complete dismissal of the Lawsuit, to resolve fully claims under the FLSA, and IMWL with the Named Plaintiff and the Settlement Class, and to avoid: (i) the further expense, inconvenience and burden of this litigation, (ii) the distraction and diversion of their personnel and resources, and (iii) the risk and uncertainty of the outcome inherent in any litigation.

10. Defendants expressly deny any wrongdoing or any violation of law as alleged in the Lawsuit. Nothing contained in this Agreement shall be construed as an admission of any liability by any Party, and all Parties agree not to offer this Agreement as evidence or otherwise use it in any judicial or administrative proceeding, except that this Agreement may be introduced in any proceeding for the sole purpose of enforcing its terms.

11. This Settlement Agreement contains the terms between the Parties and their respective counsel relating to the Settlement. There are no side agreements between the Parties or

their counsel. At all times, the negotiations leading to the Settlement Agreement were adversarial, non-collusive, and at arm's length.

12. This Settlement Agreement shall, upon court approval and the Effective Date, be a full and complete settlement and release of all "Class Released Claims", defined below, for all Class Members who do not opt-out of the Settlement. The Parties agree to cooperate and take all necessary and appropriate steps to effectuate the terms of this Settlement.

13. A motion for class certification has not been filed and no class has been certified in the Lawsuit. The Parties agree that for the purposes of this Settlement only, the Settlement Class defined below should be certified under Fed. R. Civ. P. 23. In the event that this Settlement is not approved by the Court, Defendants reserve the right to challenge certification under Fed. R. Civ. P. 23.

14. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements and other good and valuable consideration set forth herein, the Parties, intending to be legally bound, agree, subject to the Court's approval, as follows:

#### **DEFINITIONS**

15. The following definitions shall apply to terms used in this Settlement Agreement.

a. "Administrative Costs" means all regular and ordinary costs and expenses incurred by the Administrator in the administration of this Settlement, including, but not limited to, all printing, mailing, and other expenses incurred in providing the Notice, all costs related to the preparation and mailing of Settlement Payments, all fees and charges of the Administrator, all costs incurred in implementing the administration of the Settlement as set forth herein, and any other expenses determined to be an expense reasonably necessary for the administration of this

Agreement. The Parties agree to pay Administrative Costs associated with notice and administration of this Agreement as set forth below.

b. “Notice Period” means the time period of 30 days commencing on the date when the Notice is initially sent to Class Members.

c. “Class Members” is defined as all hourly, non-exempt employees in the Collections Department who worked for ASG from February 27, 2016, to March 26, 2021, who worked overtime and received commissions or incentive payments during that period, and who is listed by name on Exhibit 1 hereto. “Class Members” do not include other non-exempt employees of ASG, current and former executives and officers of ASG, other exempt employees of ASG, Defendants’ counsel, Plaintiffs’ counsel, any member of the judiciary presiding over this action, and Class members and plaintiffs of 19-CV-1415: *Washington, et al v. Acceptance Solutions Group, Inc. et al.*

d. “Settlement Class” means all Class Members who do not exclude themselves from the Settlement.

e. “Notice” or “Settlement Notice” means the Legal Notice of Proposed Class Action Settlement, attached hereto as Exhibit 2.

f. “Settlement Administrator” or “Administrator” means Analytics LLC the third-party administrator selected by the Parties that is charged with administering this Agreement, in concert with the Parties and their counsel, including as set forth herein.

g. “Effective Date” means the date on which the settlement embodied by this Settlement Agreement shall become effective, and shall be defined as the date when all the following events have occurred:

i. This Agreement has been executed by the Parties;

- ii. The Court has entered a Preliminary Approval Order;
- iii. Notice has been given to the Class Members;
- iv. The Court has held a Final Approval Hearing and entered a Final Approval Order; and
- v. The later of the following events: when the period for filing any appeal, writ or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or any appeal, writ or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal, writ or other appellate proceeding has upheld in all respects to the Court's final order approving the settlement with no right to pursue further remedies or relief. It is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement is completely final, and there is no further recourse by an appellant or objector who seeks to contest the Settlement.

h. "Preliminary Approval Hearing" means the hearing contemplated by the Parties, at which the Court will grant preliminary approval of the settlement, order the sending of Notice to the Class Members, and make such other rulings as are contemplated by the Settlement.

i. "Final Approval Hearing" means the hearing contemplated by the Parties, at which the Court will grant final approval of the settlement and make such other final rulings as are contemplated by the Settlement.

j. “Final Approval Order” means the Court’s order granting final approval of this Settlement Agreement on the terms provided herein, or as those terms may be modified by subsequent mutual agreement of the Parties.

k. “Preliminary Approval Order” refers to the Court’s order pursuant to Rule 23 of the Federal Rules of Civil Procedure granting preliminary approval of this Settlement on the terms provided herein or as those terms may be modified by subsequent mutual written agreement of the Parties.

l. “Qualified Settlement Fund” or “QSF” means the qualified settlement fund established by the Settlement Administrator into which the Settlement Payments will be made by Defendants.

