

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

This Class Action Settlement Agreement and Release (“Settlement Agreement” or “Agreement”) is entered into by and between Kamal Bitmouni, (“Plaintiff”), individually and on behalf of Participating Settlement Class Members (as defined in Paragraph 24), and (2) Paysafe Payment Processing Solutions, LLC (“Defendant” or “Paysafe”) (collectively the “Parties”), in the action pending in the United States District Court for the Northern District of California, Case No. 3:21-cv-00641-JCS (the “Litigation”). This Agreement shall supersede and replace the Settlement Agreement executed on December 27, 2022.

RECITALS

WHEREAS, the Litigation, a proposed class action lawsuit, was filed on January 27, 2021, in the United States District Court for the Northern District of California, relating to a data security incident disclosed by Paysafe on or about December 16, 2020, potentially affecting certain sensitive personally identifiable information of people who enrolled for merchant accounts with Paysafe’s affiliates.

WHEREAS, on October 11, 2021, Plaintiff filed an Amended Class Action Complaint.

WHEREAS, on March 30, 2022, Plaintiff filed a Second Amended Class Action Complaint.

WHEREAS Paysafe continues to deny: (a) the allegations and all liability with respect to any and all facts and claims alleged in the Litigation; (b) that the class representative in the Litigation and the classes he purports to represent have suffered any damage; and (c) that the Litigation satisfies the requirements to be tried as a class action under Federal Rule of Civil Procedure 23.

WHEREAS Paysafe provided certain information requested by counsel for Plaintiff.

NOW, THEREFORE, in exchange for the mutual promises and valuable consideration provided for in this Agreement, and without any admission or concession by either Party, the Parties agree to a full, complete, and final settlement and resolution of the Litigation, subject to Court approval, on the following terms and conditions:

I. DEFINITIONS

In addition to terms defined at various points within this Agreement, the following defined terms shall have the meanings set forth below:

1. “Approved Claim” means the timely submitted Claim Form by a Participating Settlement Member that has been approved by the Settlement Administrator.
2. “Attested Time” means time spent remedying issues related to the Data Security Incident, as provided in Section IV of this Agreement.

3. “Claim Form” or “Claim” means the form(s) Participating Settlement Class Members must submit to be eligible for reimbursement of Out-of-Pocket Losses and Attested Time under the terms of the Settlement, which is attached hereto as Exhibit 2.

4. “Claims Deadline” means the last day to submit a timely Claim Form(s), which will occur ninety (90) days after the Notice Deadline.

5. “Claims Period” means the period of time during which Settlement Class Members may submit Claim Forms to receive Settlement benefits, which will end on the Claims Deadline.

6. “Class Counsel” means Michael Anderson Berry, Gregory Haroutunian, John A. Yanchunis, and Ryan D. Maxey.

7. “Court” means the Honorable Joseph C. Spero, or such other judge to whom the Litigation may hereafter be assigned.

8. “Data Security Incident” means the data security incident initially disclosed by Paysafe in or around December 2020.

9. “Effective Date” means one business day following the latest of: (i) the date upon which the time expires for filing or noticing any appeal of the Final Approval Order and Judgment; or (ii) if any appeal, petition, request for rehearing, or other review has been filed, the Final Approval Order and Judgment is affirmed without material change or the appeal is dismissed or otherwise disposed of, no other appeal, petition, rehearing, or other review is pending, and the time for further appeals, petitions, requests for rehearing, or other review has expired.

10. “Fee Application” means any motion for an award of attorneys’ fees, Litigation Costs and Expenses, and Service Award Payments to be paid from the Settlement Fund, as set forth in Paragraphs 83 and 85.

11. “Fee Award and Costs” means the amount of attorneys’ fees and reimbursement of Litigation Costs and Expenses awarded by the Court to Class Counsel.

12. “Final Approval Order and Judgment” means an order and judgment that the Court enters after the Final Approval Hearing, which finally approves the Settlement Agreement, certifies the Settlement Class, dismisses the Litigation with prejudice, entering judgment in accord with the terms of this Settlement Agreement, and otherwise satisfies the settlement-related provisions of Federal Rule of Civil Procedure 23, and is consistent with all material provisions of this Settlement Agreement. The Parties agree to the Court entering a Final Approval Order and Judgment consistent with the proposed Final Approval Order and Judgment attached hereto as Exhibit 3.

13. “Final Approval Hearing” means the hearing to be conducted by the Court to determine the fairness, adequacy, and reasonableness of the Settlement pursuant to Federal Rule of Civil Procedure 23 and whether to issue the Final Approval Order and Judgment.

14. “Litigation” means the class action lawsuit captioned *Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC*, Case No. 3:21-cv-00641-JCS pending in the United States District Court for the Northern District of California.

15. “Litigation Costs and Expenses” means costs and expenses incurred by counsel for Plaintiff in connection with commencing, prosecuting, and settling the Litigation.

16. “Net Settlement Fund” means the amount of funds that remain in the Settlement Fund after funds are paid from or allocated for payment from the Settlement Fund for the following: (i) Notice and Administrative Expenses, (ii) Taxes and Tax-Related Expenses; (iii) Service Awards Payments approved by the Court, and (v) Fee Award and Costs approved by the Court.

17. “Non-Profit Residual Recipient” means a non-profit organization approved by the Court following distribution of Settlement payments for Approved Claims.

18. “Notice” means notice of the proposed class action Settlement to be provided to Settlement Class Members pursuant to the Preliminary Approval Order, substantially in the form attached hereto as Exhibit 1.

19. “Notice Deadline” means the last day by which Notice must issue to the Settlement Class Members, which will occur thirty (30) days after entry of the Preliminary Approval Order.

