

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into as of March 14, 2017, between plaintiff Angela Fuller (the “Class Representative”) on behalf of herself and the Settlement Class Members on the one hand, and defendants Avis Budget Car Rental, LLC and Avis Budget Group, Inc. (collectively, “Defendants” or “Avis”) on the other hand.

RECITALS

WHEREAS, Class Representative is the plaintiff in an action entitled *Fuller v. Avis Budget Car Rental, LLC et al.*, No. 2:15-cv-03856-KM-MAH, United States District Court, District of New Jersey (the “Action”);

WHEREAS, the Action asserts that Avis violated various provisions of the Fair Credit Reporting Act (“FCRA”) in connection with the procurement and use of employment screening reports about certain consumers;

WHEREAS, Avis denies (a) the allegations and all liability with respect to any and all facts and claims alleged in the Action, (b) that Class Representative and the Class she purports to represent have suffered any damage, and (c) that the Action satisfies the requirements to be tried as a class action under Federal Rule of Civil Procedure 23;

WHEREAS, contested issues of both law and fact exist concerning the allegations and claims made against Avis;

WHEREAS, Class Representative and Class Counsel have investigated the facts and law and have engaged in discovery and settlement negotiations relating to the Action, and the Settlement Agreement is a product of sustained, arm’s-length negotiations;

WHEREAS, the Parties recognize that the outcome of the Action is uncertain, and that a final resolution through the litigation process could require several more years of protracted adversary

litigation and appeals; substantial risk and expense; the distraction and diversion of Avis's personnel and resources; and the expense of any possible future litigation raising similar or duplicative claims; and the Parties and their counsel have agreed to resolve the Action as a settlement class action according to the terms of this Settlement Agreement;

NOW THEREFORE, in consideration of the covenants and agreements set forth herein and without (a) any admission or concession on the part of the Class Representative of the lack of merit of the Action whatsoever, or (b) any admission or concession of liability or wrongdoing or the lack of merit of any defense whatsoever by Avis, it is hereby stipulated and agreed by the undersigned, on behalf of the Class Representative, the Settlement Class, and Avis, that the Action and all claims of the Settlement Class be settled, compromised, and dismissed on the merits and with prejudice as to all defendants, subject to Court approval as required by Federal Rule of Civil Procedure 23, on the terms and conditions set forth herein.

1. Definitions

As used in this Settlement Agreement, the terms set forth in this section in boldface type will have the following meanings:

1.1 Administrative Costs. The sum of all costs incurred in connection with the Settlement Class Notice and administration of the settlement, including mailing costs and payments to the Settlement Administrator.

1.2 Attorneys' Fees Award. The amount awarded by the Court to Class Counsel as attorneys' fees and costs as contemplated by section 5.3.2 hereof.

1.3 Class Counsel. Francis & Mailman, P.C., The Adkins Firm, P.C., and Robert S. Sola, P.C.

1.4 Class Representative or Plaintiff. Angela Fuller.

1.5 Confidential Information. All documents and things provided to Class Counsel by Avis during the course of the Action, whether by formal discovery or otherwise, that were designated as confidential. Notwithstanding the above, neither documents nor information described in this section that were filed in the public record during the course of this Action, unless currently under seal, shall be Confidential Information.

1.6 Court. The Honorable Kevin McNulty, United States District Court Judge, District of New Jersey, the Honorable Michael A. Hammer, United States Magistrate Judge, District of New Jersey, or such other judge of the District of New Jersey to whom the Action may hereafter be assigned.

1.7 Defendant's Counsel. Littler Mendelson, P.C.

1.8 Effective Date. The last date on which all of the following have occurred:

- (a) The Court enters the Final Judgment finally approving the settlement of the Action in a manner substantially consistent with the terms and intent of the Agreement; and
- (b) Either: (i) thirty-five (35) days have passed after completed service on the parties to the Action and all objectors to the settlement of the Action, if any, of notice of entry of the Court's judgment finally approving the settlement of the Action, and within such time no appeal is taken or extension for such appeal is granted, or (ii) if an appeal is taken with respect to the Court's judgment finally approving the settlement of the Action, the date when all appellate rights with respect to the Final Judgment have expired or have been exhausted in such a manner as to affirm the Final Judgment, and when no further appeals are possible, including review by the United States

Supreme Court, and the appellate court has by final order affirmed the Court's judgment finally approving the settlement of the Action, or has denied review, or the appellant otherwise has exhausted all appellate remedies.