### **TERMS OF SETTLEMENT**

16. Intent to Settle. It is agreed by and among Plaintiffs and Defendants that the Lawsuit be settled and compromised as between Plaintiffs, the Settlement Class, and Defendants, subject to the terms and conditions set forth in this Settlement Agreement and the approval of this Settlement by the Court.

17. Settlement Payments. The following payments will be made pursuant to this Settlement:

a. Payments to be Made; Method of Calculation. Defendant ASG agrees to pay, through the Administrator, as follows (“Settlement Payments”):

i. Defendant ASG agrees to pay the Gross Settlement Amount of Fifty Thousand Dollars (\$50,000) (“Gross Settlement Amount”), as set forth herein. This Gross Settlement Amount shall be mailed or otherwise paid into the Settlement Administrator’s QSF pursuant to the schedule in Paragraph 42 of this Agreement.

ii. Each Class Member who does not exclude himself or herself from the Settlement Class will be paid the approximate amount next to his or her name on Exhibit 1 (approximate because the amount may slightly be higher or lower depending on administrative costs, deductions, and any unforeseen modifications), assuming the Court approves the allocations as provided for in this Agreement. Class Settlement Payments shall be disbursed by the Settlement Administrator from the Gross Settlement Fund as set forth herein. The amounts are reflective of each Class Member's share of claims based on Defendant ASG's payroll records produced and estimates based on records that were not available. Settlement proceeds are determined by subtracting estimated Administrative Costs, Attorneys' Fees and Costs, and Lead Plaintiff Payments from the Gross Settlement Amount to reflect a Net Settlement Fund of approximately \$27,875.88 and deducting required deductions and withholdings. The Gross Settlement Amount was determined as follows:

Defendants identified all overtime worked and commissions and incentives paid to Class Members subsequent to May 23, 2017, and made reasonable estimates regarding overtime and commissions and incentives paid to Class Members for the period of February 27, 2016 to May 23, 2017. Damages were based on ASG's failure to include commission and incentive amounts when calculating the overtime rate for a given week.

For the period subsequent to March 26, 2018, overtime damages were precisely calculated using ASG's time and wage records. For damages arising from events during this time period, Class Members were awarded 100% of all regular rate overtime damages, as well as 100% of FLSA liquidated damages and applicable IMWL statutory damages, including treble damages and statutory monthly penalties when appropriate, less attorney fees, costs, administrative fees and service awards.



For the period between May 23, 2017 and March 26, 2018, overtime damages were precisely calculated using ASG's time and wage records. For damages arising from events prior to March 26, 2018 Class Members were awarded approximately 63% of all regular rate overtime damages, as well as approximately 63% of FLSA liquidated damages and applicable IMWL statutory damages, less attorney fees, costs, administrative fees and service awards. This reduction in damages reflects the uncertainty of recovery in light of the statute of limitations dispute set forth above at Paragraph 4.

For the period between March 27, 2016 and May 23, 2017, Defendants were unable to produce payroll data. For this time period, overtime damages were calculated by determining the average of the regular rate overtime damages suffered by each Class Member's subsequent to March 26, 2018, and adding the applicable FLSA and IMWL statutory damages. Since these periods were before March 26, 2018, damages were awarded approximately 63% of all regular rate overtime damages, as well as approximately 63% of FLSA liquidated damages and applicable IMWL statutory damages, less attorney fees, costs, administrative fees and service awards. This reduction in damages reflects the uncertainty of recovery in light of the statute of limitations dispute set forth above at Paragraph 4.

iii. Any Class Member who opts out will not be entitled to any part of the Gross Settlement Amount, will not receive any funds from the Administrator, and will not be a part of this Agreement or release any claims. That person's share will go back into the QSF for distribution in accordance with Paragraph 20.

b. Tax Allocations of Settlement Payments: Each Class Member in the Settlement Class will get two payments: (1) a wage distribution; and (2) a payment consisting of

statutory liquidated damages and interest penalty. Appropriate federal, state and local tax withholdings will be deducted from the wage distribution component, and an IRS Form W-2 will issue with respect to that portion of the Settlement Payment. An IRS Form 1099 will issue for the statutory liquidated damages and interest penalty distribution payment, if required by law. The Settlement Administrator shall be responsible for preparing and filing all IRS Forms W-2 and Forms 1099 and other necessary tax forms (and the equivalent state tax forms), notices, mailings, and making any and all payments (other than the employer portion of payroll taxes, which ASG will pay) to applicable government agencies in accordance with this Agreement. ASG will be responsible for paying any appropriate employer taxes and payments resulting from the W2 settlement payments. Each member of the Settlement Class is responsible to pay the appropriate individual taxes due on the Settlement Payments he or she receives.