20. “Notice and Administrative Expenses” means all of the expenses incurred in the administration of this Settlement, including, without limitation, all expenses or costs associated with providing Notice to the Settlement Class, locating Settlement Class Members, processing claims, determining the eligibility of any person to be a Settlement Class Member, and administering, calculating and distributing the Settlement Fund to Participating Settlement Class Members, as approved by the Court. Administrative Expenses also includes all reasonable third-party fees and expenses incurred by the Settlement Administrator in administering the terms of this Agreement, as approved by the Court.

21. “Objection Deadline” is the last day on which a Settlement Class Member may file an objection to the Settlement or Fee Application, which will be ninety (90) days after the Notice Deadline.

22. “Opt-Out Deadline” is the last day on which a Settlement Class Member may file a Request for Exclusion from the Settlement Class, which will be ninety (90) days after the Notice Deadline.

23. “Out-of-Pocket Losses” means documented out-of-pocket costs or expenditures that a Settlement Class Member actually incurred that are fairly traceable to the Data Security Incident, and that have not already been reimbursed by a third party. Out-of-Pocket Losses may include, without limitation, unreimbursed costs associated with investigating or remediating fraud or identity theft, including professional fees such as attorneys’ fees and accountants’ fees, fees for credit repair services, and miscellaneous expenses such as notary, fax, postage, copying,

mileage, and long-distance telephone charges, and costs for obtaining credit monitoring or other mitigative services, that were incurred on or between May 1, 2018 and the Notice Deadline.

24. “Participating Settlement Class Member” means a Settlement Class Member who does not submit a valid Request for Exclusion prior to the Opt-Out Deadline.

25. “Paysafe’s Counsel” means Debevoise & Plimpton LLP.

26. “Preliminary Approval Order” means an order directing issuance of Notice to Settlement Class Members, determining that the Court will likely be able to approve the Settlement under Federal Rule of Civil Procedure 23(e)(2), and determining that the Court will likely be able to certify the Settlement Class for purposes of judgment, that is consistent with all material provisions of this Settlement Agreement.

27. “Released Claims” means any and all claims or causes of action of every kind and description, including any causes of action in law, claims in equity, complaints, suits, or petitions, and any allegations of wrongdoing, demands for legal, equitable or administrative relief (including, but not limited to, any claims for injunction, rescission, reformation, restitution, disgorgement, constructive trust, declaratory relief, compensatory damages, consequential damages, penalties, exemplary damages, statutory damages, punitive damages, attorneys’ fees, costs, interest or expenses) that the Releasing Parties had, have, or may claim now or in the future to have (including, but not limited to, assigned claims and any and all “Unknown Claims” as defined below) that were or could have been asserted or alleged arising out of the same nucleus of operative facts as any of the claims alleged or asserted in the Litigation, including but not limited to the facts, transactions, occurrences, events, acts, omissions, or failures to act that were alleged, argued, raised, or asserted in any pleading or court filing in the Litigation, including but not limited to those concerning: 1) the disclosure of the Participating Settlement Class Members’ personal information in the Data Security Incident; 2) Paysafe’s maintenance of the Participating Settlement Class Members’ personal information as it relates to the Data Security Incident; 3) Paysafe’s security policies and practices as it relates to the Data Security Incident; or 4) Paysafe’s provision of notice to the Participating Settlement Class Members following the Data Security Incident.

28. “Request for Exclusion” is the written communication by or on behalf of a Settlement Class Member in which he or she requests to be excluded from the Settlement Class in the form and manner provided for in the Notice.

29. “Residual Cash Payment” is the payment made to all Participating Settlement Class Members on a *pro rata* basis from what remains of the Net Settlement Fund after all valid claims for Out-of-Pocket losses and Attested Time have been deducted from it.

30. “Service Award Payment” means compensation awarded by the Court and paid to the Settlement Class Representative in recognition of their role in this litigation.

31. “Settlement” means the settlement of the Litigation by and between the Parties, and the terms thereof as stated in this Settlement Agreement.

32. “Settlement Administrator” means the administrator chosen by Class Counsel. Class Counsel and Paysafe’s Counsel may, by agreement, substitute a different Settlement Administrator, subject to Court approval.

33. “Settlement Class” means the individuals identified on the Settlement Class List, which includes all individuals who were notified by direct notice by Paysafe that their personal information was or may have been compromised in the Data Security Incident. Excluded from the Settlement Class are: (1) the judges presiding over this Litigation, and members of their direct families; (2) the Defendant, its subsidiaries, parent companies, successors, predecessors, and any entity in which the Defendant or its parents have a controlling interest and their current or former officers, directors, and employees; and (3) Settlement Class Members who submit a valid Request for Exclusion prior to the Opt-Out Deadline.

34. “Settlement Class List” means the list generated by Paysafe containing the full names, current or last known addresses where known, for all persons who fall under the definition of the Settlement Class, which Paysafe shall provide to the Settlement Administrator within twenty-one (21) days of entry of the Preliminary Approval Order.

35. “Settlement Class Member” means an individual who falls within the definition of the Settlement Class.

36. “Settlement Class Representative” means Kamal Bitmouni.

37. “Settlement Fund” means two million dollars and zero cents (\$2,000,000.00) to be paid by Paysafe or its insurance carrier as specified in Paragraphs 41–46, including any interest accrued thereon after payment.

38. “Settlement Payment” or “Settlement Check” means the payment to be made electronically via Zelle, Venmo, or PayPal, or mailed in the form of a check to a Participating Settlement Class Member pursuant to Paragraphs 54–61.

39. “Settlement Website” means the website that the Settlement Administrator will establish as soon as practicable following entry of the Preliminary Approval Order, but prior to the mailing of the Notice, as a means for Settlement Class Members to obtain notice of and information about the Settlement and relevant case documents and deadlines. The Settlement Website shall contain relevant documents, including, but not limited to, the Notice, this Agreement, Plaintiffs’ motion for preliminary approval of the Settlement, the Preliminary Approval Order, Plaintiffs’ Fee Application, and the operative complaints in the Litigation. The Settlement Website shall also include a toll-free telephone number, e-mail address, and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. The Settlement Website shall not include any advertising and shall remain operational until at least sixty (60) days after all Settlement Payments have been distributed.

