

# Exhibit F

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY

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| ABIGAIL BACON ARCADIA LEE,<br>JEANNINE DEVRIES, LISA GEARY,<br>RICHARD ALEXANDER, YVONNE<br>WHEELER and GEORGE DAVIDSON,<br>Individually and on Behalf<br>of All Others Similarly Situated, | : | Civil Action No.: 2:16-CV-05939—<br>MCA-KM |
| <i>Plaintiff,</i>   | : |  |
| v.  | : |  |
| AVIS BUDGET GROUP, INC. and<br>PAYLESS CAR RENTAL, INC.,  | : |  |
| <i>Defendants.</i>  | : |  |

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**SETTLEMENT AGREEMENT**

THIS SETTLEMENT AGREEMENT (the “Agreement” or “Settlement Agreement”) is entered into as of this 19th day of Aug, 2025, by and between Plaintiffs Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, Yvonne Wheeler, and George Davidson (“Plaintiffs”), Nagel Rice, LLP (“Class Counsel”), Avis Budget Group, Inc. (“ABG”), and Payless Car Rental, Inc. (“Payless”) (ABG and Payless together herein referred to as “Defendants”). All parties identified above are collectively referred to as the “Parties.”

WHEREAS, on September 26, 2016, Plaintiffs commenced this lawsuit by filing a complaint (the “Complaint”) against Defendants in the United States District Court for the District of New Jersey (the “Court”), styled as *Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, Yvonne Wheeler, and George Davidson v. Avis Budget Group, Inc. and Payless Car Rental, Inc.*, Case No. 2:16-cv-5939 (the “Action”);

WHEREAS, the Complaint alleged, among other things, that Defendants imposed unauthorized and specifically declined charges on the credit and debit cards of Payless rental customers across the Country;

WHEREAS, Defendants have unequivocally denied, and continue to deny, each and every claim filed in the Complaint and all charges of wrongdoing or liability asserted against them arising out of any conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action and believe that the claims asserted against them are without merit;

WHEREAS, since the filing of the Action, Plaintiffs and Defendants have investigated, advanced, and defended their respective positions vigorously, after several rounds of motion practice in the District Court related to Payless' arbitration provision before ultimately being resolved by the Third Circuit. Each side has conducted a thorough examination and investigation of the facts and law relating to the matters set forth in the Complaint; has conducted significant discovery, including: (a) Plaintiffs and Defendants serving and responding to each side's numerous document requests and written interrogatories; (b) Defendants' production and Plaintiffs' receipt and review of tens of thousands of documents constituting several gigabytes of data; (c) Plaintiffs' receipt and analysis of Defendants' rental transaction databases; (d) the taking and defending of numerous depositions of fact witnesses by both Plaintiffs and Defendants; and (e) extensive damages discovery;

WHEREAS, the Parties engaged in extensive motion practice before the District Court and scores of discovery dispute letters to the Court from both Parties (ex: Dkt. Nos. 49, 50, 67, 68, 138, 139, 175-178, etc.);

WHEREAS, the Parties participated in multiple mediation and settlement sessions prior to achieving a successful resolution. On September 27, 2023, the Parties attended mediation before The Honorable Maurice J. Gallipoli for a one-day mediation session. On January 10, 2024, the Parties attended a second mediation session with Judge Gallipoli which was unsuccessful. On March 6, 2024, the Parties attended a settlement conference before The Honorable Madeline Cox Arleo. The Parties appeared again in front of Judge Cox Arleo on December 19, 2024 for another Settlement Conference. As reflected in the quality of the mediators, the prior failed efforts to resolve this Action, and duration of the final sessions before Judge Cox Arleo, the Agreement is the result of hard fought and fully arm's length negotiations.

WHEREAS, Plaintiffs and Class Counsel have independently examined the benefits to be obtained under the terms of this Agreement; have considered the risks associated with the continued prosecution of the Action and the likelihood of success on the merits of the Action; and believe that, after considering all the circumstances, the proposed settlement set forth in this Agreement is fair, reasonable, adequate, and in the best interests of the Plaintiffs and the Class;

WHEREAS, Defendants consider it desirable, fair, and reasonable that this Action be resolved upon the terms and conditions set forth in this Agreement in order to avoid the expense, risk, uncertainty, and interference with ongoing business operations inherent in any litigation, and to put to rest and to obtain their peace, forever, from all claims that will be barred by the releases described herein.

**NOW, THEREFORE**, subject to the Court's approval as required herein, and in consideration of the mutual promises set forth below, the Parties agree that, following the Effective

Date, Payless will pay nineteen million dollars (\$19,000,000) (the "Gross Settlement Amount") for settlement of all claims in this settlement, which shall be deemed a common fund settlement, including administration claims for costs (including the costs of implementing and effectuating class notice and payments), attorneys' fees and attorney's costs/expenses of litigation, any service awards to the Plaintiffs, all as explicitly set forth herein and subject to court approval. In no event shall Defendants be obligated to pay more than the Gross Settlement Amount and the exact amount Defendants shall be obligated to pay will depend upon the number of accepted payments by Class Members, the ultimate cost to administer this Settlement, the amounts of attorneys' fees and costs approved by the Court, the amount of the service awards to Plaintiffs approved by the Court, and other similar matters as fully set forth herein.

## **1. DEFINITIONS**

As used in this Settlement Agreement and the related documents attached hereto as exhibits, and in addition to the terms already defined in this Agreement, the following terms shall have the meanings set forth below. Whenever the context so requires, the masculine gender includes the feminine gender and the singular includes the plural, and vice versa. In addition, any reference to a specific number of days means calendar days.

1.1 "Aggregate Fees and Costs" means the total of any and all awards to Class Counsel of attorneys' fees and costs related to work undertaken in this Action.

1.2 "Class" or "Settlement Class" means all U.S. and Canada residents who (1) rented from Payless in the U.S. during the Class Period and, (2) in connection with that rental, was charged for either Roadside Protection ("RSP") and/or the Gas Service Option ("GSO"). Excluded from the Class and Settlement Class are the following categories of customers: (1) Persons who were employed by the Defendants at any time from January 1, 2016 through the present; (2) legal

representatives of the Defendants; and (3) judges who have presided over this case and their immediate families.

1.3 “Class Counsel” means:

Greg M. Kohn  
David J. DiSabato  
Lisa R. Considine  
Nagel Rice, LLP  
103 Eisenhower Parkway  
Roseland, NJ 07068  
[gkohn@nagelrice.com](mailto:gkohn@nagelrice.com)

1.4 “Class Member” means any Person who is a member of the Class. Class Membership shall be determined without reference to whether the Person renting a vehicle from Payless was doing so in connection with a business or organizational purpose, or whether the Person was reimbursed by any third party for rental costs and associated fees they personally incurred.

1.5 “Class Period” means January 1, 2016 through November 25, 2023.

1.6 “Class-Related Released Parties” means Defendants and each of their past, present, or future officers, directors, shareholders, owners, affiliates, parents, managers, employees, representatives, agents, independent operators, licensees, principals, consultants, contractors, vendors, insurers, accountants and auditors, attorneys, partners, subsidiaries, members, administrators, legatees, executors, heirs, estates, predecessors, successors, or assigns, and any other Person with which any of them is affiliated or for which any of them is responsible at law, in equity, or otherwise.

1.7 “Class-Related Releasing Parties” means all Class Members and each of their past, present, or future administrators, legatees, executors, heirs, estates, personal representatives,

successors, or assigns, and any other Person with which any of them is affiliated or for which any of them is responsible at law, in equity, or otherwise.

1.8 “Class Released Claims” means all claims (including without limitation, claims for attorneys’ fees and costs), causes of action, actions, or suits, by or on behalf of any Class Member, whether arising by statute, law or in equity, under the law of any jurisdiction, which were or could have been asserted in the Action, whether liquidated or unliquidated, known or unknown, in law, equity, arbitration, or otherwise, whether or not concealed or hidden, that in any way relate to, in whole or in part, or arise out of, any of the allegations, defenses, claims, motions or theories raised in or that could have been raised in the Action.

1.9 “Class Representative(s)” means Plaintiffs Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, Yvonne Wheeler, and George Davidson.

1.10 “Escrow Account”

“Escrow Account” means the bank account established to hold the Settlement Fund.

1.11 “Defendants’ Counsel” means:

Jason E. Hazlewood  
Mark Fidanza  
Ethan Buttner  
Reed Smith LLP  
506 Carnegie Center  
Suite 300  
Princeton, NJ 08540  
Parsippany, NJ 07054  
[jhazlewood@reedsmith.com](mailto:jhazlewood@reedsmith.com)  
[mfidanza@reedsmith.com](mailto:mfidanza@reedsmith.com)  
[ebuttner@reedsmith.com](mailto:ebuttner@reedsmith.com)

1.12 “GSO Charges” means the cost for GSO incurred by a Payless customer in connection with that customer’s rental only during the Class Period.

1.13 “RSP Charges” means the cost for RSP incurred by a Payless customer in connection with that customer’s rental only during the Class Period.

1.14 “Effective Date” means the first date by which all of the following events shall have occurred: (a) the Court has entered the Preliminary Approval Order; (b) the Court has entered the Final Approval Order and Judgment; and (c) the Final Approval Order and Judgment has become Final.

1.15 “Email Notice” means the version of the Notice, to be used in electronic mailings to Class Members, in the form attached hereto as **Exhibit A** but which may be modified as necessary to comply with any Court order.

1.16 “Fee and Cost Application” means that written motion or application by which Class Counsel requests that the Court award reasonable attorneys’ fees, costs and/or class representative service award relating to this Action. Class Counsel will request a total, all-inclusive amount of 26.316% of the Gross Settlement Amount, not to exceed \$5,000,000.00, for all attorneys’ fees, costs, expenses and interest related to work performed or to be performed and costs and expenses incurred or to be incurred by Class Counsel as set forth in Section 6.3 of this Agreement. Class Counsel will also request Service Awards to be paid to certain Class Representatives as set forth in Section 6.4 of this Agreement.

1.17 “Final” means that the Final Approval Order and Judgment has been entered on the docket in the Action, and all of the following shall have occurred: (i) the expiration of the time to file a motion to alter or amend the Final Approval Order and Judgment under Federal Rule of Civil Procedure 59(e), or for reconsideration or rehearing pursuant to Local Civil Rule 7.1, without any such motion having been filed or, if such a motion is filed, the entry of an order fully denying such motion; and (ii) the time in which to appeal the Final Approval Order and Judgment has passed

without any appeal having been taken or, if an appeal is taken, five days after (a) the date of the final dismissal of any appeal or the final dismissal of any proceeding on certiorari, or (b) the date of complete affirmance of the Final Approval Order and Judgment on appeal and the expiration of time for any further judicial review whether by appeal, reconsideration, or petition for a writ of certiorari and, if certiorari is granted, the date of final affirmance of the Final Approval Order and Judgment following review pursuant to the grant.

1.18 “Final Approval Hearing” means the hearing scheduled by the Court to take place after the entry of the Preliminary Approval Order at which the Court shall be asked to: (a) determine whether to grant final approval of this Settlement Agreement and to certify the Settlement Class; (b) consider any timely objections to this Settlement Agreement and all responses thereto; and (c) rule on the Fee and Cost Application.

1.19 “Final Approval Order and Judgment” means the order, substantially in the form of **Exhibit B** attached hereto, in which the Court grants final approval of this Settlement Agreement, certifies the Class, authorizes the entry of a final judgment and dismissal of the Action with prejudice, and rules on the Fee and Cost Application.

1.20 “Notice” means the long form of class notice annexed hereto as **Exhibit C** but which may be modified as necessary to comply with any Court order.

1.21 “Summary Notice Date” means the date on which mailing of the Summary Notice by the Settlement Administrator, as set forth in Part 4, is substantially complete.

1.22 “Person” means any natural person, including his or her agents and representatives.

1.23 “Preliminary Approval Order” means the order, substantially in the form of **Exhibit D** attached hereto, in which the Court, among other things, grants its preliminary approval to this

Settlement Agreement; authorizes dissemination of Notice to the Class; and schedules the Final Approval Hearing.

1.24 “Net Settlement Amount” is calculated by subtracting all the following amounts from the Gross Settlement Amount: (a) Aggregate Fees and Costs; (b) Cost of Notice and Administering the Settlement in Section 6.1; (c) Class Representative Service Award(s) in Section 6.4; and all other costs incurred to effectuate the Settlement Agreement excluding payments to the Class.

1.25 “Request for Exclusion” (a/k/a “Opt-out”) means a valid request for exclusion from a Class Member. To be valid, a request for exclusion must (a) be submitted and signed by the individual Class Member; (b) be submitted to the Settlement Administrator and received by a date not later than 30 days after the Summary Notice Date; (c) contain the Class Member’s name, address, and telephone number; (d) express that he or she does not want to be a Class Member; and (e) otherwise comply with the instructions set forth in the Notice. So-called “mass” or “class” Opt-outs shall not be allowed.

1.26 “Settlement Administrator” means a third party employed to oversee notice to Class Members, and the administration of the settlement, to be selected by Class Counsel, with input and approval from Defendants, and retained by Class Counsel.

1.27 “Settlement Database” means the database compiled by the Defendants and verified by Class Counsel that contains the information necessary to effectuate notice, processing and payments to Class Members.