Plaintiffs' Counsel and Defendants' Counsel do not intend this Agreement to constitute legal advice relating to the tax liability of any member of the Settlement Class, and no part of this Agreement constitutes tax advice. To the extent that this Agreement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties. Each member of the Settlement Class is urged to obtain counsel from a tax advisor regarding the tax consequences and obligations resulting from participating in the Settlement.

c. Attorneys' Fees and Costs: In consideration for the work already performed in this matter and all work remaining to be performed in documenting the Settlement and securing Court approval of the Settlement, the parties agree that 33.33% of the Gross Settlement Amount plus out of pocket costs shall be allocated to Plaintiffs' Counsel for attorneys' fees and costs,

subject to Court approval (“Attorneys’ Fees and Costs”). Plaintiffs’ Counsel’s costs as of February 9, 2022 are \$457.47. Plaintiffs’ Counsel will cap costs at \$457.47. The Attorneys’ Fees and Costs shall be made from the Gross Settlement Fund to Fish Law Firm, P.C. The Attorneys’ Fees and Costs shall be paid within fourteen (14) calendar days of the Effective Date.

d. Payment to Plaintiffs’ Counsel. ASG, through the Settlement Administrator, will issue an IRS Form 1099 to Plaintiffs’ Counsel, The Fish Law Firm, reflecting this Attorneys’ Fees and Costs payment as required by law. Plaintiffs’ Counsel shall provide Defendants or the Settlement Administrator with a fully-executed IRS Form W-9 from The Fish Law Firm for this payment within three (3) calendar days of the Effective Date.

e. Additional Payments To Named Plaintiff: Subject to Court approval, Defendants agree to pay the Named Plaintiff an additional settlement payment from the QSF of \$2,500 for service as lead plaintiff (“Lead Plaintiff Payment”). The Lead Plaintiff Payment is in addition to the Settlement Payment that she is eligible to receive as a member of the Settlement Class, as set forth above. Named Plaintiff will be issued an IRS Form 1099 for the Lead Plaintiff Payment. Named Plaintiff will be responsible for correctly characterizing the payment for tax purposes and for paying any taxes due on the amounts received. Neither Plaintiffs’ Counsel nor Defendants’ Counsel are providing any tax advice to Named Plaintiff in connection with this Settlement or any payments due to Named Plaintiff hereunder. The Settlement Administrator shall remit the Lead Plaintiff Payment to the Named Plaintiff within fourteen (14) calendar days of the Effective Date, from the QSF.

f. Settlement Administration Costs: All Administrative Costs shall be taken from the QSF. These costs are estimated to be approximately \$2,500 from Analytics, LLC.

The Settlement Administrator to be used, Analytics LLC has been jointly selected by the Parties. Decisions regarding Notice and Settlement Administration are to be made with the consent of Plaintiffs' and Defendants' counsel. The Administrative Costs are not dependent on any outcome associated with this Settlement or the administration of this Settlement, and will be paid from the QSF, to the extent it is funded, regardless of any such outcome.

18. Mailing Of Settlement Payments to Settlement Class Members: The Settlement Administrator shall cause the Settlement Payments, paid in the form of checks ("Settlement Checks"), to be mailed to members of the Settlement Class within twenty-one days (21) from the Effective Date. The Settlement Checks mailed to Settlement Class Members shall include a notice, prepared and approved by the Parties, setting forth the 90-day time period as set forth herein in which the checks must be cashed or deposited. If any checks are returned to the Settlement Administrator as undeliverable, the Settlement Administrator will take reasonable measures to determine the accurate address, and will re-send the check to the new address.

19. Cashing Settlement Payments: Members of the Settlement Class will have ninety (90) calendar days after mailing of the Settlement Payments to cash, deposit or negotiate their Settlement Payment checks. If any members of the Settlement Class do not cash, deposit or negotiate their Settlement Checks within the 90-day period, their Settlement Checks will be void and a stop-pay will be placed on such checks. The Settlement Checks remitted to members of the Settlement Class shall clearly disclose the end date by which the check must be negotiated, and the Settlement Administrator shall include, on the checks, notice that it must be cashed or deposited within 90 days or it will be canceled.

20. Remaining Funds. Any remaining funds below \$7,500 in the Qualified Settlement Fund after all Settlement Payments have been made and all Administrative Costs, Attorneys' Fees

and Costs, and Lead Plaintiff Payments have been paid, will be made a cy press award to Prairie State Legal Services or some other charitable legal aid organization of the Court's choosing. Any remaining funds in the QSF in excess of \$7,500 shall revert to Defendant ASG. The Settlement Administrator shall issue a check to Defendant ASG for all such remaining funds in excess of \$7,500 no later than ten (10) days after the Settlement Checks have expired as set forth in Paragraph 18 above.

21. Information Used. Defendant ASG's signature on this Settlement Agreement certifies that ASG has used reasonable efforts to ensure that information for the administration of the Settlement, including payroll data used to determine the amount of Settlement Payments and the Class Member lists that ASG produces in order to disseminate the Notice, are reasonably complete and correct in all material respects to the best of ASG's knowledge.