40. “Taxes and Tax-Related Expenses” means any and all applicable taxes, duties, and similar charges imposed by a government authority (including any estimated taxes, interest or penalties) arising in any jurisdiction, if any, with respect to the income or gains earned by or in respect of the Settlement Fund, including, without limitation, any taxes that may be imposed

upon Paysafe with respect to any income or gains earned by or in respect of the Settlement Fund for any period while it is held in the Settlement Fund.

II. SETTLEMENT FUND

41. **Establishment of Settlement Fund.** Within twenty-one (21) days of the Effective Date, Paysafe will pay to the Claims Administrator the Settlement Fund minus the amounts advanced for notice and claims administration costs as described in the next sentence. Within thirty (30) days of entry of the Preliminary Approval Order, Paysafe will pay \$100,000.00 from the Settlement Fund to the Claims Administrator to defray the actual expenses of notice and claims administration. To the extent this Settlement Agreement is not finally approved, Paysafe will be entitled to the return of any amounts not already incurred by the Claims Administrator in connection with Settlement Administration.

42. **Non-Reversionary.** The Settlement Fund is non-reversionary. As of the Effective Date, all rights of Paysafe in or to the Settlement Fund shall be extinguished, except in the event this Settlement Agreement is terminated, as described in Paragraph 76.

43. **Qualified Settlement Fund.** The Parties agree that the Settlement Fund is intended to be maintained as a qualified settlement fund within the meaning of Treasury Regulation § 1.468 B-1, and that the Settlement Administrator, within the meaning of Treasury Regulation § 1.468 B-2(k)(3), shall be responsible for filing tax returns and any other tax reporting for or in respect of the Settlement Fund and paying from the Settlement Fund any Taxes and Tax-Related Expenses owed with respect to the Settlement Fund. The Parties agree that the Settlement Fund shall be treated as a qualified settlement fund from the earliest date possible and agree to any relation-back election required to treat the Settlement Fund as a qualified settlement fund from the earliest date possible. Any and all funds held in the Settlement Fund shall be held in an interest-bearing account insured by the Federal Deposit Insurance Corporation. Funds may be placed in a non-interest-bearing account as may be reasonably necessary during the check clearing process. The Settlement Administrator shall provide an accounting of any and all funds in the Settlement Fund, including any interest accrued thereon and payments made pursuant to this Agreement, upon request of any of the Parties.

44. **Custody of Settlement Fund.** The Settlement Fund shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the entirety of the Settlement Fund is distributed pursuant to this Settlement Agreement or the balance returned to those who paid the Settlement Fund in the event this Settlement Agreement is terminated in accordance with Paragraph 76.

45. **Use of the Settlement Fund.** As further described in this Agreement, the Settlement Fund shall be used by the Settlement Administrator to pay for the following: (i) Notice and Administrative Expenses; (ii) Taxes and Tax-Related Expenses; (iii) Service Award Payment approved by the Court; (iv) Fee Award and Costs; (v) reimbursement for Out-of-Pocket Losses and Attested Time; (vi) Residual Cash Payments, and (vii) payments to the Non-Profit Residual Recipient, if relevant. No amounts may be withdrawn from the Settlement Fund unless expressly authorized by this Agreement or approved by the Court.

46. **Taxes and Representations.** Taxes and Tax-Related Expenses relating to the Settlement Fund shall be considered Notice and Administrative Expenses and shall be timely paid by the Settlement Administrator out of the Settlement Fund without prior order of the Court. Further, the Settlement Fund shall indemnify and hold harmless the Parties and their counsel for Taxes and Tax-Related Expenses (including, without limitation, taxes payable by reason of any such indemnification payments). The Parties and their respective counsel have made no representation or warranty with respect to the tax treatment by any Settlement Class Representative or any Settlement Class Member of any payment or transfer made pursuant to this Agreement or derived from or made pursuant to the Settlement Fund. Each Settlement Class Representative and Participating Settlement Class Member shall be solely responsible for the federal, state, and local tax consequences to him, her or it of the receipt of funds from the Settlement Fund pursuant to this Agreement.

III. REIMBURSEMENT FOR OUT-OF-POCKET LOSSES AND ATTESTED TIME

47. **Reimbursement for Out-of-Pocket Losses.** All Settlement Class Members may submit a claim for up to \$25,000.00 for reimbursement of Out-of-Pocket Losses. To receive reimbursement for Out-of-Pocket Losses, Settlement Class Members must submit a valid Claim Form that includes the following: (i) third party documentation supporting the loss; and (ii) a brief description of the documentation describing the nature of the loss, if the nature of the loss is not apparent from the documentation alone. Third-party documentation can include receipts or other documentation not “self-prepared” by the Settlement Class Member that documents the costs incurred. Self-prepared documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but can be considered to add clarity or support other submitted documentation. A legal guardian for a Settlement Class Member who is under the age of eighteen (18) at the time of claim submission may submit a Minor Claim Form seeking reimbursement of Out-of-Pocket Losses on the minor’s behalf.

48. **Assessing Claims for Out-of-Pocket Losses.** The Settlement Administrator shall verify that each person who submits a Claim Form is a Settlement Class Member. The Settlement Administrator shall have the sole discretion and authority to determine whether and to what extent documentation for Out-of-Pocket Losses reflects valid Out-of-Pocket Losses actually incurred that are fairly traceable to the Data Security Incident but may consult with Class Counsel in making individual determinations. In assessing what qualifies as “fairly traceable,” the Settlement Administrator will consider (i) whether the timing of the loss occurred on or after May 1, 2018; and (ii) in the case of Out-of-Pocket Losses associated with fraud or identity theft, whether the Personal Information used to commit identity theft or fraud consisted of the type of Personal Information identified in Paysafe’s notices of the Data Security Incident. Costs expended for mitigation measures such as credit monitoring services, fraud resolution services, and professional services incurred to address fraud or identity theft on or after May 1, 2018, shall be presumed “reasonably incurred.” The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.