1.9 Final Approval means the approval of the Settlement Agreement by the Court at or after the Final Fairness Hearing, and entry on the Court's docket of the Final Judgment.

1.10 Final Judgment. The Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court substantially consistent with this Settlement Agreement in the form attached as Exhibit B hereto.

1.20 Parties. The Class Representative, on behalf of herself and the Settlement Class Members, and Avis.

1.21 Preliminary Approval Order. The Order of Preliminary Approval of Settlement substantially in the form attached as Exhibit A hereto.

1.22 Released Parties. Avis Budget Car Rental, LLC and Avis Budget Group, Inc. their past, present and future parents, holding companies, subsidiaries, successors, asset purchasers, affiliates, insurers, employees, officers, managers, directors, and owners as well as any other entity bringing an indemnity or contribution claim against Avis for the specific FCRA Sections 1681b(b)(2) and b(b)(3) violations asserted in the Action.

1.23 Individual Settlement Award and Service Payment. The one-time payment to the Class Representative for her individual settlement award and service payment for the time and resources she has put into representing the Settlement Class, as set forth in Section 5.3.1. hereof.

1.24 Settlement Administrator. The entity appointed by the Court, pursuant to section 3.3.1 hereof to administer notice to the Settlement Class and distribute settlement payments.

1.25 Settlement Agreement. This agreement, together with all of its exhibits.

1.26 Settlement Class. The Class defined in section 3.1.1, as certified by the Court.

1.26.1 2 Year B(b)(2) Group. The group defined in section 3.1.1(a).

1.26.2 3-5 Year B(b)(2) Group. The group defined in section 3.1.1(b).

1.26.3 2 Year B(b)(3) Group. The group defined in section 3.1.1(c).

1.26.4 3-5 Year B(b)(3) Group. The group defined in section 3.1.1(d).

1.27 Settlement Class Members. All persons who fall within the Settlement Class.

1.28 Settlement Class Notice. The documents to be mailed to the Settlement Class Members pursuant to section 3.3.3

1.29 Settlement Escrow. An account established to hold funds advanced by Avis under section 5.3 hereof, and from which amounts due thereunder will be paid.

1.30 Settlement Payment. The \$2,250,000 to be paid by Avis in connection with the settlement.

2. Settlement Procedures

On or before March 14, 2017, Plaintiff shall move the Court for an order substantially in the form of Exhibit A hereto:

- (a) preliminarily approving this Settlement Agreement;
- (b) conditionally certifying the Settlement Class as defined in section 3.1.1 hereof for settlement purposes only;
- (c) approving the Parties' selection of the Settlement Administrator;
- (d) approving the Settlement Class Notice and the manner of providing it to the Settlement Class described in section 3.3 hereof;
- (g) setting a Final Fairness Hearing date.

If the Court certifies any class or enters any orders relating to the Class Representative and Class Counsel, such actions shall not be an adjudication of any fact or issue for any purpose other than the effectuation of this Agreement and shall neither be considered as law of the case or *res judicata*, nor shall have collateral estoppel effect in this or any other proceeding. In the event that Final Approval is not achieved for whatever reason or the Effective Date does not otherwise occur, the Court's orders contemplated by this section shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity for any purpose in the Action or otherwise.

3. The Settlement Class and Notice

3.1 Settlement Class.

3.1.1 For settlement purposes only, the Parties agree that the Court may certify a settlement class in this Action pursuant to Federal Rule of Civil Procedure 23(b)(3) (the "Settlement Class"), composed of the following groups:

3.1.1 (a): The 2 Year B(b)(2) Group:

All natural persons residing within the United States and its territories regarding whom, from June 9, 2013 through April 28, 2016,¹ Avis Budget Car Rental, LLC procured or caused to be procured a consumer report for employment purposes using a written disclosure containing language substantially similar in form to the Disclosure Form provided to Ms. Fuller.