#### **SETTLEMENT APPROVAL PROCEDURE**

22. Settlement Process. The Settlement Agreement requires the occurrence of all of the following events: (a) execution of the Settlement Agreement by the Parties; (b) submission of the Settlement Agreement by the Parties to the Court for preliminary approval; (c) entry of the Preliminary Approval Order by the Court; (d) Court approval of the method of distribution and the form and content of the Settlement Notice; (e) dissemination of the Settlement Notice as set forth in this Settlement Agreement or as otherwise ordered by the Court; (f) the holding of a Final Approval Hearing, if necessary, and the Court's entry of the Final Approval Order; (g) ASG makes all payments set forth herein to the Qualified Settlement Fund; and (h) the Effective Date occurs. The Settlement Agreement will become final and effective only upon: (x) the Court entering the Final Approval Order; and (y) the Effective Date occurring.

23. Limitation on Number of Opt-Outs. The Parties agree that if ten (10) percent or more of the Class Members opt out of the Settlement Class, Defendants reserve the right to decline,

by written notification to Class Counsel no later than ten (10) business days after Defendant ASG's receipt of the Administrator's Declaration, to proceed with the terms of this Settlement Agreement. If Defendants decline to proceed with the terms of this Settlement Agreement, Defendants shall pay the Class Administration the costs and fees incurred by the Settlement Administrator.

### **MOTION FOR PRELIMINARY APPROVAL**

24. Filing of Motion. Within 28 days after the execution of this Settlement Agreement, Plaintiffs' Counsel shall file with the Court a Motion for Preliminary Approval of Settlement ("Preliminary Approval Motion").

25. Contents of Motion. In the Preliminary Approval Motion, Plaintiffs shall request that the Court: (a) grant preliminary approval of this Settlement Agreement; (b) approve the Settlement Notice and the proposed plan of settlement administration described herein; and (c) schedule a tentative date for a Final Approval Hearing.

### **SETTLEMENT ADMINISTRATION**

26. Class Member Identification. Within seven (7) calendar days after the Court grants preliminary approval of the Settlement Agreement described herein, ASG will provide the Settlement Administrator with the names, employee identification numbers, social security numbers, and last known mailing addresses for each of the Class Members in order for the Settlement Administrator to perform its duties. The Settlement Administrator shall maintain this information on a confidential basis and not disclose to any person or entity who does not need to know the information to carry out the terms of this Settlement Agreement. Upon receiving this information, the Settlement Administrator will run a check of the Class Members' addresses against those on file with the United States Postal Service's National Change of Address List; this check will be performed only once per Class Member by the Settlement Administrator.

27. Settlement Notice. Within twenty-one (21) calendar days after the Court grants preliminary approval of this Settlement Agreement, the Settlement Administrator shall send the Settlement Notice, as approved by the Court, to the Settlement Class Members by first class U.S. mail.

28. Non-Delivered Settlement Notices. The Settlement Administrator shall promptly resend Settlement Notices returned to the Settlement Administrator as non-delivered.

29. Due Diligence and Proof of Mailing Declaration. The Settlement Administrator shall provide to Counsel for the Parties, for filing with the Court, at least fourteen (14) calendar days prior to the Final Approval Hearing, a declaration by the Settlement Administrator indicating due diligence and proof of mailing with regard to the mailing of the Notice as set forth above and other information as reasonably requested by Plaintiffs' or Defendants' Counsel.

30. Settlement Notice Inclusions. Each Settlement Notice will contain the approximate amount to be paid to the Settlement Class Member as set forth herein. The Settlement Notice will include instructions as to how a Class Member may submit a Request for Exclusion from this Settlement or object to the Settlement.

31. Class Member Opt-Outs. Those Class Members who do not want to participate in the Settlement Agreement may opt out by sending a letter to the Settlement Administrator expressing their intent to be excluded from the Settlement pursuant to the instructions on the Settlement Notice. To be valid, the letter requesting exclusion must include: (1) the individual's full name; (2) their address and telephone number; (3) a statement that they wish to be excluded from this Settlement; and (4) their signature, and must be mailed to the Settlement Administrator whose address is listed on the Settlement Notice, by the date specified in the Settlement Notice (30 days after the initial mailing of the Settlement Notice). Within three (3) business days after receiving a request for

exclusion, the Settlement Administrator must notify counsel for the Parties *via* e-mail of the name of the Class Member who submitted the request for exclusion. The Settlement Administrator shall retain the requests for exclusion and the envelopes showing the postmark of the request for exclusion and permit inspection and copying of same by counsel for the Parties at their request. Requests for exclusion shall be disregarded if they are not post-marked on or before the applicable deadline. Class Members who do not submit a timely and valid request for exclusion in the manner described herein shall be deemed bound by this Settlement Agreement.

32. Release of Timeliness Claims. No person shall have any claim against Defendants, Defendants' counsel, the Named Plaintiffs, Plaintiffs' Counsel, or the Settlement Administrator based on any claim that a request for exclusion was not received in a timely manner.