49. **Reimbursement for Attested Time.** All Settlement Class Members may submit a claim for reimbursement of Attested Time up to ten (10) hours at twenty-five dollars (\$25) per hour. To receive reimbursement for Attested Time, Settlement Class Members must submit a

valid Claim Form that includes a brief description of the actions taken in response to the Data Security Incident and the time associated with each action. Claims for Attested Time are capped at \$250.00 per individual. A claim for Attested Time may be combined with reimbursement for Out-of-Pocket Losses but in no circumstance will a Settlement Class Member be eligible to receive more than the \$25,000.00 individual cap for Out-of-Pocket Losses.

50. **Assessing Claims for Attested Time.** The Settlement Administrator shall have sole discretion and authority to determine whether the prerequisites have been met in order to award payments of Attested Time but may consult with Class Counsel in making individual determinations. The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.

51. **Disputes.** To the extent the Settlement Administrator determines a claim for Out-of-Pocket Losses or Attested Time is deficient in whole or part, within a reasonable time of making such a determination, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and give the Settlement Class Member twenty-one (21) days to cure the deficiencies. Such notifications shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such notifications shall be sent via U.S. mail. If the Settlement Class Member attempts to cure the deficiencies but, at the sole discretion and authority of the Settlement Administrator, fails to do so, the Settlement Administrator shall notify the Settlement Class Member of that determination within ten (10) days of the determination. The Settlement Administrator may consult with Class Counsel in making such determinations.

IV. RESIDUAL CASH PAYMENTS

52. **Residual Cash Payments.** All Participating Settlement Class Members are entitled to receive a cash payment in an amount equal to a *pro rata* share of any funds remaining in the Net Settlement Fund after payment of all Approved Claims for Out-of-Pocket Losses and Attested Time.

V. PRO RATA ADJUSTMENTS

53. **Pro Rata Adjustments Downward for All Claims.** If the aggregate value of Approved Claims for Out-Of-Pocket Losses and Attested Time exceeds \$400,000, the amount of each such claim shall be reduced *pro rata* so that the aggregate value of all such claims equals \$400,000, and Residual Cash Payments will be made from the remaining Net Settlement Fund.

VI. PAYMENTS TO PARTICIPATING SETTLEMENT CLASS MEMBERS

54. **Payment Timing for Out-of-Pocket Losses and Attested Time.** Settlement Payments for Out-of-Pocket Losses and Attested Time shall be made as soon as practicable after the approval and allocation of Claims by the Settlement Administrator following the Effective Date, and shall be issued in the form of an electronic payment via Zelle, Venmo, or PayPal, or mailed in the form of a check to a Participating Settlement Class Member by the Settlement Administrator pursuant to Paragraphs 55–62.

55. **Expiration of Checks for Out-of-Pocket Losses and Attested Time.** Settlement Checks for Out-of-Pocket Losses and Attested Time shall bear in the legend that they expire if not negotiated within ninety (90) days of their date of issue. If a Settlement Check payable for Out-of-Pocket Losses or Attested Time is not cashed within sixty (60) days after the date of issue, the Settlement Administrator is authorized to send an e-mail and/or place a telephone call to that Participating Settlement Class Member reminding him/her of the deadline to cash such check.

56. **Uncashed Checks for Out-of-Pocket Losses and Attested Time.** To the extent that a Settlement Check payable for Out-of-Pocket Losses or Attested Time is not cashed within ninety (90) days after the date of issue, the Settlement Administrator shall undertake the following actions: (1) attempt to contact the Participating Settlement Class Member by e-mail and/or telephone to discuss how to obtain a reissued check; (2) if those efforts are unsuccessful, make reasonable efforts to locate an updated address for the Participating Settlement Class Member using advanced address searches or other reasonable methods; and (3) reissue a check or mail the Participating Settlement Class Member a postcard (either to an updated address if located or the original address if not) providing information regarding how to obtain a reissued check. Any reissued Settlement Checks issued to Participating Settlement Class Members shall remain valid and negotiable for sixty (60) days from the date of their issuance and will thereafter automatically be canceled if not cashed by the Participating Settlement Class Members within that time.

57. **Payment Timing for Residual Cash Payments.** Settlement Checks for Residual Cash Payments shall be issued as soon as practicable after payment of all Approved Claims for Out-of-Pocket Losses and Attested Time and following the expiration period for any uncashed Settlement Checks issued in connection therewith pursuant to Paragraphs 55–56, and shall be mailed in the form of a check to a Participating Settlement Class Member by the Settlement Administrator pursuant to Paragraphs 58–62.

58. **Expiration of Checks for Residual Cash Payments.** Settlement Checks for Residual Cash Payments shall bear in the legend that they expire if not negotiated within ninety (90) days of their date of issue.

59. **Uncashed Checks for Residual Cash Payments.** Settlement Checks for Residual Cash Payments shall be void if not cashed within ninety (90) days after the date of issue.

60. **Unclaimed Property.** No portion of the Settlement Fund shall revert or be repaid to Paysafe after the Effective Date. Any undistributed funds shall be awarded to the Non-Profit Residual Recipient, subject to the Court's approval.

61. **Payments to Deceased Class Members.** If the Settlement Administrator is notified that a Participating Settlement Class Member is deceased, the Settlement Administrator is authorized to reissue the Settlement Payment to the Participating Settlement Class Member's estate upon receiving proof that the Participating Settlement Class Member is deceased and after consultation with Class Counsel.