1.28 “Summary Notice” means a summary version of the Notice, to be used in the postcard mailings to Class Members, substantially in the form attached hereto as **Exhibit E** but which may be modified as necessary to comply with any Court order.

## 2. CLASS RELIEF

Payless agrees to provide the benefits contained in this Article 2 to the Class Members, subject to the procedures set forth in this Agreement.

### 2.1 Settlement Database

Within 7 days after the entry of the Preliminary Approval Order, Defendants will provide the Settlement Administrator and Class Counsel with the Settlement Database containing information necessary for disseminating notice, including contact information (phone number, email, physical address), rental transaction data, and GSO and/or RSP Charges for each Class Member, to the extent Defendants have such information available at that time.

### 2.2 Class Member Eligibility

To be included in the Settlement Database and be eligible to receive payment from the Settlement, a Class Member must:

2.2.1 Have a valid telephone number, email address, or mailing address on file with Payless.

2.2.2 Have rented the Payless vehicle in their own name on their own behalf.

Explicitly excluded are all corporate accounts.

2.2.3 Have not already received a refund equal to or greater than 50% of the GSO and/or RSP charges paid.

### 2.3 Reimbursement to Class Members

2.3.1 Each eligible Class Member will receive their pro rata share of the settlement to be calculated by dividing the number of transactions for each class (i.e. GSO and RSP) by the Net Settlement Amount as set forth in Section 2.5.

2.3.2 *Defendants' Rental Transaction and GSO/RSP Data Shall Be Presumed Accurate.* The Settlement Database is presumed to be correct and accurate and will be treated as

such by the Settlement Administrator in calculating the partial reimbursement of eligible GSO/RSP Charges and making settlement payment determinations for each Class Member.

2.3.3 *Liability to Others for Settlement Payments.* Class Members shall be solely responsible and liable for any requirement or agreement to which they may be subject to reimburse an employer or any other person or entity regarding any settlement payment received under this Agreement. Neither the Parties to this Settlement Agreement nor the Settlement Administrator shall have any responsibility or liability to any person or entity regarding settlement payments received by a Class Member.

#### 2.4 **Review**

2.4.1 *Record Keeping.* The Settlement Administrator will maintain accurate records and information on those Class Members who are reimbursed under this Agreement. Defendants and Class Counsel shall have prompt access to those records upon request.

2.4.2 *Settlement Administrator's Initial Determination.* The Settlement Administrator will provide Class Counsel and Defendants' Counsel its Initial Determinations as to the amount of any reimbursement that it believes should be paid to the Class Members within 30 days of the receipt of the Settlement Database. The Settlement Administrator's Initial Determinations shall become final 14 days after providing them to Class Counsel and Defendants' Counsel, or sooner, upon hearing jointly from Class Counsel and Defendants' Counsel that there are no objections to the Initial Determinations.

2.4.3 *Dispute Resolution Process.* Within 14 days after the date on which the Settlement Administrator provides its Initial Determinations, Class Counsel and Defendants' Counsel must meet in person or by phone to attempt to resolve any differences or objections either may have regarding one or more of the Settlement Administrator's reimbursement validity

determinations. If Counsel can resolve those differences, Counsel shall within 7 days after the meet and confer conference jointly submit their resolution to the Settlement Administrator who shall adjust its Initial Determinations to reflect Counsel's agreement. Should Counsel not be able to resolve their disagreement at the meet-and-confer conference noted above, either Counsel may submit an objection to the Magistrate Judge regarding one or more of the reimbursement validity determinations. The objecting Counsel's submission to the Magistrate Judge must be in writing with a copy to the opposing Counsel. Opposing Counsel shall have 7 days to respond in writing. Within 7 days of receiving opposing Counsel's response, the Magistrate shall rule on the objection or objections, and the Magistrate Judge's decision shall be final and unappealable. After receipt of the Magistrate Judge's determination, the Settlement Administrator shall adjust his determinations, as necessary, and provide Class Counsel and Defendants' Counsel its "Final Determinations". At that point, the Settlement Administrator's decisions on settlement payment amounts due to Class Members shall be final, and the Parties agree to accept all such decisions as final.

## **2.5 Distribution of Payments to Class Members**

2.5.1 Promptly after the cure period set forth in Section 2.4.3 has ended, the Settlement Administrator shall advise Class Counsel and Defense Counsel in writing of the Net Settlement Amount. Within 10 business days after the District Court enters the Final Approval Order and Judgement, Payless shall remit by wire the Gross Settlement Amount, minus any payments previously made to the Settlement Administrator, to an escrow account maintained by the Settlement Administrator (the "Settlement Fund"). The Settlement Administrator will then distribute the Net Settlement Amount to eligible Class Members as soon as practicable after the Effective Date. The Settlement Administrator shall provide Counsel with a full and complete accounting for the Escrow Account upon request at any time.

2.5.2 Forty-eight percent (48%) of the Net Settlement Amount shall be allocated to payments for Class Members with GSO Charges, adjusted pro rata and not to exceed twenty dollars (\$20) per Class Member per distribution; and the remaining fifty-two percent (52%) of the Net Settlement Amount shall be allocated to payments for Class Members with RSP Charges, adjusted pro rata and not to exceed twelve dollars (\$12) per Class Member per distribution.

2.5.3 The Net Settlement shall be distributed in two payments as follows:

2.5.3.1 First Payment - Each eligible Class Member will receive their pro rata share of the settlement to be calculated by dividing the number of class members for each class (i.e. GSO and RSP) by the Net Settlement Amount. Each eligible Class Member will receive a payment in an amount up to \$20.00 (twenty dollars) for GSO charges and up to \$12.00 (twelve dollars) for RSP charges.

2.5.3.2 Second Payment - Any unredeemed/uncashed payments referred to in Section 2.5.3.1 shall be known as Unaccepted Payments. If administratively feasible from a cost perspective, the Unaccepted Payments shall be redistributed, pro rata, to all Class Members who redeemed/cashed the payments they received in Section 2.5.3.1. However, the amount of the second payment shall not exceed twenty dollars (\$20) for GSO or twelve dollars (\$12) for RSP for each Class Member.

2.5.4 Payments described in 2.5.2 and 2.5.3 shall be made by digital payments to Class Members who elected a digital payment pursuant to the Email or Mail notice or if the Class Member makes no election through the best possible means of payment either through digital payment for those with a valid email address or by paper check to the remaining Class Members. For digital payments, if the Class Member does not make an election, the class members are

screened against the Zelle database, with those in that database being sent their payment via Zelle. For all remaining class members, a text or email will be sent request them to accept a payment via Venmo. If they accept, the money will be sent to them. For all remaining class members, those with members with an email address will receive an e-check, and those without a valid email will receive a hard copy check. For the second round, class members would receive the second distribution (if any) in the same fashion they received the first distribution. Any digital payments or paper checks issued by the Settlement Administrator to Class Members shall remain valid for 90 days. Any digital payment or paper check sent to a Class Member that is not successfully delivered/redeemed/cashed within 90 days shall be void.

2.5.5 Any Net Settlement Amount that remains after the payments referred to in Section 2.5.3 shall be known as the Residual Settlement Funds. The First \$1,000,000 (one million dollars) in Residual Settlement Funds from the amount allocated to payments for Class Members with GSO Charges shall revert to Payless. The First \$1,000,000 (one million dollars) in Residual Settlement Funds from the amount allocated to payments for Class Members with RSP Charges shall also revert to Payless. Any remaining Residual Settlement Funds shall go to one or more cy pres recipient(s) selected by Nagel Rice, LLP.

## 2.6 **Business Practice Modifications**

Payless agrees and acknowledges that the filing of the Action by Class Counsel led to changes and modifications being made to the Rental Agreement, including on or around March 1, 2021. Specifically, Plaintiffs challenged the enforceability of Payless' arbitration provision as contained within the Payless Rental Jacket's Terms and Conditions. That arbitration provision was initially deemed unenforceable by the Honorable Kevin McNulty on June 9, 2017 (ECF 33), and the parties were ordered to discovery on the limited issue of contract formation and invited to

afterward submit summary judgment briefs related to same. After extensive written discovery and numerous depositions on the issue of contract formation, including depositions of each of the named Plaintiffs and representatives from Payless, Defendants moved for summary judgment to compel arbitration (ECF 81). Plaintiffs cross-moved for summary judgment that Plaintiffs cannot be compelled to arbitrate (ECF 93). By Order and Opinion dated December 18, 2018, the Honorable Kevin McNulty ruled that Payless' arbitration provision was unenforceable. Defendants immediately filed a Notice of Appeal to the Third Circuit (ECF 113-114), and after briefing and oral argument, the Third Circuit ultimately affirmed on May 18, 2020 (Case No. 18-3780). As a result of those decisions and ultimate outcome, Payless has made changes and modifications to the Rental Agreement pertaining to its arbitration provision. In addition, Payless has changed its sales process for the sale of ancillary products to preclude the use of assumptive sales techniques.

### **3. Establishment of Settlement Fund**

3.1 Defendants will establish or cause to be established with the Settlement Administrator a Settlement Fund by depositing \$19,000,000.00 USD in the form of good, immediately available funds (minus any amounts previously paid to the Settlement Administrator) into an Escrow Account with a bank to be chosen by Class Counsel, within 10 business days of the entry by the District Court of the Final Approval Order and Judgment. The Settlement Fund shall be used to pay: (1) Settlement Administration Expenses, (2) all Settlement Payments, (3) the Service Awards, and (4) the Fee Award. The bank shall be responsible for the issuance of any checks and/or wire transfers from the Settlement Fund once authorized. Fees and costs for all service related to the Fund shall not exceed \$10,000 except by agreement of the parties.

3.2 The Settlement Administrator shall have the authority to conduct any and all activities necessary to administer the Settlement Fund. The Settlement Administrator shall submit

personally to the jurisdiction of the Court. The Settlement Administrator shall timely and properly file, or cause to be filed, all federal, state, or local tax returns and information returns (together, "Tax Returns") necessary or advisable with respect to the earnings on the funds deposited in the Settlement Fund. Such Tax Returns shall be consistent with this subparagraph and in all events shall reflect that all taxes (including any estimated taxes, earnings, or penalties) on the income earned on the funds deposited in the Settlement Fund shall be paid out of such funds as provided herein.

In all events, Defendants and Defendants' Counsel shall have no liability or responsibility whatsoever for the taxes or the filing of any Tax Return or other document with the Internal Revenue Service or any other state or local taxing authority. Defendants and Defendants' Counsel shall have no liability or responsibility for the taxes of the Settlement Fund nor the filing of any Tax Returns or other documents with the Internal Revenue Service or any other taxing authority, nor any expenses associated therewith.

Taxes with respect to the Settlement Fund shall be treated as, and considered to be, a cost of administration of the Settlement and shall be timely paid, or caused to be paid, by the Settlement Administrator out of the Settlement Fund without prior order from the Court or approval by Defendant. The Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to the Settlement Class any funds necessary to pay such amounts (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(l)(2)). The Parties agree to cooperate with each other, and their tax attorneys and accountants to the extent reasonably necessary, to carry out these provisions.

The Settlement Administrator shall obtain a Federal Taxpayer Identification Number for the Settlement Fund upon the execution of an order by the Court establishing the Settlement Fund.

The Settlement Administrator is authorized, upon final distribution of all monies paid into the Settlement Fund, to take appropriate steps to wind down the Settlement Fund and thereafter the Settlement Administrator is discharged from any further responsibility with respect to the Settlement Fund.

Following its payment of the Settlement Fund, Defendants shall have no responsibility, financial obligation, or liability whatsoever with respect to investment of Settlement Fund Account funds, payment of federal, state, and local income, employment, unemployment, excise, and any other taxes, penalties, interest, or other charges related to taxes imposed on the Settlement Fund Account or its disbursements, payment of the administrative, legal, accounting, or other costs occasioned by the use or administration of the Settlement Fund Account.

3.3 No portion of the Settlement Fund shall be made available to the Settlement Class except as specifically set forth in this Settlement Agreement. Until such time as the Settlement Fund is distributed, the Settlement Class shall not possess any rights to demand or receive any portion of the monies or the escrowed monies or to mortgage, pledge, or encumber the same in any manner. To the extent possible, the terms of the Settlement Agreement shall be construed so as to prevent Plaintiffs from being in constructive receipt, as determined under federal income tax principles, of the Settlement Fund. All expenses incurred in administering the Settlement Fund, including without limitation, the fees and expenses of the bank and the Settlement Administrator, shall be paid from the Settlement Fund.

3.4 A reasonable sum for the Settlement Administration Expenses estimated by the Settlement Administrator and agreed to by the Parties, which shall be sufficient to effectuate Notice to the Settlement Class Members and distribute the Settlement Fund to the Settlement Class

Members, shall be paid from the Settlement Fund to the Settlement Administrator at least 7 days after entry of the Preliminary Approval Order.

3.5 In the event that the Settlement is terminated or fails to become final and effective for any reason, the Settlement Fund, together with any money earned by the Settlement Fund, less any Taxes paid or due, less any Settlement Administrative Expenses actually incurred and paid or payable from the Settlement Fund, shall be returned to Payless within 30 days after written notification of such event in accordance with instructions provided by Payless' Counsel to Class Counsel.