3.1.1(b): The 3-5 Year B(b)(2) Group:

All natural persons residing within the United States and its territories regarding whom, from June 9, 2010 through June 8, 2013, Avis Budget Car Rental, LLC procured or caused to be procured a consumer report for employment purposes using a written disclosure containing language substantially similar in form to the Disclosure Form provided to Ms. Fuller.

¹ The 2-Year Groups end on April 28, 2016 because by that date Avis had substantially changed its forms as further described in section 6.1 and process as further described in section 6.2.

3.1.1(c): The 2 Year B(b)(3) Group:

All employees or applicants for employment with Defendants residing in the United States and its Territories who were the subject of a background report procured or caused to be procured from a consumer reporting agency by Avis Budget Car Rental, LLC, and to whom its records reflect that it directed Sterling InfoSystems, Inc. or Sterling's predecessors or successors to provide, on its behalf, a pre-adverse action notice, from June 9, 2013 through April 28, 2016.¹

3.1.1(d): The 3-5 Year B(b)(3) Group:

All employees or applicants for employment with Defendants residing in the United States and its Territories who were the subject of a background report procured or caused to be procured from a consumer reporting agency by Avis Budget Car Rental, LLC and to whom its records reflect that it directed Sterling InfoSystems, Inc. or Sterling's predecessors or successors to provide, on its behalf, a pre-adverse action notice, from June 9, 2010 through June 8, 2013.

3.1.2 Plaintiff shall seek certification of the Settlement Class in connection with her motion for preliminary approval of this settlement. Avis agrees not to contest certification of the conditional Settlement Class but reserves its rights to contest any motion to certify any class for trial, and specifically reserves all arguments that class certification for any other purpose would be improper.

3.2 Decertification of the Settlement Class if Settlement Not Approved. If the Court does not grant Final Approval of the settlement reflected in this Settlement Agreement, or if the Court awards attorneys' fees and costs in excess of those provided for in section 5.3.2 hereof, the certification of any Settlement Class will be vacated and the Parties will be returned to their positions quo ante with respect to the Action as if the Settlement Agreement had not been entered into. In the event that Final Approval is not achieved, the Parties agree that (a) any Court orders preliminarily or finally approving the certification of any class contemplated by this Settlement Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity, and (b) the fact of the settlement reflected in this Settlement Agreement, that Avis did

not oppose the certification of any class under this Settlement Agreement, or that the Court preliminarily approved the certification of any Settlement Class, shall not be used or cited thereafter by any person or entity, including in any contested proceeding relating to the certification of any class; and (c) any monies paid by or on behalf of Defendants pursuant to this Agreement will be refunded to Defendants.

3.3 Notice Plan.

3.3.1 Court Appointment and Retention of Settlement Administrator. At the Preliminary Approval hearing, the Parties will propose that the Court appoint American Legal Claims Services, LLC or another competitive bidder mutually acceptable to the Parties as Settlement Administrator. Any appointed settlement administrator must agree to sign a data security agreement acceptable to the Parties to be qualified to serve. The Settlement Administrator will facilitate the notice process by assisting the Parties and providing professional guidance in the implementation of the notice plan. The Settlement Administrator shall administer the provision of notice to the Settlement Class and the provision of payments contemplated by Section 5 hereof.

3.3.2 Preparation and Production of Class List. Within twenty-one (21) days after Preliminary Approval, Avis will provide the Settlement Administrator with separate lists identifying the members of the 2 Year B(b)(2) Group, the 3-5 Year B(b)(2) Group, the 2 Year B(b)(3) Group and the 3-5 Year B(b)(3) Group (the "Class List"). The lists will be prepared pursuant to the procedures set forth herein. In generating the Class List, Avis will use commercially reasonable procedures to search their files to identify each person who, based on the information appearing in those files and based on Avis' good faith interpretation of the class definitions, falls within the required definitions. Avis and the Settlement Administrator will agree that the Settlement Administrator will maintain the Class List and other information provided to it by or

on behalf of Avis, including information derived therefrom, in a confidential manner, and that the Settlement Administrator will not provide such Class List or other information to any other person, including Class Counsel and the Class Representative, without the prior written consent of Avis. Should Avis subsequently decide to remove a member from the Class List, Avis shall immediately provide Class Counsel with the reasons for each proposed removal. Settlement Class Counsel shall then have 10 days to object to such removal. The Parties agree to attempt to resolve any such objections in good faith.