VII. CLAIM SUBMISSION

62. **Submission of Electronic and Hard Copy Claims.** Participating Settlement Class Members may submit Claim Forms for Out-of-Pocket Losses and Attested Time to the Settlement Administrator electronically via a claims website or physically by mail to the Settlement Administrator. Claim Forms must be submitted electronically or postmarked during the Claims Period and on or before the Claims Deadline. Paysafe shall not be entitled to access information regarding which Participating Settlement Class Members submitted a Claim Form or otherwise participated in the Settlement, except that Paysafe's Counsel may obtain this information on a showing of good cause, including but not limited to any disputes arising out of the claims process.

VIII. BUSINESS PRACTICE COMMITMENTS

63. **Business Practice Changes.** Paysafe has agreed to implement and/or maintain certain reasonable steps to enhance the security of its systems and environments, including certain remedial measures and enhanced data security measures, including cybersecurity training and awareness programs, data security policies, monitoring and response capabilities, and restrictions on accessing PII. In addition, the legacy website involved in the Data Security Incident has been disabled.

IX. SETTLEMENT CLASS NOTICE

64. **Notice.** Within twenty-one (21) days of entry of the Preliminary Approval Order, Paysafe shall provide the Settlement Class List to the Settlement Administrator. The Settlement Administrator shall execute a Business Associate Agreement, including an agreement to maintain the confidentiality of the Settlement Class List, to implement appropriate safeguards to prevent unauthorized access to the Settlement Class List, and to use the Settlement Class List strictly for the business purpose of administering the Settlement. The Settlement Administrator shall not provide the Settlement Class List to Class Counsel. Within nine (9) days after receipt of the Settlement Class List, the Settlement Administrator shall disseminate Notice to the members of the Settlement Class. Notice shall be disseminated via U.S. mail to all Settlement Class Members. Class Counsel may direct the Settlement Administrator to send reminder notices to Settlement Class Members at any time prior to the Claims Deadline.

X. OPT-OUTS AND OBJECTIONS

65. **Opt-Outs.** The Notice shall explain the procedure for Settlement Class Members to exclude themselves or "opt-out" of the Settlement by submitting a Request for Exclusion to the Settlement Administrator postmarked no later than ninety (90) days after the Notice Deadline. The Request for Exclusion must include the name of the proceeding, the individual's full name, current address, personal signature, and the words "Request for Exclusion" or a comparable statement that the individual does not wish to participate in the Settlement at the top of the communication. The Notice must state that any Settlement Class Member who does not file a timely Request for Exclusion in accordance with this Paragraph will lose the opportunity to exclude himself or herself from the Settlement and will be bound by the Settlement.

66. **Objections.** The Notice shall explain the procedure for Settlement Class Members to object to the Settlement or Fee Application by either appearing at the Final Approval Hearing via Zoom and/or by submitting written objections to the Court no later than ninety (90) days after the Notice Deadline. The written objection must include: (i) the case name and number; (ii) the Settlement Class Member's full name, current mailing address, and telephone number; (iii) a statement of the specific grounds for the objection, as well as any documents supporting the objection; (iv) a statement as to whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (v) the identity of any attorneys representing the objector; (vi) a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing; and (vii) the signature of the Settlement Class Member or the Settlement Class Member's attorney. The Notice must set forth the date and time of the Final Approval Hearing (subject to change) and instructions on how to access it remotely, and a statement that any Settlement Class Member can elect to object at the Final Approval Hearing regardless of whether they have submitted a timely written objection.

XI. DUTIES OF THE SETTLEMENT ADMINISTRATOR

67. **Duties of Settlement Administrator.** The Settlement Administrator shall perform the functions and duties necessary to effectuate the Settlement and as specified in this Agreement, including, but not limited to, the following:

- a. Creating, administering, and overseeing the Settlement Fund;
- b. Obtaining the Settlement Class List for the purpose of disseminating Notice to Settlement Class Members;
- c. Providing Notice to Settlement Class Members via U.S. mail;
- d. Establishing and maintaining the Settlement Website;
- e. Establishing and maintaining a toll-free telephone line for Settlement Class Members to call with Settlement-related inquiries, and answering the questions of Settlement Class Members who call with or otherwise communicate such inquiries within one (1) business day;
- f. Responding to any mailed or emailed Settlement Class Member inquiries within one (1) business day;
- g. Reviewing, determining the validity of, and processing all Claims submitted by Participating Settlement Class Members;
- h. Receiving Requests for Exclusion from Settlement Class Members and providing Class Counsel and Paysafe's Counsel a copy thereof no later than three (3) days following the deadline for submission of the same. If the Settlement Administrator receives any Requests for Exclusion or other requests from Settlement Class Members after the Opt-Out and Objection Deadlines, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and to Paysafe's Counsel;

- i. After the Effective Date, processing and transmitting Settlement Payments to Participating Settlement Class Members;
- j. Providing weekly or other periodic reports to Class Counsel and Paysafe's Counsel that include information regarding the number of Settlement Payments sent or Settlement Checks mailed and delivered, Settlement Checks cashed, undeliverable information, and any other requested information relating to Settlement Payments. The Settlement Administrator shall also, as requested by Class Counsel or Paysafe's Counsel and from time to time, provide the amounts remaining in the Net Settlement Fund;
- k. In advance of the Final Approval Hearing, preparing a sworn declaration to submit to the Court that: (i) attests to implementation of Notice in accordance with the Preliminary Approval Order; and (ii) identifies each Settlement Class Member who timely and properly submitted a Request for Exclusion; and
- l. Performing any function related to Settlement administration at the agreed-upon instruction of Class Counsel or Paysafe's Counsel, including, but not limited to, verifying that Settlement Payments have been distributed.