3.6 The Gross Settlement Amount represents the total extent of Payless' monetary obligations under the Settlement Agreement and the contributions to the Settlement Fund shall be fixed under this Settlement Agreement and final. In no event shall Payless' total monetary obligation with respect to this Settlement Agreement exceed \$19,000,000.00 USD. The payment of the Settlement Amount by, or on behalf of, Payless fully discharges Payless and the other Released Parties' financial obligations in connection with the Settlement, meaning that no Released Party shall have any other obligation to make any payment into the Settlement Fund or to any Class Member, or any other person or entity, under this Settlement Agreement.

3.7 Defendants represent that they have not contemplated, discussed, or met with counsel relating to filing for bankruptcy protection on behalf of Payless or Avis. Further, Defendant Avis agrees to undertake all obligations set forth in this Agreement, including those obligations related to funding of the Settlement, if Payless becomes insolvent or files for bankruptcy.

#### **4. NOTICE AND REQUESTS FOR EXCLUSION**

4.1 The cost of Class Notice and other Cost of Notice and Administrative Expenses, as agreed to by the Parties, will be paid by the Settlement Fund. Class Notice will be accomplished

through a combination of email notice, mail notice, and notice through the settlement website, each of which is described below.

#### **4.2 Email Notice**

No later than 30 days after entry of the Preliminary Approval Order, the Settlement Administrator shall commence dissemination of the Email Notice to Class Members at the email addresses provided in the Settlement Database. In the event the Settlement Administrator determines that Email Notice was not delivered to a Class Member, the Settlement Administrator will mail the Summary Notice to that Class Member in accordance with the procedure set forth in Section 4.3.

#### **4.3 Mail Notice**

No later than 20 days after Email Notice has commenced, the Settlement Administrator shall have substantially commenced the mailing of the Summary Notice to Class Members for whom an email address is not available. Before mailing the Summary Notice, the Settlement Administrator will use the National Change of Address Database maintained by the United States Postal Service to update the mailing addresses of Class Members. For any Summary Notice mailing that is returned to the Settlement Administrator with a forwarding address, the Settlement Administrator shall forward the Summary Notice to that address. For any Summary Notice mailing that is returned to the Settlement Administrator without a forwarding address, the Settlement Administrator shall conduct a name and address search using a professional location provider, such as Experian or LexisNexis, to determine whether a current address is available, and if so, forward the Summary Notice to the current address obtained through such a search. In the event that any Summary Notice is returned as undeliverable a second time, no further mailing shall be required by the Parties or the Settlement Administrator.

#### **4.4 Settlement Website**

The Settlement Administrator shall establish a Settlement Website that will inform members of the Settlement Class of the terms of the Settlement Agreement, their rights, dates and deadlines, and related information. The Settlement Website shall include, in .pdf format, the Notice.

#### **4.5 Declarations of Compliance**

The Settlement Administrator shall prepare a declaration attesting to compliance with the mailing, and address updating set forth above. Such declaration shall be provided to Class Counsel and Defendants' Counsel no later than 50 days after the Summary Notice Date. Class Counsel shall file the declaration with the Court as soon as practicable thereafter but no later than 21 days prior to the Final Approval Hearing.

#### **4.6 Best Notice Practicable**

The Parties agree, and the proposed Preliminary Approval Order shall state, bolstered by a declaration from the Settlement Administrator, that compliance with the procedures described in this Agreement is the best notice practicable under the circumstances and shall constitute due and sufficient notice to the Class of the pendency of the Action, certification of the Class, the terms of the Settlement Agreement, and the Final Approval Hearing, and shall satisfy the requirements of the Federal Rules of Civil Procedure, the United States Constitution, and any other applicable law.

#### **4.7 Report on Requests for Exclusion**

No later than 20 days prior to the Final Approval Hearing, the Settlement Administrator shall prepare and deliver to Class Counsel and Defendants' Counsel a report stating the total number of individuals and listing such individuals who have submitted timely and valid Requests for Exclusion from the Class. Such individuals will not be entitled to receive any relief under this

Settlement Agreement or to object to the Settlement Agreement. Class Counsel shall file the report with the Court as soon as practicable after receipt from the Settlement Administrator.

#### **4.8 Format of Class Notice**

The Parties agree that the size, format, or layout of the Email Notice, Summary Notice, and Notice may be modified by mutual agreement of the Parties without the need for Court approval, provided that any such modifications are consistent with the general intent of this Settlement Agreement.

### **5. COURT APPROVAL OF SETTLEMENT**

#### **5.1 Preliminary Approval**

As soon as practicable after the execution of this Settlement Agreement, Class Counsel shall apply for entry of the Preliminary Approval Order, in the form of **Exhibit D** attached hereto. The Preliminary Approval Order shall include provisions, among other things: (a) preliminarily approving this Settlement Agreement and finding this Agreement sufficiently fair, reasonable, and adequate to allow Notice to be disseminated to the Class; (b) conditionally certifying the Class under Federal Rule of Civil Procedure 23(b)(3) for settlement purposes only; (c) appointing Plaintiffs to represent the Class; (d) appointing Class Counsel to represent the Class; (e) approving the form, content, and manner of the Notice; (f) setting forth the time periods and deadlines for Notice, opt-outs, objections, and any other information necessary to effectuate the settlement of the Action; (g) establishing the requirements for the form of an objection and Request for Exclusion; (h) setting a schedule for proceedings with respect to final approval of this Settlement Agreement; (i) staying the Action, other than such proceedings as are related to this Settlement Agreement.

The requested Preliminary Approval Order shall also authorize the Parties, without further approval from the Court, to agree to and adopt amendments, modifications and expansions of the

Settlement Agreement and its implementing documents (including all Exhibits thereto) so long as they are consistent in all material respects with the terms of the requested Final Approval Order and judgment set forth below and do not limit or impair the rights of the Settlement Class.

### **5.2      Objections to Settlement**

Any Class Member wishing to object to or to oppose the approval of this Settlement Agreement or the Fee and Cost Application shall file a written objection with a statement of reasons with the Court and serve it on the Settlement Administrator and counsel for all Parties no later than 30 days prior to the date for the Final Approval Hearing. The written Objection must (a) state the name, address, and telephone number of the objector and objector's counsel, if any; (b) attach documents sufficient to establish the objector's membership in the Class; (c) submit the factual and legal basis of each objection; (d) provide the names, addresses, and expected testimony of any and all witnesses in support of the objection; (e) the identification of any other objections the Settlement Class Member has filed, or has had filed on his/her behalf, in any other class action cases in the last four years; (f) the objector's actual wet signature, and (g) state whether the objector intends to appear at the Final Approval Hearing in person or through counsel. Counsel for any Class Member objecting to the Settlement Agreement must file and serve a notice of appearance no later than 20 days before the Final Approval Hearing date. Class Counsel will file with the Court their brief in support of final settlement approval, and in response to any objections, at least 7 days before the date of the Final Approval Hearing. Defendants may also file a brief in support of the final settlement approval, and in response to any objections, if they wish.

Any Settlement Class Member who fails to timely file and serve a written objection and notice of intent to appear at the Final Approval Hearing pursuant to this Settlement Agreement

shall not be permitted to object to the Settlement at the Final Approval Hearing and shall be foreclosed from seeking any review of the Settlement or its terms by appeal or other means.

### **5.3 Requests for Exclusion**

Any Class Member who fails to submit a timely and complete request for exclusion sent to the Settlement Administrator shall be subject to and bound by this Settlement Demand every order or judgment entered pursuant to this Settlement. Any purported request for exclusion or other communication sent to such address that is unclear or internally inconsistent with respect to the Class Member's desire to be excluded from the Settlement Class will be deemed invalid unless determined otherwise by the Court. Requests for exclusion can only be submitted on behalf of a particular Class Member. For example, mass opt outs and class requests for exclusion that are not signed by each Class Member shall not be permitted. Requests for Exclusion signed only by counsel or other representatives shall also not be permitted.

Any communications from Class Members (whether styled as an exclusion request, an objection, or a comment) as to which it is not readily apparent that the Class Member meant to exclude himself, herself, or itself from the Class will be evaluated jointly by Class Counsel and Defendant's Counsel, who will make a good faith evaluation, if possible, of the Class Member's intentions. Any uncertainties about whether a Class Member is requesting exclusion from the Settlement Class will ultimately be resolved by the Court.

The Settlement Administrator will maintain a list of all Opt Outs. The Settlement Administrator shall report the names and addresses of all such entities and natural persons requesting exclusion—the Opt Out List—to the Court, Class Counsel, and Defendant's Counsel no less than twenty-one days prior to the Fairness Hearing, and the Settling Parties will request that the Court attach this Opt Out List as an exhibit to the Final Order and Judgment.

#### 5.4 Final Approval Hearing

The Parties shall request that the Court conduct a Final Approval Hearing to be held on or about 100 days after the Preliminary Approval in order to: (a) determine whether to grant final approval of the certification of the Class; (b) determine whether to grant final approval to this Settlement Agreement; (c) consider any timely objections to this Settlement Agreement; (d) rule on the Fee and Cost Application; and (e) rule on applications for class representative service award. The date for the Final Approval Hearing may be postponed to a later date without further notice to the Class but the Final Approval Hearing may not be set for an earlier date without further notice to the Class. At the Final Approval Hearing, the Parties shall ask the Court to give final approval to this Settlement Agreement. If the Court grants final approval to this Agreement, then the Parties shall ask the Court to enter a Final Approval Order and Judgment, substantially similar to the form of **Exhibit B** attached hereto, which among other things approves this Settlement, finally certifies the Class, authorizes entry of a final judgment, dismisses the Action with prejudice, and enters a final injunction against claims released by this Agreement.

#### 5.5 Disapproval, Termination, or Nullification of Settlement

5.5.1 *Parties' Right to Terminate.* Each Party shall have the right to terminate this Settlement Agreement if either (i) the Court denies preliminary approval or final approval to this Settlement Agreement (or grants approval through a form of order that is not substantially similar to the form of **Exhibit B** attached hereto except as to any Court imposed reduction to Aggregate Fees and Costs, which shall not provide any basis for termination for any Party) or (ii) the Final Approval Order and Judgment does not become Final by reason of a higher court reversing final approval by the Court, and the Court thereafter declining to enter a further order or orders approving settlement on the terms set forth herein (iii) any objections to the proposed

settlement are sustained and such objection results in Court-ordered changes to the Settlement Agreement that the withdrawing party, in its sole discretion, deems to be material; (iv) any attorney general is allowed to intervene in the intervention and such intervention results in Court-ordered changes to the Settlement Agreement that the withdrawing party, in its sole discretion, deems to be material. If a Party elects to terminate this Settlement Agreement under this paragraph, that Party must provide written notice to the other Parties' counsel, by hand delivery, courier service, or mail, within 20 days of the occurrence of the condition permitting termination.

5.5.2 If this Settlement Agreement is terminated pursuant to its terms, then: (i) this Settlement Agreement shall be rendered void; (ii) this Settlement Agreement and all negotiations and proceedings relating thereto shall be of no force or effect, and without prejudice to the rights of the Parties; (iii) any order modifying the definition of the Settlement Class will be voided; (iv) any order certifying the Settlement Class will be voided; (v) all Parties shall be deemed to have reverted to their respective status in the Action as of the date and time immediately preceding the execution of this Settlement Agreement and, except as otherwise expressly provided, the Parties shall stand in the same position and shall proceed in all respects as if this Settlement Agreement and any related orders had never been executed, entered into, or filed; (vi) the Parties shall not seek to recover from one another any costs incurred in connection with this Settlement Agreement; (vii) any deposit made into escrow pursuant to Section 2.5.1 shall be returned to Payless; and (viii) the Parties will jointly request a scheduling conference with the Court. To withdraw from the Settlement Agreement, the withdrawing party also must provide written notice of withdrawal to the other party's lead counsel and to the Court.

## **6. ADMINISTRATIVE EXPENSES, ATTORNEYS' FEES, AND COSTS**

### **6.1 Costs of Notice and Administering the Settlement**

All costs of providing the notice as provided herein, including the costs of identifying Class Members and the costs of emailing, printing and mailing all forms of notice in accordance with this Agreement, shall be paid for by Payless to the Settlement Administrator as set forth in Section 3.4 and shall be deducted from the Gross Settlement Amount. All costs of administering this Settlement Agreement, including all fees of the Settlement Administrator and the costs of reviewing, generating and mailing any checks or issuing digital payment as part of this Settlement Agreement, shall be paid by Payless and shall be deducted from the Gross Settlement Amount. In the event that this Settlement Agreement is terminated pursuant to its terms, Payless shall bear any costs of notice and administration of this Settlement already incurred.

### **6.2 Settlement Administrator**

Class Counsel shall select, with input from and approval by Defendants, and retain the Settlement Administrator to oversee notice to the Class; and to otherwise perform the function of administering the Settlement Agreement. Payless will pay all costs of administering the Settlement Agreement and shall be deducted from the Gross Settlement Amount. Class Counsel's retention of, and any agreement with, the Settlement Administrator will not be inconsistent with any of the terms of this Settlement Agreement. The Settlement Administrator's selection will be subject to the approval of the Court as set forth in and made part of the Preliminary Approval Order.