33. Abstention of the Parties from Discouraging or Encouraging Participation. At no time shall any of the Parties or their counsel: (a) discourage any Class Member from participating in the Settlement; or (b) encourage any Class Member to object to the Settlement Agreement or request exclusion from the Settlement Agreement.

34. Objections. To object to the Settlement Agreement or any terms of it, the person making the objection must be a Class Member, must not have opted out of the Settlement Agreement, and must send to the Settlement Administrator and file with the Court a written statement of the grounds of objection, signed by the Class Member or his or her attorney, by the date specified in the Settlement Notice (30 days from the mailing date). Any objection that does not meet the requirements of this paragraph shall not be considered by the Court, unless otherwise ordered by the Court. Class Members who fail to serve timely and proper written objections shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement Agreement. The Parties may file a response to any objections prior to the Final Approval



Hearing. Any Class Member filing an objection who intends to appear at the Final Approval Hearing either in person or through counsel, must state in the objection the intention to appear, the purpose of the appearance, and whether the Class Member is represented by counsel.

35. Declaration of Exclusions and Objections. No later than seven (7) calendar days after the opt-out and objection deadline, the Settlement Administrator shall provide the Parties' counsel with a declaration that includes a complete list of all individuals who have timely requested exclusion from the Settlement Class ("Opt-outs"), and all Class Members who have timely objected to the Settlement (the "Administrator's Declaration").

36. Report on Class Member Responses. No later than seven (7) calendar days after the opt-out and objection deadline, the Settlement Administrator shall report to the Parties' counsel the Class Member responses to the Notice, including opt-outs and objections; the number of returned Notices and re-mailed Notices; and other information requested by Defendants' or Plaintiffs' Counsel.

### **MOTION FOR FINAL APPROVAL**

37. Filing of Motion. At least three (3) business days prior to the Final Approval Hearing, the Plaintiffs shall file with the Court a Motion for Final Approval of Settlement.

38. Certification. At the Final Approval Hearing, the Parties will ask the Court to: certify the Settlement Class and approve the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions; to approve the payment from the QSF to Class Counsel of the Attorneys' Fees and Costs; and to approve the Lead Plaintiff Payment for the Named Plaintiff.

39. Final Approval Order. Counsel for the Parties shall jointly present the Court with a proposed Final Approval Order:

a. Certifying the Settlement Class and approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

b. Approving the payment from the QSF to Class Counsel of the Attorneys' Fees and Costs; and

c. Approving the Lead Plaintiff Payment.

40. Court Disapproval of the Class Settlement. If the Court does not approve any material condition of this Settlement Agreement that effects a fundamental change to the terms of the settlement hereunder, the entire Settlement Agreement will be voidable and unenforceable. In the event that the Court does not approve the Settlement, and the basis for the Court's disapproval of the Settlement does not involve a material term of this Settlement, the Parties shall make good faith efforts to modify this Settlement so as to gain the Court's approval.

## RELEASE OF CLAIMS

41. Release of Claims. Upon the Effective Date of this Settlement, and except as to such rights or claims as may be created by this Settlement, Named Plaintiff and each member of the Settlement Class, individually, and on behalf of his or her respective current, former and future heirs, spouses, executors, administrators, agents, and attorneys, agrees to give up the right to sue, and fully releases and discharges, the “Released Parties” (defined as, Defendants, and each of their present and former parent companies, owners, related parties, subsidiaries, related or affiliated companies, shareholders, officers, directors, employees, members, managers, co-joint venturers, fiduciaries, trustees, employee benefit plan administrators, heirs, executors, administrators, agents, attorneys, insurers, successors and assigns, and all persons or entities acting by, through, under or in concert with any of them, and any individual or entity which could be jointly liable with any of them) from, and agrees not to file any claims relating to, the following “**Class Released Claims**”: any and all claims for any wage and hour violations under state, and/or local law, including but not limited to, any and all claims relating to their work for Defendants for unpaid wages, gap time pay, overtime pay, failure to maintain and furnish employees with proper wage records, off-the-clock work, unpaid wages due to allegedly unlawful deductions, and all other wage and hour violation claims relating to their work for Defendants that were or, could have been asserted in this Lawsuit, whether known or unknown, asserted or unasserted under federal, state, and/or local wage and hour laws, including but not limited to, Illinois Wage Payment and Collection Act (“IWPCA”), and IMWL (“Class Released Claims”). This Release includes all claims for all damages arising from any Class Released Claims, including claims for liquidated damages, interest, statutory interest, and attorneys’ fees and costs.

Each settlement payment will have the following printed on the back of each check and Settlement Class members will agree to join the FLSA collective and release FLSA claims by signing, negotiating, or otherwise cashing their settlement checks.