68. **Limitation of Liability.** The Parties, Class Counsel, and Paysafe's Counsel shall not have any liability whatsoever with respect to: (i) any act, omission or determination of the Settlement Administrator, or any of its respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management, investment or distribution of the Settlement Fund; (iii) the formulation, design or terms of the disbursement of the Settlement Fund; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement Fund; (v) any losses suffered by or fluctuations in the value of the Settlement Fund; or (vi) the payment or withholding of any Taxes and Tax-Related Expenses.

69. **Indemnification.** The Settlement Administrator shall indemnify and hold harmless the Parties, Class Counsel, and Paysafe's Counsel for: (i) any act or omission or determination of the Settlement Administrator, or any of Settlement Administrator's designees or agents, in connection with the Notice Plan and the administration of the Settlement; (ii) the management, investment or distribution of the Settlement Fund; (iii) the formulation, design or terms of the disbursement of the Settlement Fund; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement Fund; (v) any losses suffered by, or fluctuations in the value of the Settlement Fund; or (vi) the payment or withholding of any Taxes and Tax-Related Expenses.

70. **Expenses.** The total amount to be paid to the Settlement Administrator shall be limited to a maximum of \$ 399,000, subject to Court approval. With the exception of the advance costs provided for in Paragraph 41, prior to any payments being made to the Settlement Administrator from the Settlement Fund, the Settlement Administrator shall submit a Declaration to the Court for its approval detailing all fees and expenses incurred by the Settlement Administrator.

XII. PRELIMINARY APPROVAL, FINAL APPROVAL, AND JURISDICTION

71. **Certification of the Settlement Class.** For purposes of this Settlement only, the Parties stipulate to the certification of the Settlement Class, which is contingent upon the Court entering the Final Approval Order and Judgment of this Settlement and the occurrence of the Effective Date.

72. **Preliminary Approval.** Following execution of this Agreement, Class Counsel shall file a supplement to its motion for preliminary approval no later than July 31, 2023.

73. **Final Approval.** Class Counsel shall move the Court for a Final Approval Order and Judgment of this Settlement, to be issued following the Final Approval Hearing, within a reasonable time after the Notice Deadline, Objection Deadline, and Opt-Out Deadline.

74. **Jurisdiction.** The Court shall retain exclusive jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain exclusive jurisdiction over all parties to this Action and the Settlement Class for the purpose of consummating, implementing, administering, and enforcing all terms of the Agreement. The Court shall also retain exclusive jurisdiction over all questions and/or disputes related to the Notice and the Settlement Administrator. As part of its agreement to render services in connection with this Settlement, the Settlement Administrator shall consent to the jurisdiction of the Court for this purpose. From and after the entry of the Preliminary Approval Order, all Class Members who have not opted out are barred and enjoined from filing, commencing, continuing, prosecuting, intervening in, or participating as class members in any other suit, action, proceeding, case, controversy, or dispute in any jurisdiction against any or all of the Released Parties based on or relating to the Agreement or the matters, claims, or causes of action, or the facts and circumstances relating thereto in this Litigation, that are to be released upon entry of the Final Approval Order and Judgment pursuant to the Agreement, except as required by law or as required to effectuate this Agreement. Furthermore, all persons are enjoined from filing, commencing, prosecuting, litigating, or continuing a lawsuit in any jurisdiction on behalf of Settlement Class Members who have not timely excluded themselves, that is based on or relating to the claims and causes of action, or the facts and circumstances relating thereto, in this Litigation.

XIII. MODIFICATION AND TERMINATION

75. **Modification.** The terms and provisions of this Agreement may be amended, modified, or expanded by written agreement of the Parties and approval of the Court; provided, however, that, after entry of the Preliminary Approval Order, the Parties may, by written agreement, effect such amendments, modifications, or expansions of this Agreement and its implementing documents (including all exhibits hereto) without further notice to the Settlement Class or approval by the Court if such changes are consistent with the Court's Preliminary Approval Order and do not materially alter, reduce, or limit the rights of Settlement Class Members under this Agreement.

76. **Decertification of the Settlement Class if Settlement Not Approved.** If: (1) the Court does not issue the Preliminary Approval Order or Final Approval Order and Judgment; or (2) the Effective Date does not occur, the certification of the Settlement Class shall be void. Paysafe reserves the right to contest class certification for all other purposes. Any orders preliminarily or finally approving the certification of any class contemplated by the Settlement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity in support of claims or defenses or in support or in opposition to a class certification motion. In addition, the fact that Paysafe did not oppose certification of a class under the Settlement shall not be used or cited thereafter by any person or entity, including in a contested proceeding relating to class certification.

77. **Termination.** Settlement Class Representative and Defendant shall have the right to terminate this Agreement by providing written notice of their or its election to do so (“Termination Notice”) within seven (7) days of: (1) the Court’s refusal to issue the Preliminary Approval Order; or (2) within fourteen (14) days of any of the following: (i) the Court’s refusal to enter the Final Approval Order and Judgment, or (ii) the date upon which the Final Approval Order and Judgment is modified or reversed in any material respect by any appellate or other court.

78. **Effect of Termination.** In the event of a termination as provided in Paragraph 76, this Agreement and the Settlement shall be considered null and void; all of the Parties’ obligations under the Agreement shall cease to be of any force and effect and the Parties shall return to the status quo ante in the Litigation as if the Parties had not entered into this Agreement or the Settlement. In addition, in the event of such a termination, all of the Parties’ respective pre-Settlement claims and defenses will be preserved.

XIV. RELEASES

79. **The Release.** Upon the Effective Date, and in consideration of the Settlement benefits described herein, each of the Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns, present and former (“Releasing Parties”), shall be deemed to have fully, finally, and forever released, acquitted, and discharged Paysafe and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing (collectively, the “Released Persons”) from any and all Released Claims. This release expressly includes Paysafe’s insurer with respect to all obligations under any part of the insurance policy applicable to the Released Claims, and from any and all claims arising out of the investigation, handling, adjusting, defense, or settlement of the claim including, without limitation, any claims for negligence, invasion of privacy, violations of California’s Unfair Competition Law (cal. Bus. & Prof. Code § 17200, et seq.), and violations of California’s Consumer Privacy Act (Cal. Civ. Code § 1798.150).