All Counsel have equal authority and right to consult with the Settlement Administrator to ensure that the Settlement Administrator is properly discharging the duties of Settlement Administrator under this Agreement. The Settlement Administrator, among other things, must assist with various administrative tasks, including, without limitation,

6.2.1 Formatting the various forms of notice;

- 6.2.2 Email or arranging for email of the Email Notice;
- 6.2.3 Mailing or arranging for the mailing of the Summary Notice;
- 6.2.4 Establishing and maintaining the settlement website;
- 6.2.5 Publishing, with input and approval of Defendants and Class Counsel, the Notice on the settlement website within 20 days of Preliminary Approval;
- 6.2.6 Handling returned mail not delivered and making any additional mailings required under the terms of the Settlement Agreement;
- 6.2.7 Responding, as necessary, to inquiries from Class Members and potential Class Members telephonically, via the Internet, and US mail;
- 6.2.8 Maintaining accurate records and information on those Class Members who are reimbursed under the terms of this Agreement and/or dispute their settlement payment amounts;
- 6.2.9 Updating addresses of Class Members;
- 6.2.10 Preparing any affidavits required by the Court, Class Counsel, or Defense Counsel, including an affidavit to be submitted to the Court before the Final Approval Hearing that identifies the number of persons who timely submitted Requests for Exclusion from the settlement (the Opt-Out List) and details the Class notice program that the Settlement Administrator implemented under this Agreement;
- 6.2.11 Promptly responding to Class Counsel's or Defense Counsel's reasonable requests for information and providing them information and documents, and communicating with Class Counsel and Defense Counsel regarding the same;
- 6.2.12 Making and accounting for payments to Class Members;

6.2.13 Collecting and organizing Class Member-related data provided under this Agreement by one or more of the Defendants;

6.2.14 As necessary, preparing and filing tax returns and related forms; and

6.2.15 Completing any other task reasonably necessary and proper to effectuate the payment of Class Members and administering this Settlement Agreement.

### **6.3 Attorneys' Fees and Costs**

6.3.1 *Application and Amount.* Class Counsel may submit a Fee and Cost Application, to be heard at the Final Approval Hearing, seeking an award of reasonable attorneys' fees and the reimbursement of costs. The Fee and Cost Application shall be filed with the Court 40 days prior to Final Approval, with a copy posted on the settlement website. Class Counsel agree to seek, and Defendants will not oppose, undermine, or solicit others to do so, a request for an award of fees in the amount of Five Million Dollars (\$5,000,000), which is 26.316% of the Gross Settlement, inclusive of costs of approximately \$32,451.27.

6.3.2 *Payment.* The Aggregate Fees and Costs authorized by the Court shall be paid to Nagel Rice, LLP from the Settlement Fund no later than 14 business days after the entry of the Final Approval Order and that amount shall be deducted from the Gross Settlement Amount. Should the Final Approval Order have not occurred as of 30 days after the Final Approval Order and Judgment, then the Settlement Administrator shall deposit the Aggregate Fees and Costs into an interest-bearing escrow account where it shall remain until no later than 7 days after the entry of the Final Approval Order, whereupon the Settlement Administrator shall pay to Nagel Rice LLP the Aggregate Fees and Costs plus accumulated interest, if any, on that amount. To the extent that the Court awards Aggregate Fees and Costs in an amount less than the Settlement Administrator deposited in the account as described in this paragraph and after the Settlement Administrator pays

to Nagel Rice LLP the awarded Aggregate Fees and Costs, plus accumulated interest on the awarded amount, if any, all remaining moneys from the account shall be added to the Gross Settlement Amount subject to distribution to Class Members.

6.3.3 *Allocation of Fee Amount.* Subject to Court approval, Nagel Rice LLP shall be solely responsible for determining and allocating the Aggregate Fees and Costs among Class Counsel and any counsel representing any member of the Class who claims entitlement to a share in any fees or costs approved by the Court.

6.3.4 *Separate Negotiations.* The Parties agree and represent that they did not negotiate the attorneys' fees, costs, or service award until after full agreement was reached as to all other material terms of the proposed Settlement Agreement, including, but not limited to, any terms relating to the agreed relief to the Class. The Parties acknowledge and agree that the terms of this Agreement are not conditioned upon the award of any minimum attorneys' fees, costs, or service award.

#### **6.4 Class Representative Service Award**

Prior to or at the same time as Plaintiffs seek final approval of the settlement, Class Counsel shall move the Court for approval of a reasonable service award to be paid by Payless in the amount of Five Thousand Dollars (\$5,000) per Class Representative and those amounts shall be deducted from the Gross Settlement Amount. Defendants will not oppose or undermine an application at or below that amount or solicit others to do so. Not later than 7 days after the entry of the Final Approval Order, Payless will pay the service award as approved by the Court through remittance to Class Counsel Nagel Rice LLP. Should the entry of the Final Approval Order have not occurred as of 30 days after the Final Approval Hearing, then Payless at that point shall deposit the service award into an interest-bearing account where they shall remain until no later than 7 days after the

Effective Date, whereupon Payless shall pay to Class Counsel Nagel Rice LLP the service award plus accumulated interest, if any, on that amount. The payments may be added to the wire transfer to Class Counsel referred to in Section 5.3.2. This payment shall be compensation and consideration for the Class Representative's efforts as the representative in the Action. To the extent that the Court awards a service award in an amount less than Payless deposited in the account as described in this paragraph and after Payless pays to Class Counsel the awarded service award, plus accumulated interest on the awarded amounts, if any, all remaining moneys from the account get added to the Gross Settlement Amount subject to distribution to Class Members.

## **7. RELEASES UPON EFFECTIVE DATE**

### **7.1 Binding and Exclusive Nature of Settlement Agreement**

On the Effective Date, the Parties and each and every Class Member shall be bound by this Settlement Agreement and shall have recourse exclusively to the benefits, rights, and remedies provided hereunder. No other action, demand, suit or other claim may be pursued against any of the Defendants or any of the Class-Related Released Parties with respect to the Class Released Claims.

### **7.2 Releases**

On the Effective Date, the Class-Related Releasing Parties shall by operation of this Settlement Agreement fully, finally, and forever release, relinquish and discharge the Class-Related Released Parties from any and all of the Class Released Claims.

### **7.3 Dismissal of the Action**

Upon the Effective Date, the Released Claims of the Settlement Class Members and Releasing Parties will be dismissed with prejudice.

#### **7.4 Waiver of Unknown Claims**

On the Effective Date, Plaintiffs and the Class-Related Releasing Parties shall be deemed to have, and by operation of this Settlement Agreement shall have, with respect to the subject matter of the Class Released Claims, expressly waived the benefits of any statutory provisions or common law rules that provide, in sum or substance, that a general release does not extend to claims which the party does not know or suspect to exist in its favor at the time of executing the release, which if known by it, would have materially affected its settlement with any other party. In particular, but without limitation, Plaintiff and the Class-Related Releasing Parties waive the provisions of California Civil Code § 1542 (or any like or similar statute or common law doctrine), and do so understanding the significance of that waiver. Section 1542 provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

Neither this paragraph nor any other provision of this Settlement Agreement shall be construed to effectuate a general release of claims. The releases provided for in this Settlement Agreement are limited to the Class Released Claims, as defined above. Plaintiffs acknowledge, and the Class Members shall be deemed by operation of the Final Approval Order and Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement Agreement of which this release is a part.

#### **7.5 Assumption of Risk**

In entering into this Settlement Agreement, each of the Parties assumes the risk of any mistake of fact or law. If either Party should later discover that any fact upon which the Party relied in entering this Settlement Agreement is not true, or that the Party's understanding of the facts or

law was incorrect, the Party shall not be entitled to modify, reform, or set aside this Settlement Agreement, in whole or in part, by reason thereof.

## **8. NO ADMISSION**

Neither the acceptance by Defendants of the terms of this Settlement Agreement nor any of the related negotiations or proceedings constitutes an admission by Defendants with respect to the merits of the claims alleged in the Action; the validity of any claims that could have been asserted by any of the Class Members in the Action, including but not limited to the Class Released Claims; the liability of Defendants in the Action. Defendants specifically deny any liability or wrongdoing of any kind associated with the claims alleged in the Action. Neither the acceptance by the Class Representative of the terms of this Settlement Agreement nor any of the related negotiations or proceedings constitutes an admission by the Class Representative with respect to the merits of the claims or defenses in the Action.

## **9. MISCELLANEOUS PROVISIONS**

### **9.1 CAFA Public Official Notification**

Not later than 10 days after Class Counsel files this Settlement Agreement with its motion for Preliminary Approval, Defendants shall at their expense send or cause to be sent to the Attorney General of the United States and the attorneys general of each State notice of the Settlement Agreement pursuant to 28 U.S.C. § 1715(b). This notice may indicate that an estimate of the number of customers currently residing in each State is confidential and can only be disclosed pursuant to an appropriate and mutually agreeable confidentiality agreement. Defendants shall provide a copy of the notice to Class Counsel when it is sent to the attorney generals.

### **9.2 Confirmatory Discovery**

The Parties acknowledge that substantial discovery into all relevant matters has previously taken place in the Action and that confirmatory discovery is not necessary.

### **9.3 No Assignment**

Each Party represents, covenants, and warrants that he or it has not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber any portion of any liability, claim, demand, cause of action, or rights that he or it herein releases.

### **9.4 Binding on Assigns**

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

### **9.5 Captions**

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

### **9.6 Class Members Are Bound**

The notices provided for in this Settlement Agreement will advise all Class Members and/or their representatives of the binding nature of the releases and of the remainder of this Settlement Agreement, and in the absence of a valid and timely Request for Exclusion, such notices shall have the same force and effect as of the Effective Date as if each Class Member executed this Settlement Agreement.

### **9.7 Construction**

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

#### **9.8 Counterparts**

This Settlement Agreement and any amendments hereto may be executed in one or more counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original, and such counterparts taken together shall constitute but one and the same instrument. A facsimile or PDF signature shall be deemed an original for all purposes.

#### **9.9 Governing Law**

Construction and interpretation of the Settlement Agreement shall be determined in accordance with the laws of New Jersey, without regard to the choice-of-law principles thereof.

#### **9.10 Computation of Time**

Unless a court rule, order, statute, or other governing legal provision requires otherwise, if a deadline provided for in this Agreement falls on a weekend or a government holiday, the deadline shall be continued to the next business day.

#### **9.11 Integration Clause**

This Settlement Agreement, including the Exhibits referred to herein, which form an integral part hereof, contains the entire understanding of the Parties with respect to the subject matter contained herein. There are no promises, representations, warranties, covenants, or undertakings governing the subject matter of this Settlement Agreement other than those expressly set forth in this Settlement Agreement. This Settlement Agreement supersedes all prior agreements and understandings among the Parties with respect to the settlement of the Action. This Settlement Agreement may not be changed, altered or modified, except in a writing signed by the Parties and approved by the Court, and may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

#### **9.12 Jurisdiction**

The Court shall retain jurisdiction, after entry of the Final Approval Order and Judgment, with respect to enforcement of the terms of this Settlement Agreement, and all Parties and Class Members submit to the exclusive jurisdiction of the Court with respect to the enforcement of this Agreement and any dispute with respect thereto, including with respect to disputes about allocation of fees among Class Counsel and/or any counsel representing any member of the Class and/or who otherwise claims entitlement to attorney's fees.

#### **9.13 Parties' Authority**

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

#### **9.14 Receipt of Advice of Counsel**

The Parties acknowledge, agree, and specifically warrant to each other that they have read this Settlement Agreement, have received legal advice with respect to the advisability of entering into this Agreement, and fully understand its legal effect.

#### **9.15 Waiver of Compliance**

Any failure of any Party to comply with any obligation, covenant, agreement, or condition herein may be expressly waived only in writing, to the extent permitted under applicable law, by the Party or Parties entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver of or failure to insist upon compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

**9.16 Press Release**

In the event Class Counsel wishes to issue a press release regarding the settlement or this Agreement, it shall provide Defendants' Counsel at least 7 days advance notice of its publication to allow Defendants an opportunity to identify any factual inaccuracies, whereby Class Counsel then makes those changes. If no response is received in those 7 days, Defendants waive any objection to the press release.