**CONSENT TO JOIN AND RELEASE OF CLAIMS:**

By signing and cashing this check: (1) I agree to join the case *Smith, et al. v. Acceptance Solutions Group, Inc., et al.*, 21-cv-1675, in the U.S. District Court for the Northern District of Illinois, and agree to be bound by the Agreement to settle the case; (2) I agree to waive and release all claims for overtime wages or compensation-related damages or penalties (including but not limited to liquidated damages or attorneys' fees) I have or may have against Defendants and/or its affiliates, parents, subsidiaries, predecessors, successors, employees and agents, as asserted in the Lawsuit or that could have been asserted in the Lawsuit for failure to calculate overtime rate of pay, under the Fair Labor Standards Act or the Illinois Minimum Wage Law; and (3) I agree my consent will be filed in the Northern District of Illinois

The Settlement administrator shall provide Plaintiff's counsel will all signed consents and Plaintiff's counsel shall file all consents within 200 days of the issuance of settlement checks.

**TRANSFER OF FUNDS FOR SETTLEMENT PAYMENTS**

42. Transfer and Distribution of Funds. Defendant ASG will mail or otherwise transfer funds in the amount of \$50,000 into the QSF within seven (7) calendar days after the Effective Date. The Settlement Administrator shall distribute the Settlement Payments, Attorneys Fees and Costs, and the Lead Plaintiff Payment as set forth herein from these funds. Plaintiffs' Counsel may make reasonable inquiry with the Settlement Administrator as to the status of this account.

**DISMISSAL**

43. Dismissal of Lawsuit. Within ten (10) calendar days of the Settlement Administrator confirming to Plaintiffs' Counsel the receipt of all payments to be made to the QSF by

Defendants, Plaintiffs' Counsel shall cooperate with Defendants' Counsel to file a Stipulation of Dismissal or such other documents as may be necessary to dismiss the Lawsuit with prejudice.

#### **PARTIES' AUTHORITY**

44. Authority. The signatories represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties to its terms and conditions.

#### **NOTICES**

45. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement Agreement shall be: (1) in writing; (2) deemed given on the day after mailing; and (3) sent by UPS or FedEx overnight, addressed as follows:

To Named Plaintiffs or Class Members:

John Kunze  
Fish Potter Bolaños P.C.  
200 E. 5th Avenue, Suite 123  
Naperville, IL 60563

To Defendants:

Julie Gottshall  
Katten Muchin Rosenman LLP  
525 W. Monroe Street, Suite 1900  
Chicago, IL 60661-3693

#### **STAY DISCOVERY**

46. Stay of Discovery. Consistent with this Agreement, the Parties agree to the stay of all discovery in the Lawsuit, pending the issuance of the Final Approval Order. Defendants represent and warrant that the payroll file provided to Plaintiffs during discovery and settlement are complete and accurate business records.

## MISCELLANEOUS

47. Non-Admission of Liability. Neither this Settlement Agreement, nor any document referred to herein, nor any action taken to carry out this Settlement Agreement, is, or may be construed as, or may be used as an admission, concession or indication by or against Defendants of any fault, wrongdoing or liability whatsoever.

48. Covenants and Warranties. The Named Plaintiff and Plaintiffs' Counsel 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 claims, causes of actions, demands, rights and liabilities of every nature and description released under this Settlement Agreement.

49. Waiver of Right to Appeal. Provided that the Final Approval Order is consistent with the terms and conditions of this Settlement Agreement in all material respects, the Named Plaintiff, Plaintiffs' Counsel, and Defendants all hereby waive any and all rights to appeal from the Final Approval Order, including all rights to any post-judgment proceedings, such as a motion to vacate or set-aside judgment, a motion for a new trial, and any extraordinary writ, and the Final Approval Order will become final and non-appealable at the time it is entered. The waiver does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings.

50. Choice of Law. This Agreement shall be construed and enforced under the laws of the State of Illinois.

51. Jointly Drafted. The Parties agree that the terms and conditions of this Settlement Agreement are the result of intensive, arms'-length negotiations between the Parties and that this

Settlement Agreement shall not be construed in favor or against any of the Parties by reason of their participation in the drafting of the Settlement Agreement.

52. Captions. Paragraph titles and headings 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 of its provisions. Each term of this Settlement Agreement is contractual and not merely a recital.

53. Entire Agreement. This Settlement Agreement contains the entire agreement between the Parties relating to any and all matters addressed in the Settlement Agreement (including settlement of the Lawsuit), and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by one of the Parties or such Parties' legal counsel, with respect to such matters are extinguished. No rights hereunder may be waived or modified except in a writing signed by all Parties and approved by the Court.

54. Successors; Assigns; Counterparts; Signatures. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors and assigns, including each of the Released Parties. This Agreement may be executed in multiple counterparts with each constituting an original, and, when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to the Parties and each of them. Signatures sent by facsimile machine or scanned signatures in Portable Document Format sent by email shall be deemed original signatures.

55. Disputes Related to Settlement Agreement. Any disputes related to this Settlement Agreement that arise prior to the dismissal of this Lawsuit shall be referred to the Court.