80. **Unknown Claims.** The Released Claims include the release of Unknown Claims. “Unknown Claims” means claims that could have been raised in the Litigation and that any of

the Settlement Class Representative or Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns, does not know or suspect to exist, which, if known by him, her, or it, might affect his, her, or its agreement to release Paysafe and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing, or the Released Claims, or might affect his, her, or its decision to agree, object, or not to object to the Settlement. Upon the Effective Date, each of the Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns shall be deemed to have, and shall have, waived any and all provisions, rights, and benefits conferred by any law of any state, the District of Columbia or territory of the United States, by federal law, or principle of common law, or the law of any jurisdiction outside of the United States. Specifically, the Settling Parties stipulate and agree that upon the Effective Date, the Representative Plaintiff and Participating Settlement Class Members expressly shall have and by operation of the Final Approval Order and Judgment shall have, released any and all Released Claims, including Unknown Claims, and waived the provisions, rights, and benefits conferred by California Civil Code § 1542, and also any and all provisions, rights, and benefits conferred by any law of any state, province, or territory of the United States which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the release, but that it is their intention to finally and forever settle and release the Released Claims, including but not limited to any Unknown Claims they may have, as that term is defined in this Paragraph.

81. **Release of Class Representative and Class Counsel.** Upon the Effective Date, Paysafe and its representatives, officers, agents, directors, affiliates, employees, insurers, and attorneys shall be deemed to have released, acquitted, and forever discharged the Settlement Class Representative and Class Counsel from any and all claims or causes of action of every kind and description, including any causes of action in law, claims in equity, complaints, suits or petitions, and any allegations of wrongdoing, demands for legal, equitable, or administrative relief (including, but not limited to, any claims for injunction, rescission, reformation, restitution, disgorgement, constructive trust, declaratory relief, compensatory damages, consequential damages, penalties, exemplary damages, punitive damages, attorneys' fees, costs, interest or expenses), whether known or unknown, that arise out of, are based upon, or relate to prosecution of the Litigation, the Settlement Agreement, or the Settlement claims process (provided,

however, that this release and discharge shall not include claims relating to the enforcement of the terms of the Settlement or this Agreement).

82. **Bar to Future Suits.** Upon entry of the Final Approval Order and Judgment, the Settlement Class Representative and other Participating Settlement Class Members shall be enjoined from prosecuting any claim they have released in the preceding Paragraphs in any proceeding against any of the Released Parties or based on any actions taken by any of the Released Parties that are authorized or required by this Agreement or by the Final Approval Order and Judgment. Likewise, Paysafe and its representatives, officers, agents, directors, affiliates, employees, insurers, and attorneys shall be enjoined from prosecuting any claim they have released in the preceding Paragraphs in any proceeding against Settlement Class Representative and Class Counsel or based on any actions taken by Settlement Class Representative and Class Counsel that are authorized or required by this Agreement or by the Final Approval Order and Judgment. It is further agreed that the Settlement may be pleaded as a complete defense to any claim or proceeding described in this Section.

83. **Satisfaction of Judgment.** Once all obligations in this Settlement Agreement have been satisfied, the Parties agree to file a satisfaction of judgment with the Court.

XV. SERVICE AWARD PAYMENT

84. **Service Award Payment.** At least thirty-five (35) days before the Opt-Out and Objection Deadlines, Class Counsel will file a Fee Application that will include a request for a Service Award Payment for the Settlement Class Representative in recognition of his contributions to this Litigation. Paysafe agrees not to oppose Class Counsel's request for a service award not to exceed \$15,000.00. The Settlement Administrator shall make the Service Award Payment to the Settlement Class Representative from the Settlement Fund. Such Service Award Payment shall be paid by the Settlement Administrator, in the amount approved by the Court, no later than thirty (30) days after the Effective Date.

85. **No Effect on Agreement.** In the event the Court declines to approve, in whole or in part, the Service Award Payment in the amount requested, the remaining provisions of this Agreement shall remain in full force and effect. No decision by the Court, or modification or reversal or appeal of any decision by the Court, concerning the amount of the Service Award Payment, shall constitute grounds for termination of this Agreement.

XVI. ATTORNEYS' FEES, COSTS, EXPENSES

86. **Attorneys' Fees and Costs and Expenses.** At least thirty-five (35) days before the Opt-Out and Objection Deadlines, Class Counsel will file a Fee Application for an award of attorneys' fees and Litigation Costs and Expenses to be paid from the Settlement Fund. Class Counsel will request an award of attorneys' fees not to exceed twenty five percent (25%) of the Settlement Fund and reimbursement of litigation costs and expenses not to exceed \$50,000. Prior to the disbursement or payment of the Fee Award and Costs under this Agreement, Class Counsel shall provide to Paysafe and the Settlement Administrator a properly completed and duly executed IRS Form W-9. Fee Award and Costs (plus any interest accrued thereon) shall be

paid by the Settlement Administrator, in the amount approved by the Court, no later than thirty (30) days after the Effective Date.

87. **Allocation.** Unless otherwise ordered by the Court, Class Counsel shall have the sole and absolute discretion to allocate any approved Fee Award and Costs amongst Plaintiffs' counsel and any other attorneys for Plaintiff. Paysafe shall have no liability or other responsibility for allocation of any such attorneys' fees and costs.

XVII. NO ADMISSION OF LIABILITY

88. **No Admission of Liability.** The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made, or an acknowledgment or admission by any party of any fault, liability, or wrongdoing of any kind whatsoever.