**[signature page follows]**

AVIS BUDGET GROUP, INC.  
PAYLESS CAR RENTAL, INC.DATED: 8-19-25BY:   
JEAN SERA  
Senior Vice President, General Counsel  
Chief Compliance Office & Corporate  
Secretary

## NAGEL RICE. LLP

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GREG M. KOHN  
Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
DAVID J. DISABATO  
Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA R. CONSIDINE  
Class Counsel

## PLAINTIFFS

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
ABIGAIL BACON

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
ARCADIA LEE

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
JEANNINE DEVRIES

AVIS BUDGET GROUP, INC.  
PAYLESS CAR RENTAL, INC.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

JEAN SERA  
Senior Vice President, General Counsel  
Chief Compliance Office & Corporate  
Secretary

## NAGEL RICE. LLP

DATED: 8-19-25BY: GREG M. KOHN  
Class CounselDATED: 8-19-25BY: DAVID J. DISABATO  
Class CounselDATED: 8-19-25BY: LISA R. CONSIDINE  
Class Counsel

## PLAINTIFFS

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BY: \_\_\_\_\_

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Senior Vice President, General Counsel  
Chief Compliance Office & Corporate  
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Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

DAVID DISABATO  
Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

LISA CONSIDINE  
Class CounselDATED: 6/26/25

PLAINTIFFS

BY:   
ABIGAIL BACON

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

ARCADIA LEE

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

JEANNINE DEVRIES

AVIS BUDGET GROUP, INC.  
PAYLESS CAR RENTAL, INC.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

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Senior Vice President, General Counsel  
Chief Compliance Office & Corporate  
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DAVID DISABATO

Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

LISA CONSIDINE

Class Counsel

## PLAINTIFFS

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

ABIGAIL BACON

DATED: 6/26/2025

BY: \_\_\_\_\_

  
ARCADIA LEE

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

JEANNINE DEVRIES

AVIS BUDGET GROUP, INC.  
PAYLESS CAR RENTAL, INC.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

JEAN SERA  
Senior Vice President, General Counsel  
Chief Compliance Office & Corporate  
Secretary

NAGEL RICE. LLP

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BY: \_\_\_\_\_

GREG M. KOHN  
Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

DAVID DISABATO  
Class Counsel

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

LISA CONSIDINE  
Class Counsel

## PLAINTIFFS

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

ABIGAIL BACON

DATED: \_\_\_\_\_

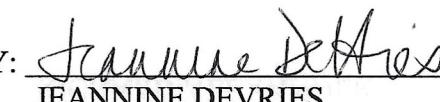
BY: \_\_\_\_\_

ARCADIA LEE

DATED: 6/30/25

BY: \_\_\_\_\_

JEANNINE DEVRIES



DATED: 6-26-25BY:   
LISA GEARY

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
RICHARD ALEXANDER

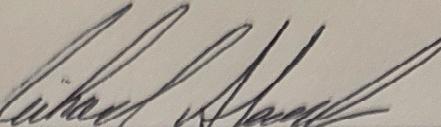
DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GEORGE DAVIDSON

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
YVONNE WHEELER

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA GEARYDATED: 6-30-25BY:   
RICHARD ALEXANDER

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GEORGE DAVIDSON

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
YVONNE WHEELER

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA GEARY

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
RICHARD ALEXANDERDATED: **June 27, 2025**BY: \_\_\_\_\_  
  
GEORGE DAVIDSON

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
YVONNE WHEELER

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA GEARY

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
RICHARD ALEXANDER

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GEORGE DAVIDSONDATED: 06/27/25BY: Yvonne Wheeler  
YVONNE WHEELER

**Exhibit A to Bacon et al. v. ABG et al.  
Settlement Agreement**

**(Email Notice)**

To: [Class Member Email Address]  
From: Payless GSO/RSP Settlement Administrator  
Subject: Notice of Class Action and Proposed Settlement

**Class Member ID:**  
**Confirmation Code:**

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY**

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**If you are a U.S. resident who paid a Gas Service Option (“GSO”) and/or Roadside Protection (“RSP”) Charge in connection with renting from Payless in the U.S. from January 1, 2016 through November 25, 2023, you may be eligible for a payment from a class action Settlement.**

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

- A Settlement has been reached with Avis Budget Group, Inc. (“ABG”) and Payless Car Rental, Inc. (“Payless”) (collectively, the “Defendants”) in a class action lawsuit about GSO/RSP Charges. If the Court gives final approval to the Settlement, Defendants will provide for each Class Member to receive a cash payment depending on eligibility (“Settlement Payment”). The Court in charge of this Action has preliminarily approved the Settlement and must decide whether to give final approval to the Settlement. The relief provided to Class Members will be provided only if the Court gives final approval to the Settlement and, if there are any appeals, after the appeals are resolved in favor of the Settlement. Please be patient.
- You are receiving this email because your email address was associated with a rental in Payless’s records. You are included in this Settlement as a Class Member if you are a U.S. and Canada residents who (1) rented from Payless in the United States from January 1, 2016 through November 25, 2023 (“Class Period”), and (2) in connection with that rental, you incurred charges for GSO and/or RSP.
- Your rights are affected whether you act or don’t act. Please read this Notice carefully.

| <b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b> |  | <b>DEADLINE</b>        |
|--|--|------------------------|
| <b>EXCLUDE YOURSELF</b>  | If you exclude yourself from the Settlement, you will not receive a Settlement Payment under the Settlement. Excluding yourself is the only option that allows you to sue, continue to sue, or be part of another lawsuit against the Defendants related to the legal claims this Settlement resolves. You will also cease receiving notice about this case. | <b>[Deadline Date]</b> |

|   |  |                        |
|---|--|------------------------|
| <b>OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING</b> | If you do not exclude yourself from the Settlement, you may object to it by writing to the Court about why you don't like the Settlement and think it should not be approved. You may object to the Settlement and ask the Court for permission to speak at the Final Approval Hearing about your objection. Filing an objection does not exclude you from the Settlement. | <b>[Deadline Date]</b> |
| <b>Do NOTHING</b>                                       | You will receive a Settlement Payment under the Settlement. You will also give up your right to object to the Settlement or be part of another lawsuit against the Defendants about the legal claims resolved by this Settlement.  | No Deadline            |

**Why am I receiving this notice?**

You received this Notice because a Settlement has been reached in this case. According to Defendants' available records you might be a member of the Settlement Class and may be eligible for the relief detailed below. This Notice explains the nature of the case, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement go to [www.\\_\\_\\_\\_\\_com](http://www._____com).

**What is this lawsuit about?**

Plaintiffs filed a class action against Defendants Avis Budget Group, Inc. and Payless Car Rental, Inc., alleging that Defendants violated the New Jersey Consumer Fraud Act by charging for ancillary products and services, such as gas service option ("GSO") and roadside protection ("RSP") when they rented vehicles from them. Defendants deny all the allegations in the litigation and believe that the claims asserted against them are without merit.

**Am I a Class Member?**

You are included in this Settlement as a Class Member if you are a U.S. resident who (1) rented from Payless in the United States from January 1, 2016 to November 25, 2023 ("Class Period") and (2) in connection with that rental, paid a charge for GSO and/or RSP.

**What does the Settlement provide?**

If the Settlement is approved by the Court, Defendants will pay \$19,000,000 into a Settlement Fund to pay cash payments, notice and administration costs, attorneys' fees and costs, and service awards.

**What benefit can I get from the Settlement?**

If the Court grants final approval of the Settlement and the Settlement becomes effective (the "Effective Date"), you may be entitled to reimbursement for some or all of your past out-of-pocket expenses incurred for GSO and RSP. Class Members with GSO charges may receive up to \$20 per rental, and Class Members with RSP charges may receive up to \$12 per rental. If you are a Class Member, you will automatically receive your reimbursement. You may opt to receive your payment electronically via Venmo, Zelle, or e-check by following these steps:

1. Visit the Settlement website [www.\\_\\_\\_\\_\\_com](http://www._____com).
2. Click the "Payment Election" tab.
3. Login using your unique Class Member ID [Class Member ID]
4. Follow the prompts on the following screens to select your payment method of choice.

If you do not elect a payment type, payment will be made to you by digital payment or check as determined by the Settlement Administrator. If you do not want your information exposed to Zelle, you should make another election as set forth above.

**Can I exclude myself from the class?**

If you don't want to be legally bound by the Settlement, your request to be excluded must be mailed postmarked no later than [deadline date], or you will not be able to sue, or continue to sue, the Defendants about the claims and

allegations in this case. Refer to the settlement website and the full Notice for information and instructions on how to exclude yourself.

**Can I tell the Court if I don't like the Settlement?**

If you want to stay in the Settlement Class, but you don't like some part of the Settlement, you can object to it. You can give reasons why you think the Court should not approve it. Your objection must be filed with the Court **no later than [deadline date]**. Refer to the settlement website and the full Notice for information and instructions on how to object. **Do I have a lawyer in this case?**

Yes, if you are a Class Member. The Court has appointed the law firm of Nagel Rice, LLP to represent the Class. These attorneys are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by another lawyer, you may hire one to appear in Court for you at your own expense.

**The Court's Final Approval Hearing.**

The Court's Final Approval Hearing will take place on **DATE at TIME** at the Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Newark, NJ 07102. At this hearing, the Court will determine whether the Settlement is fair, adequate, and reasonable and whether the objections by Class Members, if any, have merit. If you have filed an objection on time, you may attend and ask to speak, but you don't have to. However, the Court will only listen to people who have asked to speak at the hearing. At this hearing, the Court will also decide the service payments for the Class Representatives, as well as the attorney's fees for the lawyers representing the Class Members. We do not know how long the Court's decision will take, and the hearing date may change due to other court business. You should monitor [www.\[to be inserted\].com](http://www.[to be inserted].com) to find out if any dates have changed and to learn if the Court has approved the Settlement. You may appear at the Final Hearing, but you don't need to.

**Where can I get more information?**

Please visit the settlement website at [website URL] or call toll free 1-XXX-XXX-XXXX to obtain more complete information about the proposed settlement and your rights.

**Exhibit B to Bacon et al. v. ABG et al.**  
**Settlement Agreement**  
**(Final Approval Order)**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY

|                                      |   |  |
|--------------------------------------|---|--|
| ABIGAIL BACON, ARCADIA LEE, JEANNINE | : | Civil Action No.: 2:16-cv-05939-MCA-KM |
| DEVRIES, LISA GEARY, RICHARD         | : |  |
| ALEXANDER, AND GEORGE DAVIDSON,      | : |  |
| Individually and on Behalf           | : |  |
| of All Others Similarly Situated,    | : |  |
|                                      | : | <b>FINAL APPROVAL ORDER AND</b>        |
|                                      | : | <b>JUDGMENT</b>                        |
| <i>Plaintiff,</i>                    | : |  |
|                                      | : |  |
| v.                                   | : |  |
|                                      | : |  |
| AVIS BUDGET GROUP, INC. and PAYLESS  | : |  |
| CAR RENTAL, INC.,                    | : |  |
|                                      | : |  |
| <i>Defendants.</i>                   | : |  |

THIS MATTER having been presented to the Court by Nagel Rice, LLP (“Class Counsel”), as counsel for Plaintiffs Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, Yvonne Wheeler, and George Davidson (“Class Representatives”), along with Reed Smith, LLP, as counsel for Avis Budget Group, Inc. (“ABG”), and Payless Car Rental, Inc. (“Payless”) (ABG and Payless together herein referred to as “Defendants”) by way of a Motion for Final Approval of the proposed Settlement Agreement (the “Settlement Agreement” or “Agreement”) of the above-captioned lawsuit (the “Action”). All of the parties identified above are collectively referred to as the “Parties.”

WHEREAS, the Court finds that it has jurisdiction over this action, Class Members, and the Parties under 28 U.S.C. § 1332 and that venue is proper in this district; and

WHEREAS, the Parties have submitted the Settlement Agreement dated \_\_\_\_ \_\_, 2025, together with numerous exhibits and proposed orders, to the Court;

WHEREAS, the Court finds that the Settlement Agreement was entered into at arms’ length by experienced counsel and after multiple mediation sessions and extensive negotiations and the Settlement Agreement is not the result of collusion; and

WHEREAS, the Court granted Plaintiffs Motion for Preliminary Approval of the Settlement Agreement on \_\_\_\_\_, 2025, and conditionally certified the Class solely for purposes of settlement; and

WHEREAS, pursuant to the Settlement Agreement and the Court’s Preliminary Approval Order, a class list was compiled from Payless’s GSO/RSP records. Such potential Class Members were thereafter provided with notice and an opportunity to object to the Settlement Agreement or opt-out of the Class; and

WHEREAS, the Court conducted a Final Approval Hearing on \_\_\_\_\_ to determine whether the proposed Settlement Agreement is fair, reasonable, and adequate, and whether the Settlement Agreement should be approved in final by this Court; and

WHEREAS, [ ] objections were filed with respect to the proposed Settlement Agreement and/or Motion for Fees and Costs; and at the Final Approval Hearing, Class Counsel appeared for the Class, Reed Smith, LLP appeared for Defendants; and [ ] Class Members appeared at the Final Approval Hearing to contest the Settlement Agreement; and

WHEREAS, the Court has fully considered the record of these proceedings, the representations, argument, and recommendation of counsel, and the requirements of law; and good cause appearing,

IT IS THIS \_\_\_\_\_ day of \_\_\_\_\_, 2025, ORDERED, DECREED, and ADJUDGED as follows:

1. **Definitions.** Unless otherwise provided herein, the Court adopts and incorporates the definitions of all capitalized terms in the Settlement Agreement and those defined terms shall have the same meaning in this Order.
2. **Approval of the Class.** This Court finally certifies the following Class pursuant to Fed. R. Civ. P. 23(a) and (b)(3):

All U.S. and Canada residents who (1) rented a Payless vehicle in the U.S. during the Class Period and, (2) in connection with that rental, paid Payless for GSO and/or RSP.

Excluded from the Class are the following categories of customers: (1) Persons who were employed by the Defendants at any time from January 1, 2016 through the present; (2) legal representatives of the Defendants; and (3) judges who have presided over this case and their immediate families.