3.3.3 The Settlement Class Notice. Within thirty-five (35) days after the Court enters Preliminary Approval, the Settlement Administrator will send Settlement Class Notice via U.S. mail, postage prepaid, requesting either forwarding service or change of address service to each Settlement Class Member identified on the Class List. The Settlement Class Notice will be sent to the last known address reflected in the Class List, updated using commercially reasonable procedures. For up to forty-five days following the mailing of the Settlement Class Notice, the Settlement Administrator will re-mail the Settlement Class Notice via standard U.S. Mail, postage prepaid, to updated addresses of Settlement Class Members to the extent that it received address change notifications from the U.S. Postal Service. No later than fifteen (15) days before the Final Fairness Hearing in the Action, the Settlement Administrator will file proof of the mailing of the Settlement Class Notice with the Court. Neither the Parties nor the Settlement Administrator will have any further obligation to send notice of the Settlement Agreement to any Settlement Class Member.

3.3.4 Settlement Website. The Settlement Administrator will create and maintain a website that will be activated within twenty-one (21) days following entry of the Preliminary Approval Order. The Settlement Website will post the Settlement Administrator's

contact information, the Settlement Agreement, the Settlement Class Notice, the Preliminary Approval Order, the proposed Final Judgment, and, if not included in the Preliminary Approval Order, any court order setting a date and time for the Final Fairness Hearing. The Settlement Administrator will terminate the Settlement Website on the date (a) thirty (30) days after the date the last check is issued under this Settlement Agreement or (b) the date on which the settlement is terminated or otherwise not approved by a court. To the extent practicable and available, the Settlement Website URL will be composed of a combination of Angela Fuller's name and "FCRA," i.e., FullerFCRALitigation.com. The parties will confer in good faith regarding the final URL chosen.

3.3.5 CAFA Notice. Avis, via the Settlement Administrator, shall serve any notice of the settlement that meets the requirements of CAFA, 28 U.S.C. § 1715, on the appropriate federal and state officials not later than ten days after the filing of this Settlement Agreement with the Court. Avis shall file with the Court a certification of the date upon which the CAFA Notice was served.

3.3.6 Costs. Separate and apart from the Settlement Payment, Avis shall be responsible for 50% of the costs associated with the Notice and Administration Plan and all Administrative Costs, up to \$40,000. The remaining 50% of costs, and any amount beyond \$80,000 invoiced by the Settlement Administrator shall be payable from the funds deposited in the Settlement Escrow account pursuant to Section 5.3. Otherwise, no additional payment of any kind above the Settlement Payment as defined by Section 1.30 shall be paid by Avis in connection with the full and final settlement of this matter.

3.4 Opt-outs and Objections by Settlement Class Members.

3.4.1 Procedures for Opt-outs. Any request to opt out of the Settlement Class must be in writing and must include the name, address, and telephone number of the person seeking to opt out and a statement that the person wishes to opt out of such release. The opt-out request must be personally signed by the Settlement Class Member who seeks to opt out; no Settlement Class Member may opt out by having a request to opt out submitted by an actual or purported agent or attorney acting on behalf of the Settlement Class Member. No opt-out request may be made on behalf of a group of Settlement Class Members. Each Settlement Class Member who does not submit an opt-out request substantially in compliance with this section forty-five (45) or more days before the Final Fairness Hearing date specified in the Settlement Class Notice shall be deemed to participate in the settlement and all releases provided in this Settlement Agreement. For purposes of determining timeliness, an opt-out request shall be deemed to have been submitted when postmarked by the postal service or other expedited mail service. The Settlement Administrator shall provide copies of all requests to opt out to Class Counsel and Defendant's Counsel. No later than ten (10) days prior to the Final Fairness Hearing, Settlement Class Counsel shall prepare and file with the Court, and serve on Avis's counsel, a list of all persons who have timely opted out of the Settlement Class, as compiled by the Settlement Administrator. At that time, Class Counsel shall also supply its determinations as to whether any request to Opt Out of the Settlement Class was not submitted timely, and provide written notification to any Settlement Class Member whose request to Opt Out of the Settlement Class was not submitted on a timely basis.