89. **No Use of Agreement.** Neither the Settlement Agreement, nor any act performed or document executed pursuant to or in furtherance of the Settlement: (i) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by Plaintiff; or (ii) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission by Paysafe in the Litigation or in any proceeding in any court, administrative agency, or other tribunal.

XVIII. MISCELLANEOUS

90. **Integration of Exhibits.** The exhibits to this Agreement and any exhibits thereto are a material part of the Settlement and are incorporated and made a part of the Agreement.

91. **Entire Agreement.** This Agreement, including all exhibits hereto, shall constitute the entire Agreement among the Parties with regard to the subject matter hereof and shall supersede any previous agreements, representations, communications, and understandings among the Parties. This Agreement may not be changed, modified, or amended except in writing signed by all Parties, subject to Court approval. The Parties contemplate that, subject to Court approval or without such approval where legally permissible, the exhibits to this Agreement may be modified by subsequent Agreement of counsel for the Parties prior to dissemination of the Settlement Class Notice to the Settlement Class.

92. **Deadlines.** If any of the dates or deadlines specified herein falls on a weekend or legal holiday, the applicable date or deadline shall fall on the next business day. All reference to "days" in this agreement shall refer to calendar days unless otherwise specified.

93. **Construction.** For the purpose of construing or interpreting this Agreement, the Parties agree that this Agreement is to be deemed to have been drafted equally by all Parties hereto and shall not be construed strictly for or against any Party.

94. **Cooperation of Parties.** The Parties to this Agreement agree to cooperate in good faith to prepare and execute all documents, to seek Court approval, defend Court approval, and to

do all things reasonably necessary to complete and effectuate the Settlement described in this Agreement.

95. **Obligation to Meet and Confer.** Before filing any motion in the Court raising a dispute arising out of or related to this Agreement, the Parties shall consult with each other in good faith prior to seeking Court intervention.

96. **Governing Law.** The Agreement shall be construed in accordance with, and be governed by, the laws of the state of California, without regard to the principles thereof regarding choice of law.

97. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all signatories do not sign the same counterparts. Original signatures are not required. Any signature submitted electronically through e-mail of an Adobe PDF shall be deemed an original.

98. **Notices.** All notices to Class Counsel provided for herein, shall be sent by overnight mail and email to:

M. Anderson Berry (SBN 262879)
Gregory Haroutunian (SBN 330263)
CLAYEO C. ARNOLD,
A PROFESSIONAL LAW CORP.
865 Howe Avenue
Sacramento, CA 95825
Telephone: (916) 777-7777
Facsimile: (916) 924-1829
aberry@justice4you.com
gharoutunian@justice4you.com


John A. Yanchunis
Ryan D. Maxey
MORGAN & MORGAN
COMPLEX LITIGATION GROUP
201 N. Franklin Street, 7th Floor
Tampa, Florida 33602
(813) 223-5505
jyanchunis@ForThePeople.com
rmaxey@ForThePeople.com

All notices to Paysafe provided for herein, shall be sent by overnight mail and email to:

Jim Pastore
Kristin D. Kiehn
DEBEVOISE AND PLIMPTON
919 Third Avenue
New York, NY 10022
212-909-6000
jjpastore@debevoise.com
kdkiehn@debevoise.com

The notice recipients and addresses designated above may be changed by written notice.

99. **Authority.** Any person executing this Agreement in a representative capacity represents and warrants that he or she is fully authorized to do so and to bind the Party on whose behalf he or she signs this Agreement to all of the terms and provisions of this Agreement.

By: 

Date: July 28, 2023

Printed Name: Lana Rabinovitch
On behalf of Paysafe

Its: Vice President

By: 
Jim Pastore
Debevoise & Plimpton LLP

Date: July 28, 2023


By: _____
Kristin D. Kiehn
Debevoise & Plimpton LLP

Date: _____

Counsel for Paysafe

By: _____
Ryan D. Maxey
MORGAN & MORGAN

Date: _____

By: 
M. Anderson Berry
ARNOLD LAW FIRM

Date: July 31, 2023

Jim Pastore
Kristin D. Kiehn
DEBEVOISE AND PLIMPTON
919 Third Avenue
New York, NY 10022
212-909-6000
jjpastore@debevoise.com
kdkiehn@debevoise.com

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By: 

Date: July 28, 2023

Printed Name: Lana Rabinovitch
On behalf of Paysafe

Its: Vice President

By: _____
Jim Pastore
Debevoise & Plimpton LLP

Date: _____


By: Kristin D. Kiehn /kdk/
Kristin D. Kiehn
Debevoise & Plimpton LLP

Date: 7-28-23

Counsel for Paysafe

By: _____
Ryan D. Maxey
MORGAN & MORGAN

Date: _____

By: 
M. Anderson Berry
ARNOLD LAW FIRM

Date: May 1, 2023

Jim Pastore
Kristin D. Kiehn
DEBEVOISE AND PLIMPTON
919 Third Avenue
New York, NY 10022
212-909-6000
jppastore@debevoise.com
kdkiehn@debevoise.com

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By: 

Date: July 28, 2023

Printed Name: Lana Rabinovitch
On behalf of Paysafe

Its: Vice President


By: 
Jim Pastore
Debevoise & Plimpton LLP

Date: July 28, 2023

By: _____
Kristin D. Kiehn
Debevoise & Plimpton LLP

Date: _____

Counsel for Paysafe

By: 
Ryan D. Maxey
~~MORGAN & MORGAN~~ **MAXEY LAW FIRM, P.A.**

Date: July 31, 2023

By: 
M. Anderson Berry
ARNOLD LAW FIRM

Date: July 31, 2023

By: 
John A. Yanchunis
MORGAN & MORGAN

Date: 07/31/2023

By: 
Gregory Haroutunian
ARNOLD LAW FIRM

Date: July 31, 2023

Counsel for Plaintiff and the Settlement Class