“Class Period” means January 1, 2016 through November 25, 2023. The Court finds that the Class meets all the applicable requirements of Rule 23 of the Federal Rules of Civil Procedure, affirms certification of the Class, and approves the Settlement Agreement as being fair, just, reasonable, and adequate. Specifically, the Court finds and concludes: (a) Pursuant to Fed. R. Civ. P. 23(a)(1), that Class Members are so numerous as to make joinder of all members impracticable; (b) Pursuant to Fed. R. Civ. P. 23(a)(2) there are questions of law or fact common to members of the proposed Class; (c) Pursuant to Fed. R. Civ. P. 23(a)(3) the claims of the Plaintiff are typical of the claims of the Class Members he seeks to represent; (d) Pursuant to Fed. R. Civ. P. 23(a)(4), Plaintiff and Class Counsel will fairly and adequately protect the interests of all members of the Class they seek to represent and the interests of Plaintiff are not antagonistic to those of the Class; (e) Pursuant to Fed. R. Civ. P. 23(b)(3) questions of law or fact common to the proposed settlement Class Members predominate over any questions affecting only individual

members; and (f) Pursuant to Fed. R. Civ. P. 23(b)(3), a class action is superior to other available methods for the fair and efficient adjudication of the Action.

3. **Approval of Class Representatives.** Based upon the Court's familiarity with the claims and parties, the Court finds that the Plaintiffs adequately have represented and represents the interests of the Class, and the Court hereby confirms their appointment as Class Representatives.

4. **Approval of Class Counsel.** The Court finds that Class Counsel have fairly and adequately represented and represent the interests of Plaintiffs and the Class and hereby confirms them as Class Counsel pursuant to Fed. R. Civ. P. 23(g).

5. **Approval of Settlement Agreement.** The Court finds, upon review of the Settlement Agreement and consideration of the factors enunciated in *Girsh v. Jepson*, 521 F.2d 153, 157 (3d Cir. 1975), *In re Baby Products Antitrust Litigation*, 708 F.3d 163 (3d Cir. 2013), and *In re Prudential Insurance Co. of America Sales Practices Litigation*, 148 F.3d 283 (3d Cir. 1998), that the Settlement Agreement and the proposed benefits to the Class are fair, reasonable and adequate. Accordingly, the terms of the Settlement Agreement, including all exhibits thereto, are approved in their entirety by the Court and incorporated into this Order as if expressly set forth and shall have the same force and effect of an Order of the Court. The Parties and their counsel are ordered to implement and to consummate the Settlement Agreement according to its terms and provisions. The releases set forth in the Settlement Agreement are incorporated by reference.

6. **Approval of Class Benefits.** The direct benefits available to Class Members, as described in the Settlement Agreement, are approved as fair, reasonable, and adequate to the Class, and the Settlement Administrator is directed to continue to administer the Settlement Agreement according to the terms of the Settlement Agreement.

7. **Adequacy of Notices.** The Court finds that due and adequate notice was provided pursuant to Rule 23 of the Federal Rules of Civil Procedure to all members of the Class, notifying the Class of, *inter alia*, the pendency of this action and the proposed Settlement Agreement. The notice program set forth in the Settlement Agreement and provided to the Class was the best notice practicable under the circumstances. The notice program as carried out pursuant to the terms of the Settlement Agreement fully complied in all respects with the requirements of Rule 23 and Constitutional requirements of due process.

8. **Distribution of Settlement.** The Court finds that the method for distributing the Settlement to the Class Members as set forth in Paragraph 2.5.4 of the Settlement Agreement to be fair and reasonable and directs payment to be distributed in accordance with those terms.

9. **CAFA Public Official Notification.** The Defendants have provided notification to all appropriate federal and state officials regarding the Settlement Agreement as required by the Class Action Fairness Act, 28 U.S.C. §1715.

10. **Opt-Out Settlement Class Members.** Attached hereto and incorporated herein as Exhibit \_ is a schedule of all Class Members who have timely and validly requested to be excluded from the Class and accordingly are not included in or bound by this Final Approval Order and Judgment. The Class Members who have filed a Request for Exclusion are not entitled to receive any direct benefits, as described in the Settlement Agreement.

11. **Objections.** The Court finds that the response of Class Members supports final approval of the Settlement Agreement and that the contentions of the ( ) objectors are without merit and are overruled.12.

**Binding.** The terms of this Final Approval Order and Judgment and the Settlement Agreement are binding on the Plaintiffs and all members of the Class who have not timely and validly opted-out and shall have *res judicator*, collateral estoppel, and all other preclusive effect on any and all claims for relief, causes of action, suits, petitions, demands in law or equity, or any allegations of liability, damage, debts, contracts, agreements, obligations, promises, attorneys' fees, costs, interests, or expenses which are based on or in any way related to any and all claims for relief, causes of actions, suits, petitions, demands in law or equity, or any allegations of liability, damages, debts, contracts, agreements, obligations, promises, attorneys' fees, costs, interests, or expenses which were or could have been asserted in the Action or any other claims under state or federal law, which arise from, are based on, or in any way are related to the ancillary products that are the subject of this Action.

13. **Dismissal With Prejudice.** The Consolidated Action, including any and all claims against Defendants, are dismissed on the merits and with prejudice.

14. **Release of Dismissed Claims.** The Release set forth in the Settlement Agreement is incorporated by reference and provides, *inter alia*, that for and in consideration of the benefits and mutual promises contained in the Settlement Agreement, the Class-Related Releasing Parties release the Class-Related Released Parties of all Class Released Claims which means all claims (including without limitation, claims for attorneys' fees and costs), causes

of action, actions, or suits, by or on behalf of any Class Member, whether arising by statute, law or in equity, under the law of any jurisdiction, which were or could have been asserted in the Action, whether liquidated or unliquidated, known or unknown, in law, equity, arbitration, or otherwise, whether or not concealed or hidden, that in any way relate to, in whole or in part, or arise out of, any of the allegations, defenses, claims, motions and/or theories raised in or that could have been raised in the Action.

15. **Bar Order.** Upon the Effective Date, Plaintiffs, Class Members and all other Class-Related Releasing Parties, except for those who have timely excluded themselves from the Class (as identified on Exhibit \_\_\_\_\_ hereto), are forever barred and enjoined from commencing, instituting or continuing to prosecute any action or any proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind (whether within the United States or not) asserting any of the Class Released Claims (including unknown claims) against any of the Class-Related Released Parties.

16. **Class Counsel's Award.** Upon review of the Settlement Agreement and Class Counsel's request for an award of Fees and Costs, the Court finds that the fee requested is reasonable and the award of attorneys' fees in this class action settlement is appropriate and Class Counsel's motion will be granted. Class Counsel is hereby awarded reasonable fees and costs in the amount of \$\_\_\_\_\_, which includes costs in the amount of \$\_\_\_\_\_. These amounts shall be paid and distributed in accordance with the Settlement Agreement.

17. **Class Representatives' Service Award.** The Class Representatives are hereby awarded a service award in the amount of \$\_\_\_\_ each. This service award shall be paid and distributed in accordance with the Settlement Agreement.

18. **Ongoing Jurisdiction.** Without affecting the finality of this Final Approval Order and Judgment, the Court shall retain continuing exclusive jurisdiction over this Action, the Parties and the Class, and the administration and enforcement of the Settlement Agreement, the Fee and Cost Award and the Service Award. Any disputes or controversies arising with respect to the enforcement or implementation of the Settlement Agreement shall be presented by motion to this Court.

19. In the event the Settlement Agreement does not become effective according to the terms of the Settlement Agreement, this Final Approval Order and Judgment shall be rendered void as provided by the Settlement Agreement, shall be vacated and all orders entered and claims released in connection herewith shall be void to the extent provided by and in accordance with the Settlement Agreement.

20. **No Admission.** Neither this Order nor the Settlement Agreement nor any other settlement-related document nor anything contained herein or therein or contemplated hereby or thereby nor any proceedings undertaken in accordance with the terms set forth in the Settlement Agreement or herein or in any other settlement-related document, shall constitute, be construed as or be deemed to be evidence of, or an admission or concession by the Defendants as to, the validity of any claim that has been or could have been asserted against any or all of them or as to any liability of any or all of them as to any matter set forth in this Order, or as to the propriety of class certification for any purposes other than for purposes of the Settlement Agreement.

21. **There being no just reason for delay, the Clerk of Court is ordered to immediately enter this Final Approval Order and Judgment forthwith.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Hon. Madeline Cox Arleo, U.S.D.J.

**Exhibit C to Bacon et al. v. ABG et al.**  
**Settlement Agreement**  
**(Long Form Notice)**

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY**

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**If you are a U.S. resident who paid a Gas Service Option (“GSO”) and/or Roadside Protection (“RSP”) Charge in connection with renting from Payless in the U.S. from January 1, 2016 to November 25, 2023, you may be eligible for a payment from a class action Settlement.**

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

- A Settlement has been reached with Avis Budget Group, Inc. (“ABG”) and Payless Car Rental, Inc., (“Payless”) (collectively, the “Defendants”) in a class action lawsuit about the charges for GSO and/or RSP. The Settlement provides an opportunity to be reimbursed for certain charges incurred when renting a vehicle from Payless.
- You are included in this Settlement as a Class Member if you are a U.S. or Canada resident who (1) rented from Payless in the U.S. from January 1, 2016 to November 25, 2023 (“Class Period”), and (2) in connection with that rental, paid Payless for GSO and/or RSP.
- **Your rights are affected whether you act or don’t act. Please read this Notice carefully.**

| <b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b> |  | <b>DEADLINE</b> |
|--|--|-----------------|
| <b>EXCLUDE YOURSELF</b>  | If you exclude yourself from the Settlement, you will not receive a Settlement Payment under the Settlement. Excluding yourself is the only option that allows you to sue, continue to sue, or be part of another lawsuit against the Defendants related to the legal claims this Settlement resolves. You will also cease receiving notice about this case. | [Deadline Date] |
| <b>OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING</b>            | If you do not exclude yourself from the Settlement, you may object to it by writing to the Court about why you don’t like the Settlement and think it should not be approved.. You may object to the Settlement and ask the Court for permission to speak at the Final Approval Hearing about your objection.  | [Deadline Date] |
| <b>Do NOTHING</b>  | You will receive a Settlement Payment under the Settlement. You will also give up your right to object to the Settlement and you will give up the right to sue, continue to sue, or be part of another lawsuit against the Defendants about the legal claims resolved by this Settlement.  | No Deadline     |

- These rights and options—and **the deadlines to exercise them**—are explained in this Notice.

- The Court in charge of this case still has to decide whether to approve the Settlement.

**WHAT THIS NOTICE CONTAINS**

|  |        |
|--|--------|
| BASIC INFORMATION .....                            | [page] |
| WHO IS IN THE SETTLEMENT .....                     | page   |
| THE SETTLEMENT BENEFITS .....                      | page   |
| THE LAWYERS REPRESENTING You.....                  | page   |
| EXCLUDING YOURSELF FROM THE SETTLEMENT.....        | page   |
| COMMENTING ON OR OBJECTING TO THE SETTLEMENT ..... | page   |
| THE COURT'S FINAL APPROVAL HEARING.....            | page   |
| IF I DO NOTHING .....                              | page   |
| GETTING MORE INFORMATION.....                      | page19 |

## BASIC INFORMATION

### 1. Why was this Notice issued?

A court authorized this Notice because you have a right to know about the proposed Settlement of this class action lawsuit and about all of your options before the Court decides whether to grant formal approval to the Settlement. This Notice explains the lawsuit, your legal rights, what benefits are available, and who can receive them.

The Honorable Madeline Cox Arleo of the United States District Court for the District of New Jersey is overseeing this class action. The case is known as *Bacon et al. v. Avis Budget Group, Inc. et al.*, Case No. 2:16-cv-05939-MCA-KM (D.N.J.). The individuals who filed this lawsuit are called the “Plaintiffs” or “Class Representatives” and the companies that were sued, Avis Budget Group, Inc. and Payless Car Rental, Inc., are called the “Defendants.”

### 2. What is this lawsuit about?

This lawsuit is about certain fees associated with the GSO and/or RSP ancillary products sold by Payless. Plaintiffs allege that the Defendants violated the New Jersey Consumer Fraud Act by charging for GSO/RSP to customers who declined those products; and caused unjust enrichment in the Defendants’ favor. Defendants deny all the allegations in the litigation and believe that the claims asserted against them are without merit.

### 3. What is a class action?

In a class action, Plaintiffs or Class Representatives (in this case see above) sue on behalf of other people with similar claims. Together, the people included in the class action are called a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

### 4. Why is there a Settlement?

All parties have agreed to a Settlement to avoid further cost and risk of a trial, and so that the people affected can begin getting benefits in exchange for releasing Defendants from liability for the claims that were raised or could have been raised in the case. The Court did not decide in favor of Plaintiffs or Defendants. The Class Representatives and their attorneys think the Settlement is best for all Class Members.

## WHO IS IN THE SETTLEMENT

### 5. Who is in the Settlement?

The Class includes all U.S. and Canada residents who (1) rented from Payless in the U.S. during the “Class Period” and, (2) in connection with that rental, paid Payless for GSO and/or RSP Charges.

“GSO Charges” means the cost for GSO incurred by a Payless customer in connection with that customer’s rental only during the Class Period.

“RSP Charges” means the cost for RSP incurred by a Payless customer in connection with that customer’s rental only during the Class Period.

The “Class Period” means January 1, 2016 through November 25, 2023.

### 6. Are there exceptions to being included?

Yes. Excluded from the Class are the following categories of customers: (1) Persons who were employed by the Defendants at any time from January 1, 2016 through the present; (2) legal representatives of the Defendants; and (3) judges who have presided over this case and their immediate families.