3.4.2 Effect of Opt-outs by Settlement Class Members. It is estimated that there are approximately 21,000 members of the 2 Year B(b)(2) Group and approximately 25,000 members of the 3-5 Year B(b)(2) Group. It is estimated that there are approximately 500 members

of the 2 Year B(b)(3) Group and approximately 600 members of the 3-5 Year B(b)(3) Group. The Class Representative or Class Counsel may terminate this Settlement Agreement and declare it null and void *ab initio* if the size of the 2 Year B(b)(2) Settlement Group becomes materially larger than 25,000 individuals, or if the size of the 2 Year B(b)(3) Settlement Group becomes materially larger than 600 individuals. If five percent (5%) or more of the combined Settlement Class Members opt out of the release provided for in section 4 hereof, then Avis shall have the option to rescind this Settlement Agreement, in which case all of Avis's obligations under this Settlement Agreement shall cease to be of any force and effect, and this Agreement shall be rescinded, cancelled, and annulled. If Avis exercises this option, then the Parties shall return to their respective positions in the manner and effect as set forth in section 3.2 hereof.

3.4.3 Procedure for Objections.

(a) Any Settlement Class Member who has not timely opted-out of the settlement and who wishes to object to the fairness, reasonableness, or adequacy of any aspect of the Settlement Agreement, including without limitation the compensation to be paid to Class Counsel, must deliver an objection, in writing, to Class Counsel and Defendant's Counsel and must also file the objection with the Court, no later than forty-five (45) days before the Final Fairness Hearing or as the Court may otherwise direct.

(b) Written objections must include: (i) the objector's name, address, and telephone number; (ii) the name of this Action and the case number; (iii) a statement of each objection; and (iv) a written brief detailing the specific basis for each objection, including any legal and factual support the objector wishes to bring to the Court's attention and any evidence the objector wishes to introduce in support of the objection.

(c) If the objection is made through an attorney, the written objection must also include the identity of the Settlement Class Member represented by objector's counsel. No objection may be made on behalf of a group of Settlement Class Members.

(d) Any Settlement Class Member who files and serves a written objection satisfying the requirements of this section may appear at the Final Fairness Hearing, either in person or through personal counsel hired at the Settlement Class Member's expense, to object to any aspect of the fairness, reasonableness, or adequacy of the Settlement Agreement. Settlement Class Members, or their attorneys, intending to make an appearance at the Final Fairness Hearing must deliver to Class Counsel and Defendant's Counsel and have file-marked by the Court, no later than thirty days before the Final Fairness Hearing or as the Court otherwise may direct, a Notice of Intention to Appear. The Notice of Intention to Appear must: (i) state how much time the Settlement Class Member anticipates needing to present the objection; (ii) identify, by name, address, telephone number all witnesses the Settlement Class Member proposes to have testify; (iii) summarize in detail the anticipated testimony of all such witnesses; (iv) identify all exhibits the Settlement Class Member intends to offer in support of the objection; and (v) attach complete copies of all such exhibits.

4. Release of Claims

4.1 General Release by Class Representative. On the Effective Date of this Settlement and only in the event that the court has granted final approval to the Parties' Settlement, in addition to the class claims released in paragraph 4.2 of this Agreement, Plaintiff Angela Fuller, on behalf of herself, her offspring, heirs, administrators, representatives, executors, successors, and assigns, hereby irrevocably and unconditionally releases and forever discharges the Released Parties from all claims of any nature whatsoever that Fuller now has or asserts to have, or which Fuller at any time heretofore had, or asserted to have, or that Fuller may hereafter have, or assert