56. Failure to Make Payments; Opportunity to Cure. To the extent that the Defendants fail to make the payment as required herein, then the Plaintiffs shall provide them with email notice

through their counsel (to [julie.gottshall@katten.com](mailto:julie.gottshall@katten.com) and [lisa.howe@katten.com](mailto:lisa.howe@katten.com), and any other email address provided to Class Counsel), and a fourteen (14) day opportunity to cure the default. If the Defendants still fail to cure that default after such properly provided notice, then Plaintiffs shall be entitled to their reasonable attorney fees and costs incurred in enforcing this Agreement.



IN WITNESS WHEREOF, the undersigned duly executed this Agreement as of the date indicated below:

**NAMED PLAINTIFF**

Dated: 03/01/2022 07:07 UTC, 2022

PLAINTIFF: Tasha Smith

*Tasha Smith*

---

**DEFENDANTS**

Dated: \_\_\_\_\_, 2020

DEFENDANT: Acceptance Solutions Group, Inc.

---

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

DEFENDANT: David Lansburgh

---

IN WITNESS WHEREOF, the undersigned duly executed this Agreement as of the date indicated below:

**NAMED PLAINTIFF**

Dated: 03/01/2022 07:07 UTC, 2022

PLAINTIFF: Tasha Smith

*Tasha Smith*

---

**DEFENDANTS**

Dated: Mar. 11, 2022

DEFENDANT: Acceptance Solutions Group, Inc.

*Charles E. Johnson*

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Printed Name: Charles E. Johnson

Title: Director

Dated: \_\_\_\_\_, 2020

DEFENDANT: David Lansburgh

---

IN WITNESS WHEREOF, the undersigned duly executed this Agreement as of the date indicated below:

**NAMED PLAINTIFF**

Dated: 03/01/2022 07:07 UTC, 2022

PLAINTIFF: Tasha Smith

*Tasha Smith*

---

**DEFENDANTS**

Dated: \_\_\_\_\_, 2020

DEFENDANT: Acceptance Solutions Group, Inc.

---

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: 3/9, 2020

DEFENDANT: David Lansburgh

*[Signature]*

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# Exhibit 1

	Est. Total Gross Award Pre-Tax
Smith, Tasha	\$1,623.58
Danielle Alexander	\$3,219.31
Samuel Alvarado	\$167.15
Lamara Dantzier	\$92.98
Isiah Davis	\$1,259.45
Aldo Flores	\$2,545.63
Craig Horn	\$376.65
Michael Kudrna	\$1,939.92
Jamillah Mason	\$1,483.91
Randle Michael	\$48.93
Enriqueta Solis	\$57.73
Michael Terry	\$1,779.74
Darren Thomas	\$9.28
Keishara Williams	\$2,965.10
Louise Wilson	\$4,079.26
Deangelo Woods	\$22.13
leisha Young	\$280.66
Anderson, Leslie	\$1,236.18
Bennett, Chaz	\$819.99
Brown, Kasey	\$336.93
Jones, Tavares	\$195.29
Little, Teidra	\$533.99
Massey, Vallarie	\$43.00
Negron, Luis	\$617.96
Rosario, Maria	\$652.91
Smith, Tyanna	\$1,295.58
Thorpe, Donald	\$216.66

## Legal Notice of Proposed Class Action Settlement

THIS IS NOT AN ADVERTISEMENT OR ATTORNEY SOLICITATION. THIS NOTICE HAS BEEN APPROVED BY THE U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS AND CONTAINS IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS. PLEASE READ THIS NOTICE CAREFULLY.

This notice is being sent pursuant to a proposed settlement of the following class action lawsuit pending in the U.S. District Court for the Northern District of Illinois:

*Smith, et al. v. Acceptance Solutions Group, Inc., et al.*, 21-cv-1675

### A. WHAT IS THIS NOTICE FOR?

This notice is to inform you that:

- A settlement has been reached in a Class Action Lawsuit against Acceptance Solutions Group and David Lansburgh (“Defendants”) arising from allegations that Acceptance Solutions Group did not properly calculate the overtime rates of pay for employees in the collections department.
- Based on calculations performed from your pay records you may be eligible to receive the approximate gross amount of [AMOUNT] under the terms of the proposed Settlement if you are a current or former hourly employee of the collections department who received commissions and bonuses and worked overtime during the same pay period.
- If you want this money, you do not have to do anything. If approved, you will be mailed a check. However, if you do not want to participate in the lawsuit or receive the money, you may exclude yourself. You can also object to the settlement by following the instructions in Section G. If you exclude yourself, you will not receive any portion of the Settlement and you will not release any legal claims.
- The **Court will hold a fairness hearing** about the Settlement on [date] which you may attend at 219 South Dearborn Street, Courtroom 1003.

### B. WHAT IS THIS LAWSUIT ABOUT?

Tasha Smith (“Plaintiff”) brought a complaint against Defendants claiming that they failed to correctly calculate the overtime rate of pay for hourly employees of the collections department when employees earned certain commissions and bonuses. The complaint alleges violations of both the Illinois Minimum Wage Law (“IMWL”) and the Fair Labor Standards Act (“FLSA”) and seeks back pay, liquidated damages, civil penalties, and attorneys’ fees and costs. Defendants deny they did

anything wrong and denies the statute of limitations extends to before March 26, 2018.