If you are not sure whether you are included in the Class, you can find out by contacting the Settlement Administrator at [Email Address] or at 1-XXX-XXX-XXXX. You may also view the Settlement Agreement at [Website URL].

## THE SETTLEMENT BENEFITS

### 7. What does the Settlement provide?

Payless will pay nineteen million dollars (\$19,000,000) (the “Gross Settlement Amount”) for all payments made in this settlement, administration costs (including the costs of implementing and effectuating class notice and claim payments), attorneys’ fees and attorney’s costs/expenses of litigation, any service award to Plaintiffs, all as explicitly set forth in the Settlement Agreement and subject to court approval. In no event shall Payless be obligated to pay more than the Gross Settlement Amount.

### 8. How much will my payment be?

You may be entitled to reimbursement for some or all of your past out-of-pocket expenses incurred for GSO and RSP. Class Members with GSO charges may receive up to \$20 per rental, and Class Members with RSP charges may receive up to \$12 per rental. If you are a Class Member, you will automatically receive your reimbursement. You may opt to receive your payment electronically via Venmo, Zelle, or e-check by following these steps:

1. Visit the Settlement website [www.settlement.com](http://www.settlement.com).
2. Click the “Payment Election” tab.
3. Login using your unique Class Member ID [Class Member ID]
4. Follow the prompts on the following screens to select your payment method of choice.

If you do not elect a payment type, payment will be made to you by digital payment or check as determined by the Settlement Administrator. If you do not want your information exposed to Zelle, you should make another election as set forth above.

**9. What claims am I releasing if I stay in the Settlement Class?**

Unless you exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about any of the legal claims this Settlement resolves. The “Class Released Claims” section in the Settlement Agreement describes the legal claims that you release if you remain in the Class. The Settlement Agreement can be found at [Website URL].

**10. When will I get my payment?**

If the Court approves the Settlement, payments will be issued after the Court’s Final Approval hearing scheduled for \_\_\_\_\_, 2025, and all appeals, if any, are resolved.

The date and time of the Final Approval Hearing is subject to modification by the Court so check [Website URL] for updates.

**THE LAWYERS REPRESENTING YOU**

**11. Do I have a lawyer in the case?**

Yes. The Court has appointed the law firm of Nagel Rice, LLP to represent you and the Class. These attorneys are called Class Counsel.

**12. Should I get my own lawyer?**

You do not need to hire your own lawyer because Class Counsel works for you. If you want your own lawyer, you may hire one at your own expense.

**13. How will the lawyers be paid?**

Class Counsel will ask the Court for an award of attorneys’ fees and costs in a total, all-inclusive amount of 26.316% of the Gross Settlement Amount not to exceed \$5,000,000.00 for all attorneys’ fees and costs. The parties have also agreed that Class Counsel may apply for service payments to the Class Representatives in the amount of \$5,000 if awarded by the Court. The Court may award less than these amounts.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

**14. How do I opt out of the Settlement?**

If you do not want to receive any benefits from the Settlement, and you want to keep your right, if any, to sue the Defendants on your own about the legal issues in this case, then you must take steps to exclude yourself from the Class. This is called “opting out” of the Settlement. The deadline for opting out of the Settlement is **[Deadline Date]**.

To opt out of the Settlement, you must submit a written request by mail. Your request to opt out must include: (1) your name; (2) your current address; (3) a statement that you are a Class Member, and you wish to opt out of the Settlement in *Bacon et al. v. Avis Budget Group, Inc. et al.*, Case No. 2:16-cv-05939-MCA-KM (D.N.J.); and (4) your signature. Your request to opt out must be mailed to the Settlement Administrator so it is **postmarked no later than [Deadline Date]**:

**Bacon v. Avis Budget Group, Inc.**  
c/o Kroll Settlement Administration  
PO Box 225391  
New York, NY 10150-5391

If you opt out, you are telling the Court you do not want to be part of the Settlement. You will not be eligible to receive a payment if you exclude yourself. "Mass" or "class" opt-outs are not permitted.

#### **COMMENTING ON OR OBJECTING TO THE SETTLEMENT**

##### **15. How do I tell the Court if I do not like the Settlement?**

If you are a Class Member, you can object to the Settlement if you do not like all or part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views.

Your written objection must include: (i) the case name and number: *Bacon et al. v. Avis Budget Group, Inc. et al.*, Case No. 2:16-cv-05939-MCA-KM (D.N.J.); (ii) your name and address and the name and address of any lawyer representing you; (iii) attach documents sufficient to establish your membership in the Class; (iv) submit the factual and legal basis of each objection; (v) provide the names and addresses of any and all witnesses in support of the objection; (vi) the identification of any other objections the Settlement Class Member has filed, or has had filed on his/her behalf, in any other class action cases in the last four years; (vii) the objector's actual wet signature; and (viii) state whether you intend to appear at the Final Approval Hearing in person or through counsel.

Your written objection may be filed with the Court and serve a copy to the Settlement Administrator, Class Counsel and Defendants' Counsel by [Deadline Date]:

| Court  | Settlement Administrator  | Defendants' Counsel   |
|--|---|---|
| Clerk of the Court<br>Martin Luther King Building<br>& U.S. Courthouse<br>50 Walnut Street<br>Newark, NJ 07102               | Bacon v. Avis Budget Group, Inc.<br>c/o Kroll Settlement Administration<br>PO Box 225391<br>New York, NY 10150-5391 | Jason E. Hazlewood<br><b>Reed Smith LLP</b><br>225 Fifth Avenue<br>Suite 1200<br>Pittsburgh, PA 15222 |
| <b>Class Counsel</b>   |   |   |
| Greg M. Kohn<br>David J Disabato<br>Lisa Considine<br><b>Nagel Rice, LLP</b><br>103 Eisenhower Parkway<br>Roseland, NJ 07068 |   |   |

You or your attorney may speak at the Final Approval Hearing about your objection. To do so, you must include a statement in your objection indicating that you or your attorney intend to appear at the Final Approval Hearing. Remember, your objection must be filed with the Court with copies delivered to the Settlement Administrator, Class Counsel and Counsel for Defendants by [Deadline Date].

**16. What is the difference between objecting and excluding?**

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from the Settlement. Excluding yourself from the Settlement is opting out and telling the Court that you do not want to be part of the Settlement. If you opt out of the Settlement, you cannot object to it because it no longer affects you.

**THE COURT'S FINAL APPROVAL HEARING**

**17. When is the Court's Final Approval Hearing?**

The Court will hold a Final Approval Hearing at [Time] ET on [Date], in Courtroom 300C located at Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Newark, NJ 07102. At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. It will also consider whether to approve Class Counsel's request for an award of attorneys' fees and costs, as well as the Class Representatives' service award. If there are objections, the Court will consider them. Judge Cox Arleo will listen to people who have asked to speak at the hearing (*see* Question 15 above). After the hearing, the Court will decide whether to approve the Settlement.

The date or time of the Final Approval Hearing may change. Be sure to check the Settlement Website, [Website URL], for any updates.

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

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish. If you send an objection, you do not have to come to the Final Approval Hearing to talk about it. If you delivered your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**IF I DO NOTHING**

**19. What happens if I do nothing at all?**

If you are a Class Member and you do nothing, you will receive a Settlement Payment under the Settlement. You will also give up the rights explained in Question 9, including your right to start a lawsuit, continue a lawsuit, or be part of any other lawsuit against Defendants and the Released Parties about the legal issues resolved by this Settlement.

**GETTING MORE INFORMATION**

**20. How do I get more information?**

This Notice summarizes the proposed Settlement. Complete details are provided in the Settlement Agreement. The Settlement Agreement and other related documents are available at [Website URL].

If you have additional questions, you may contact the Settlement Administrator by email, phone, or mail:

Email: [Email Address]

Toll-Free: 1 -XXX-XXX-XXXX

Mail: Bacon v. Avis Budget Group, Inc., c/o Kroll Settlement Administration, PO Box 225391, New York, NY 10150-5391

Publicly filed documents can also be obtained by visiting the office of the Clerk of the United States District Court for the District of New Jersey or by reviewing the Court's online docket.

**Exhibit D to Bacon et al. v. ABG et al.  
Settlement Agreement**

**(Preliminary Approval Order)**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY

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|                                   |   |                                      |
|-----------------------------------|---|--------------------------------------|
| ABIGAIL BACON, ARCADIA LEE,       | : | Civil Action No.: 2:16-cv-05939-MCA- |
| JEANNINE DEVRIES, LISA GEARY,     | : | KM                                   |
| RICHARD ALEXANDER, AND            | : |                                      |
| GEORGE DAVIDSON, Individually and | : |                                      |
| on Behalf                         | : |                                      |
| of All Others Similarly Situated, | : | <b>PRELIMINARY APPROVAL</b>          |
|                                   | : | <b>ORDER</b>                         |
| <i>Plaintiff,</i>                 | : |                                      |
|                                   | : |                                      |
| v.                                | : |                                      |
| AVIS BUDGET GROUP, INC. and       | : |                                      |
| PAYLESS CAR RENTAL, INC.,         | : |                                      |
|                                   | : |                                      |
| <i>Defendants.</i>                | : |                                      |

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This matter having been opened to the Court on the unopposed motion for Preliminary Approval of a proposed Class Action Settlement by Plaintiffs Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, and George Davidson, acting through their counsel, Nagel Rice, LLP (“Class Counsel”). Plaintiffs, acting through Class Counsel, and Avis Budget Group, Inc. (“ABG”), and Payless Car Rental, Inc. (“Payless”) (ABG and Payless together herein referred to as “Defendants”) (collectively, the “Parties”) have entered into a Settlement Agreement dated August 19, 2025 (the “Settlement” or “Settlement Agreement”), to settle the above-captioned lawsuit (“Action”). The Settlement Agreement sets forth the terms and conditions for a proposed settlement and dismissal with prejudice of the Action. All capitalized terms and phrases used in this Preliminary Approval Order that are otherwise not defined shall have the same meaning as in the Settlement Agreement.

The Court finds that it has jurisdiction over this action and each of the parties under 28 U.S.C. § 1332, as amended by the Class Action Fairness Act, and that venue is proper in this district.

The Court has carefully considered the Motion for Preliminary Approval and supporting Memorandum of Law, the Settlement Agreement (including all exhibits), and the record in this case, and for good cause shown finds that the Settlement Agreement is sufficiently fair, reasonable, and adequate to allow dissemination of notice of the proposed class settlement to Class Members and to hold a Final Approval Hearing. The Court further finds that the Settlement Agreement was entered into at arm's length by experienced counsel after extensive discovery and after mediation and negotiations over an extended period of time. Accordingly, the Court directs that notice be sent to Class Members in accordance with the Settlement Agreement and this Order and further schedules a Final Approval Hearing to make a final determination as to whether the settlement is fair, reasonable, and adequate.

**THEREFORE, IT IS on this \_\_\_\_\_ day of \_\_\_\_\_, 2025**

**HEREBY ORDERED** as follows that:

1. **Settlement Class.** The Court conditionally certifies a settlement class (hereinafter, the "Class" or "Settlement Class") as follows:

All U.S. and Canada residents who (1) rented from Payless in the U.S. during the Class Period and, (2) in connection with that rental, paid Payless for GSO and/or RSP Charges.

Excluded from the Class are the following categories of customers: (1) Persons who were employed by the Defendants at any time from January 1, 2016 through the present; (2) legal representatives of the Defendants; and (3) judges who have presided over this case and their immediate families.

"Class Period" means January 1, 2016 through November 25, 2023.

2. **Conditional Certification.** The Court finds, for purposes of preliminary approval and for settlement purposes only, that (a) Pursuant to Fed. R. Civ. P. 23(a)(1) that Class Members are so numerous as to make joinder of all members impracticable; (b) Pursuant to Fed. R. Civ. P. 23(a)(2) there are questions of law or fact common to members of the proposed Class; (c) Pursuant to Fed. R. Civ. P. 23 (a)(3) the claims of the Plaintiff are typical of the claims of the Class Members he seeks to represent; (d) Pursuant to Fed. R. Civ. P. 23(a)(4), Plaintiff and Class Counsel will fairly and adequately protect the interests of all members of the Class they seek to represent and the interests of Plaintiff are not antagonistic to those of the Class; (e) Pursuant to Fed. R. Civ. P. 23(b)(3) questions of law or fact common to the proposed settlement Class Members predominate over any questions affecting only individual members; and (f) Pursuant to Fed. R. Civ. P. 23(b)(3), a class action is superior to other available methods for the fair and efficient adjudication of the Action.

3. The Court finds on a preliminary basis that the Settlement Agreement is fair, reasonable, and adequate, warranting a Final Approval Hearing and issuance of notice to the Class in the manner and forms set forth in the Settlement Agreement.

4. **Class Representatives and Class Counsel.** The Court preliminarily appoints Plaintiffs as representatives for the Class. The Court preliminarily finds that Class Counsel fairly and adequately represent the interests of Plaintiff and the Class and hereby appoints them as Class Counsel to represent the Class pursuant to Fed. R. Civ. P. 23(g).