to have, against the Released Parties concerning any aspect of Fuller's relationship with Released Parties through the Effective Date of the Agreement. The term "claims" includes any claim or cause of action, regardless of the forum in which it may be brought, and includes, but is not limited to, any claim of breach of express or implied contract, breach of the covenant of good faith and fair dealing, breach of any obligation arising out of any law, statutory law, common law, or public policy of the United States of America, the State of New Jersey, the State of Tennessee, the State of Florida, or any state or other governmental entity, the Fair Credit Reporting Act and any similar state or local laws, laws governing the procurement or use of background checks in employment, discrimination or harassment on the basis of race, sex, sexual preference, gender identity, age, national origin, religion, medical condition, disability, marital status or otherwise (including but not limited to claims under the Civil Rights Acts of 1866, 1964 and 1991, Section 1981, the Age Discrimination in Employment Act of 1967, any amendments to the foregoing, or any other federal, state, county or local law, ordinance, regulation or order relating to employment), unpaid wages, expenses, gratuities, and benefits, unfair business practices, intentional or negligent infliction of emotional distress, fraud, misrepresentation, defamation, interference with contract or other interests, or any other claims or causes of action for damages of any nature, including without limitation, actual, compensatory, punitive, statutory, and liquidated damages, penalties, and attorneys' fees, costs and expenses. Fuller expressly waives any and all any amount allegedly owed to her in connection with her relationship or prospective relationship with Released Parties. Fuller acknowledges that she is expressly waiving any and all claims that may entitle her to participate, either as a named Plaintiff or class member in any other action against Released Parties based on conduct occurring through the Effective Date. To that end, Fuller also waives and releases to the maximum extent allowed by law all monetary and other relief that may be sought on her behalf by other persons or agencies. The sole exclusions from this release shall be the consideration provided in exchange for this Agreement, any claim that cannot be waived by private agreement under federal, state, or local law, including such claims for worker's compensation, unemployment insurance, indemnity or any claim that arises after the Effective Date, and any

claims under the National Labor Relations Act. Plaintiff and her counsel agree not to issue a press release or to affirmatively reach out to the press in order to comment on or to discuss this Settlement.

4.2 Release By Settlement Class. Upon Final Approval, the Class Representative, each Settlement Class Member who has not opted out of the settlement in accordance with the terms of this Settlement Agreement, and each of their respective executors, representatives, heirs, successors, bankruptcy trustees, guardians, wards, agents and assigns, and all those who claim through them or who assert claims on their behalf, will be deemed to have completely released and forever discharged the Released Parties from any claim, right, demand, charge, complaint, action, cause of action, class action, collective action, representative action, obligation, or liability for any type of relief or damages predicated on any claim for actual or statutory damages, punitive damages, restitution or other monetary relief of any and every kind, including, without limitation, those based on any federal, state, or local law, statute, regulation, or common law (including but not limited to under the Fair Credit Reporting Act), including all claims for declaratory or injunctive relief, whether known or unknown, suspected or unsuspected, under the law of any jurisdiction, which the Class Representative or any Settlement Class Members ever had, now has or may have in the future resulting from, arising out of or in any way, connected with Avis's background check-related forms or processes, including but not limited to: (a) any act, omission, event, incident, matter, dispute or injury arising from or relating to the use of a disclosure or authorization containing language substantially in the form of the Disclosure Form provided to Ms. Fuller; (b) any act, omission, event, incident, matter, dispute or injury arising from the procurement of any consumer report for employment purposes that contained or referenced adverse public record information whereby written notice of the consumer report or legal rights

were not provided; (c) any event, matter, dispute or thing that in whole or in part, relates to or arising out of said events specified in (a) or (b) above; and (d) any known or unknown, suspected or unsuspected, asserted or unasserted, contingent or non-contingent claim with respect to the claims released in (a)-(c) above, whether or not concealed or hidden, without regard to subsequent discovery or existence of such different or additional facts through the date of the final approval of this Settlement.

5. Settlement Relief

5.1 Cash Payments to Settlement Class Members.

5.1.1 Of the Settlement Escrow Fund, an amount in the sum of \$45 multiplied by the final number of 2 Year B(b)(2) Group members shall be initially reserved for payments to the 2 Year B(b)(2) Group. Each 2 Year B(b)(2) Group member, whose Settlement Class Notice is not returned as undeliverable, and who does not opt out, is entitled to automatic payment under the process set forth in section 5.5 of this Settlement Agreement in the amount of \$45.