### C. WHAT DOES THE SETTLEMENT DO?

The proposed Settlement resolves the claims before the Court decides which side is right. As part of the Settlement, Defendant has agreed to pay **\$50,000 (“Settlement Fund”)** to resolve this lawsuit. That amount resolves the alleged federal, state and/or local law claims of Class Members in this action, including attorneys’ fees, costs, service payments, unpaid wages, liquidated damages/civil penalties under Federal and Illinois law, and settlement administration fees. A service payment of \$2,500 will be requested from the Settlement Fund for the named Plaintiff, Tasha Smith, due to his efforts in obtaining a class-wide recovery.

The approximate gross amounts in Section A reflect what you may receive after attorney fees and costs, administrator fees, and service payment are deducted from the Settlement Fund. The amount may increase or decrease depending on the actual costs or expenses or rulings from the Court and will be subject to withholdings and taxes.

### D. AM I AFFECTED?

You received this Notice because Defendant’s records show that you were an hourly employee who’s overtime rate during the relevant time period of February 27, 2016 to March 26, 2021 has been disputed. If the Court approves the Settlement, your rights will be affected. Review your options in Section G to determine what you would like to do.

A portion of any payment will be subject to deductions for applicable taxes and withholdings like any other paycheck, and for which you will receive an IRS Form W-2. The remaining portion of the payment, attributable to liquidated damages and statutory penalties will be reported on an IRS Form 1099. Neither Plaintiff’s counsel nor Defendant nor Defendant’s counsel make any

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representations concerning the tax consequences of this settlement or your participation in it, and you are advised to consult your own tax advisor if you have any questions regarding tax treatment of any payments.

**E. DO I HAVE AN ATTORNEY IN THIS CASE?**

The Court has appointed Fish Potter Bolaños, P.C. as Class Counsel. If the Settlement is approved, Class Counsel will request the Court to award one-third of the total Settlement Fund in attorneys' fees plus \$457.47 in attorney costs from the Settlement Fund. The approximate amount in Section A already reflects attorney's fees and costs being deducted.

**F. IF I PARTICIPATE, DO I NEED TO WORRY ABOUT RETALIATION?**

Defendant will not and cannot terminate your employment, or treat you any differently because of your participation in, or exclusion from, the Settlement.

**G. WHAT ARE MY OPTIONS?**

1. Do Nothing.

If you do nothing, upon final approval of the proposed settlement you will automatically receive the approximate gross amount listed in Section A (subject to appropriate tax withholdings) and you will release your state wage claims against. By cashing or depositing the settlement check you will be joining the FLSA suit and be releasing your federal law claims under the FLSA against Defendants. If you sign or deposit your settlement check, your consent will be filed with the District Court. If you do not cash or deposit your settlement check, then you will not be releasing your FLSA claims.

2. Exclude Yourself from the Class Settlement.

If you do not want to receive any funds, and you do not want to release your state and federal law claims, you may exclude yourself. Send correspondence to the Settlement Administrator at [Administrator Address] which includes the name of the case "*Smith, et al. v. Acceptance Solutions*

*Group, Inc., et al., 21-cv-1675*" and: 1) your full name; 2) your social security number; 3) a specific statement that you wish to exclude yourself from this Settlement, and 4) your signature. Your exclusion *must* be received by the Settlement Administrator by [DATE 30 Days from Mailing]. You will not receive a settlement check and you will not be releasing any claims under the IMWL or FLSA.

3. Object to the Settlement.

You can object to the settlement by filing a notice with the Court by [DATE 30 days from Mailing]. Mail your objection to United States Courthouse, Room 1003, 219 South Dearborn Street, Chicago, IL 60604. You must state the name of the case "*Smith, et al. v. Acceptance Solutions Group, Inc., et al., 21-cv-1675*" why you object, whether you plan to attend the fairness hearing, who your lawyer will be, and who you will call as a witness in support of your objection. You must sign and date your objection. You must also send a copy of your objection to Class Counsel at the address listed in Section H and Defendant's Counsel at Katten, Muchin Rosenman LLP 525 W. Monroe Street Chicago, IL 60661-3693. Attn: Janet R. Widmaier

**H. WHERE CAN I GET MORE INFORMATION?**

If you have additional questions or need additional information, please contact the Settlement Administrator [phone number] or Class Counsel:

**Class Counsel**

Fish Potter Bolaños, P.C.  
Attn: John C. Kunze  
200 East 5<sup>th</sup> Avenue, Suite 123  
Naperville, IL 60563  
Telephone: (630) 355-7590  
Email: admin@fishlawfirm.com

You can also view the Settlement Agreement and other documents at [ ]

***PLEASE NOTE: Inquiries for additional information or advice should NOT be directed to the Court or Defendant's Counsel. You may hire an attorney other than Class Counsel to discuss your rights under the Settlement if you choose.***