5. **Settlement Administrator.** The Court appoints Kroll Settlement Administration as Settlement Administrator to implement, perform, and oversee notice of the Settlement Agreement to Class Members; to process payments to the Class Members; and to otherwise carry

out the settlement administration responsibilities under the Settlement Agreement, including but not limited to:

- a. Formatting the various forms of notice;
- b. Email or arranging for email of the Email Notice;
- c. Mailing or arranging for the mailing of the Summary Notice;
- d. Establishing and maintaining the settlement website;
- e. Publishing, with input and approval of Defendants and Class Counsel, the Notice on the settlement website;
- f. Handling returned mail not delivered and making any additional mailings required under the terms of the Settlement Agreement;
- g. Responding, as necessary, to inquiries from Class Members, potential Class Members, and Claimants telephonically, via the Internet, and US mail;
- h. Maintaining accurate records and information on those Class Members who are reimbursed under the terms of this Settlement Agreement and/or dispute their settlement payment amounts;
- i. Updating addresses of Class Members;
- j. Preparing any affidavits required by the Court, Class Counsel, or Defense Counsel, including an affidavit to be submitted to the Court before the Final Approval Hearing that identifies the number of persons who timely submitted Requests for Exclusion from the settlement (the Opt-Out List) and details the Class notice program that the Settlement Administrator implemented under this Settlement Agreement;
- k. Promptly responding to Class Counsel's or Defense Counsel's reasonable requests for information and providing them information and documents, and communicating with Class Counsel and Defense Counsel regarding the same;
- l. Making and accounting for payments to Class Members;
- m. Collecting and organizing Class Member-related data provided under this Settlement Agreement by one or more of the Defendants;
- n. As necessary, preparing and filing tax returns and related forms; and
- o. Completing any other task reasonably necessary and proper to effectuate the payment of Class Members and administering the Settlement Agreement.

6. **Notice Plan.** The Court finds that the form, content, and methods of dissemination of the proposed Notice, Email Notice, and Summary Notice to be provided to Class Members: (a) is the best practicable notice; (b) is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Action and of their right to object or to exclude themselves from the Settlement; (c) is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to receive notice; and (d) meets all applicable requirements of Fed. R. Civ. Proc. 23, and due process. The Court therefore approves the Notice, Email Notice, and Summary Notice as well as the establishment of a settlement website and toll-free number, satisfies due process, and orders that they be disseminated in the manner called for in the Settlement Agreement. The Parties and Settlement Administrator are directed to forthwith implement the notice program as set forth in the Settlement Agreement.

7. **Requests for Exclusion.** A Request for Exclusion (or “opt-out”) must (a) be submitted and signed by the individual Class Member; (b) be submitted to the Settlement Administrator and received by a date not later than 65 days from entry of this Order; (c) contain the Class Members name and address; (d) express that he or she does not want to be a Class Member; and (e) otherwise comply with the instructions set forth in the Notice. So-called “mass” or “class” opt-outs shall not be allowed.

8. Requests for Exclusion must be exercised individually, not as or on behalf of a group, class, or subclass, except that an authorized legal representative of an individual acting on behalf of the individual may submit a Request for Exclusion. Any individual who timely requests exclusion from the Class and in accordance with the Settlement Agreement shall not be bound by any orders or judgments entered in this Action and shall not be entitled to receive any benefits provided by the Settlement in the event it is finally approved by the Court.

9. Any Class Member who does not submit a timely, written Request for Exclusion from the Settlement will be bound by all proceedings, orders, and judgments in the Action, even if the Class Member has previously initiated or subsequently initiates individual litigation or other proceedings encompassed by the Class Released Claims, and even if such Class Member never received actual notice of the Action or this proposed Settlement. Any individual who files a Request for Exclusion will have no right or opportunity to object to the Settlement.

10. **Objections.** Any Class Member wishing to object to or to oppose the approval of this Settlement Agreement or the Fee and Cost Application shall file a written objection with a statement of reasons with the Court and serve it on the Settlement Administrator and all Parties no later than 30 days prior to the date for the Final Approval Hearing. The written objection must (a) state the name and address of the objector and objector's counsel, if any; (b) attach documents sufficient to establish the objector's membership in the Class; (c) submit the factual and legal basis of each objection; (d) provide the names, addresses, and expected testimony of any and all witnesses in support of the objection; (e) the identification of any other objections the Settlement Class Member has filed, or has had filed on his/her behalf, in any other class action cases in the last four years; (f) the objector's actual wet signature, and (g) state whether the objector intends to appear at the Final Approval Hearing in person or through counsel.

12. Class Counsel will file with the Court their reply brief in support of final settlement approval, and in response to any objections at least 7 days before the date of the Final Approval Hearing. Defendants may also file a brief in support of the final settlement approval, and in response to any objections, if they wish.

13. Any objector who does not properly and timely object, will not be permitted to appear at the Final Approval Hearing and shall be deemed to have waived such objections and

shall forever be foreclosed from objecting to the fairness, reasonableness, or adequacy of the proposed settlement and any judgment approving the settlement.

14. No Class Member represented by an attorney shall be deemed to have objected to the Settlement Agreement unless an objection signed by that Class Member also is filed with the Court and served upon Class Counsel and counsel for all the Defendants as required herein.

15. **No Admission.** Neither the acceptance by Defendants of the terms of this Settlement Agreement nor any of the related negotiations or proceedings constitutes an admission by Defendants with respect to the merits of the claims alleged in the Action; the validity of any claims that could have been asserted by any of the Class Members in the Action, including but not limited to the Class Released Claims; or the liability of Defendants in the Action. Defendants specifically deny any liability or wrongdoing of any kind associated with the claims alleged in the Action. Neither the acceptance by the Class Representatives of the terms of the Settlement Agreement nor any of the related negotiations or proceedings constitutes an admission by the Class Representatives with respect to the merits of the claims or defenses in the Action.

17. All proceedings in the Action are stayed until further order of the Court except as may be necessary to implement the Settlement; to comply with this Preliminary Approval Order; or to comply with the terms of the Settlement Agreement. Further, all Class Members, and anyone who acts or purports to act on their behalf, are hereby enjoined until further order of the Court from instituting, continuing, commencing or prosecuting any action against any of the Defendants which asserts claims that are to be settled in this Settlement Agreement.

18. **Final Approval.** A Final Approval Hearing is hereby scheduled before this Court on Monday, December 1, 2025, at 10:00 a.m. to determine whether the proposed Settlement should be approved as fair, reasonable, and adequate, whether a judgment should be entered approving

the Settlement, and whether Settlement Class Counsel's application for attorneys' fees and for incentive awards to the Settlement Class Representatives should be approved. The Court may continue or adjourn the Final Approval Hearing from time to time, by oral announcement at the hearing or at any adjournment thereof, without further notice to Class Members. This hearing will be held at the Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Newark, NJ 07102.

20. The Parties' submissions in support of final approval of the settlement and application for award of attorneys' fees and costs and for an award of Class Representatives service fees on or before shall be filed 40 days prior to the Final Approval Hearing, 2025 A copy of the application(s) shall be posted on the settlement website.

21. The Court may, for good cause, extend, but not reduce in time, any of the deadlines set forth in this Preliminary Approval Order without further notice to Class Members.

BY THE COURT

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Hon. Madeline Cox Arleo  
United States District Judge

**Exhibit E to Bacon et al. v. ABG et al.  
Settlement Agreement**

**(Summary Notice)**

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY**

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**If you are a U.S. resident who paid a Gas Service Option (“GSO”) and/or Roadside Protection (“RSP”) Charge in connection with renting from Payless in the U.S. from January 1, 2016 through November 25, 2023, you may be eligible for a payment from a class action Settlement.**

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

- A Settlement has been reached with Avis Budget Group, Inc. (“ABG”) and Payless Car Rental, Inc. (“Payless”) (collectively, the “Defendants”) in a class action lawsuit about GSO/RSP Charges. If the Court gives final approval to the Settlement, Defendants will provide for each Class Member to receive a cash payment depending on eligibility (“Settlement Payment”). The Court in charge of this Action has preliminarily approved the Settlement and must decide whether to give final approval to the Settlement. The relief provided to Class Members will be provided only if the Court gives final approval to the Settlement and, if there are any appeals, after the appeals are resolved in favor of the Settlement. Please be patient.
- You are receiving this email because your email address was associated with a rental in Payless’s records. You are included in this Settlement as a Class Member if you are a U.S. and Canada residents who (1) rented from Payless in the United States from January 1, 2016 through November 25, 2023 (“Class Period”), and (2) in connection with that rental, you incurred charges for GSO and/or RSP.
- Your rights are affected whether you act or don’t act. Please read this Notice carefully.

| <b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b> |  | <b>DEADLINE</b> |
|--|--|-----------------|
| <b>EXCLUDE YOURSELF</b>  | If you exclude yourself from the Settlement, you will not receive a Settlement Payment under the Settlement. Excluding yourself is the only option that allows you to sue, continue to sue, or be part of another lawsuit against the Defendants related to the legal claims this Settlement resolves. You will also cease receiving notice about this case.               | [Deadline Date] |
| <b>OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING</b>            | If you do not exclude yourself from the Settlement, you may object to it by writing to the Court about why you don’t like the Settlement and think it should not be approved. You may object to the Settlement and ask the Court for permission to speak at the Final Approval Hearing about your objection. Filing an objection does not exclude you from the Settlement. | [Deadline Date] |
| <b>Do NOTHING</b>  | You will receive a Settlement Payment under the Settlement. You will also give up your right to object to the Settlement or be part of another lawsuit against the Defendants about the legal claims resolved by this Settlement.  | No Deadline     |

**Why am I receiving this notice?**

You received this Notice because a Settlement has been reached in this case. According to Defendants' available records you might be a member of the Settlement Class and may be eligible for the relief detailed below. This Notice explains the nature of the case, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement go to [www.\\_\\_\\_\\_\\_com](http://www._____com).

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

Plaintiffs filed a class action against Defendants Avis Budget Group, Inc. and Payless Car Rental, Inc., alleging that Defendants violated the New Jersey Consumer Fraud Act by charging for ancillary products and services, such as gas service option ("GSO") and roadside protection ("RSP") when they rented vehicles from them. Defendants deny all the allegations in the litigation and believe that the claims asserted against them are without merit.

#### **Am I a Class Member?**

You are included in this Settlement as a Class Member if you are a U.S. resident who (1) rented from Payless in the United States from January 1, 2016 to November 25, 2023 ("Class Period") and (2) in connection with that rental, paid a charge for GSO and/or RSP.

#### **What does the Settlement provide?**

If the Settlement is approved by the Court, Defendants will pay \$19,000,000 into a Settlement Fund to pay cash payments, notice and administration costs, attorneys' fees and costs, and service awards.

#### **What benefit can I get from the Settlement?**

If the Court grants final approval of the Settlement and the Settlement becomes effective (the "Effective Date"), you may be entitled to reimbursement for some or all of your past out-of-pocket expenses incurred for GSO and RSP. Class Members with GSO charges may receive up to \$20 per rental, and Class Members with RSP charges may receive up to \$12 per rental. If you are a Class Member, you will automatically receive your reimbursement. You may opt to receive your payment electronically via Venmo, Zelle, or e-check by following these steps:

1. Visit the Settlement website [www.\\_\\_\\_\\_\\_com](http://www._____com).
2. Click the "Payment Election" tab.
3. Login using your unique Class Member ID [Class Member ID]
4. Follow the prompts on the following screens to select your payment method of choice.

If you do not elect a payment type, payment will be made to you by digital payment or check as determined by the Settlement Administrator. If you do not want your information exposed to Zelle, you should make another election as set forth above.

#### **Can I exclude myself from the class?**

If you don't want to be legally bound by the Settlement, your request to be excluded must be mailed postmarked no later than [deadline date], or you will not be able to sue, or continue to sue, the Defendants about the claims and allegations in this case. Refer to the settlement website and the full Notice for information and instructions on how to exclude yourself.

#### **Can I tell the Court if I don't like the Settlement?**

If you want to stay in the Settlement Class, but you don't like some part of the Settlement, you can object to it. You can give reasons why you think the Court should not approve it. Your objection must be filed with the Court no later than [deadline date]. Refer to the settlement website and the full Notice for information and instructions on how to object. **Do I have a lawyer in this case?**

Yes, if you are a Class Member. The Court has appointed the law firm of Nagel Rice, LLP to represent the Class. These attorneys are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by another lawyer, you may hire one to appear in Court for you at your own expense.

#### **The Court's Final Approval Hearing.**

The Court's Final Approval Hearing will take place on **DATE at TIME** at the Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Newark, NJ 07102. At this hearing, the Court will determine whether the Settlement is fair, adequate, and reasonable and whether the objections by Class Members, if any, have merit. If you have filed an objection on time, you may attend and ask to speak, but you don't have to. However, the Court will only listen to people who have asked to speak at the hearing. At this hearing, the Court will also decide the service payments for the Class Representatives, as well as the attorney's fees for the lawyers representing the Class Members. We do not know how long the Court's decision will take, and the hearing date may change due to other court business. You should monitor [www.\[to be inserted\].com](http://www.[to be inserted].com) to find out if any dates have changed and to learn if the Court has approved the Settlement. You may appear at the Final Hearing, but you don't need to.

**Where can I get more information?**

Please visit the settlement website at [website URL] or call toll free 1-XXX-XXX-XXXX to obtain more complete information about the proposed settlement and your rights.