5.1.2 The remaining portion of the Settlement Escrow Fund, excluding the sums sought for attorneys' fees, Service Award, and Settlement Administration costs and fees, shall be initially reserved for payments to the 2 Year B(b)(3) Group. Each 2 Year B(b)(3) Group member, whose Settlement Class Notice is not returned as undeliverable, and who does not opt out, is entitled to a payment under the process set forth in section 5.5 of this Settlement Agreement, equal to a *pro rata* share of the funds reserved for 2 Year B(b)(3) Group Payments, plus any uncashed checks sent to 2 Year B(b)(2) Group members and the difference between any amounts sought for Attorneys' Fees and Costs and an Individual Settlement and Service Award and subsequently awarded by the Court.

5.2 In-Kind Payments to Settlement Class Members.

5.2.1 Each 3-5 Year B(b)(2) Group member, whose Settlement Class Notice is not returned as undeliverable, and who does not opt out, is entitled to a voucher redeemable for \$20 toward weekday car rental with Avis, to be delivered in accordance with the process set forth in section 5.5 of this Settlement Agreement.

5.2.2 Each 3-5 Year B(b)(3) Group member, whose Settlement Class Notice is not returned as undeliverable, and who does not opt out, is entitled to a voucher redeemable for \$20 toward a weekday car rental with Avis, to be delivered in accordance with the process set forth in section 5.5 of this Settlement Agreement.

5.2.3 Each member of a 3-5 Year Group as set forth in section 5.2.1 or 5.2.2 shall only be entitled to a total of a single \$20 voucher, even if they fall into both 3-5 Year Groups, and is only entitled to a voucher if the member is not a member of any 2 Year Group entitled to a cash payment as provided by section 5.1.

5.3 Other Payments Under the Settlement Agreement.

5.3.1 Individual Settlement Award and Service Payment. Class Counsel will seek the Court's approval of an Individual Settlement Award and Service Payment, in the Court's discretion, of up to Fifteen Thousand Dollars (\$15,000) for the Class Representative. Avis will not oppose an Individual Settlement Award and Service Payment of up to Fifteen Thousand Dollars (\$15,000) for the Class Representative. In the event that the Court awards the Class Representative an Individual Settlement Award and Service Payment of less than \$15,000, the difference between \$15,000 and the sum awarded by the Court shall be added to the funds distributed to the Settlement Class in accordance with Section 5.5.6 of this Settlement Agreement. In no event shall any amounts agreed to be paid by Defendant under this Settlement Agreement revert to the Defendants. Any

Service Payment to the Class Representative is contingent on receipt by Defendants of a Form W9 for the Class Representative and the Class Representative's signed General Release.

5.3.2 Attorneys' Fees, Costs, and Other Expenses. No later than ten (10) days in advance of the Final Fairness Hearing, Class Counsel shall make an application to the Court for an award of attorneys' fees, costs, and other expenses, to be paid from the Settlement Escrow in an amount not to exceed one-third of the total value of the settlement, including cash and vouchers. The Court's award thereon (the "Attorneys' Fees Award") shall include all fees, costs, and other expenses for all attorneys (and their employees, consultants, experts, and other agents) who performed work in connection with the Action on behalf of the Settlement Class Members. The Parties shall include in the Settlement Class Notice a reasonable estimate of the amount that Class Counsel will request as the Attorneys' Fee Award. Avis will not oppose an application for the payment of attorneys' fees, costs and other expenses up to one-third of the total value of the Settlement, including cash and vouchers. This agreement with respect to attorneys' fees and expenses was not negotiated until after the substantive relief to the Settlement Class was negotiated and agreed upon. In the event that the Court awards Class Counsel a sum of less than one-third of the total value of the Settlement, including cash and vouchers in fees, costs, and other expenses, then the difference between one-third of the total value of the Settlement, including cash and vouchers and the sum awarded by the Court shall be added to the funds distributed to the Settlement Class in accordance with section 5.5.6 of this Settlement Agreement. In no event shall any amounts agreed to be paid by Defendant under this Settlement Agreement revert to the Defendant. Any payment of Attorney Fees to Class Counsel is contingent upon Class Counsel's provision of completed W9 forms to Avis.

5.4 Funding of Payments Under the Settlement Agreement.

5.4.1 Within twenty-one days of the entry of an order granting preliminary approval of this Settlement Agreement, Avis shall remit to the Settlement Administrator \$100,000 as partial funding of the Settlement Escrow account. Within five business days of the Effective Date, Avis shall remit \$2,150,000 to the Settlement Administrator for deposit into the Settlement Escrow fund which shall be sufficient to pay the amounts payable under sections 5.1, 5.3.1, and 5.3.2.

5.5 Disbursements by the Settlement Administrator.

5.5.1 The Settlement Administrator shall use the Settlement Escrow only in the manner and for the purposes provided in this Settlement Agreement. The Settlement Administrator shall not disburse any portion of the Settlement Escrow except as expressly provided for in this Settlement Agreement.

5.5.2 Within 10 business days after the Effective Date, the Settlement Administrator shall mail automatic payments to 2 Year B(b)(2) Settlement Class Members as set forth in section 5.1 of this Settlement Agreement via U.S. mail. The Settlement Administrator shall not mail any payments to those Settlement Class Members whose Mail Notices were returned to the Settlement Administrator as undeliverable. The settlement checks shall state that the checks must be deposited or cashed within 90 days and that the checks will not be valid after that date. The Settlement Administrator shall ensure that, if a check has not been deposited or cashed within 90 days after the date appearing on the check, the amount of the check remains in the Settlement Escrow for distribution in accordance with section 5.5.6 hereof.

5.5.3 Within 10 business days after the Effective Date, the Settlement Administrator shall mail vouchers in a form and format provided by Avis to the 3-5 Year B(b)(2) Group Members and 3-5 Year B(b)(3) Group Members

5.5.4 Within fourteen days after the Effective Date, the Settlement Administrator shall pay from the Settlement Escrow the Attorneys' Fees approved by the Court and authorized by Court's order entered upon application by Class Counsel, if any, to Settlement Class counsel under section 5.2.2 of this Settlement Agreement.

5.5.5 Within fourteen days after the Effective Date, the Settlement Administrator shall pay from the Settlement Escrow the individual settlement and service award, if any, to the Class Representative under section 5.3.1 of this Settlement Agreement.

5.5.6 Within one hundred ten (110) days after the Effective Date, the Settlement Administrator shall pay from the Settlement Escrow payments to the 2 Year B(b)(3) Group Members. The dollar amount of checks sent to the 2 Year B(b)(3) Group Members will be determined as follows: After the deadline for 2 Year B(b)(2) Group Members to deposit or cash checks mailed pursuant to section 5.5.2 of this Agreement has elapsed, the Settlement Administrator shall calculate the funds available for distribution to members of the 2 Year B(b)(3) Group, by adding together the amount initially reserved for payments to the 2 Year B(b)(2) Group with the amount of any uncashed checks sent to members of the 2 Year B(b)(2) Group, as well as the difference between the amounts petitioned for and the amounts awarded by the court for Attorneys Fees and Costs and an Individual Settlement and Service Award, if any, as set forth in sections 5.3.1 and 5.3.2 of this Agreement. This amount shall be divided on a *pro rata* basis between all 2 Year B(b)(3) Group Members who did not opt out and whose Mail Notices were not returned as undeliverable. These payments shall be sent via U.S. Mail. The settlement checks shall

state that the checks must be deposited or cashed within 90 days and that the checks will not be valid after that date. The Settlement Administrator shall ensure that, if a check has not been deposited or cashed within 90 days after the date appearing on the check, the amount of the check remains in the Settlement Escrow for distribution in accordance with section 5.7 hereof. To the extent that any of the payments provided for under this section require, pursuant to governing federal tax statutes, codes, or regulations, the preparation of forms 1099, same will be prepared and mailed at the appropriate time by the Settlement Administrator.

5.6 Payment of Costs of Notice and Administration. All fees, costs, and expenses associated with the Notice and Administration Plan and all Administrative Costs, including payment to the Settlement Administrator, shall be paid out of the Settlement Escrow account. Within two hundred ten (210) days after the Effective Date, the Settlement Administrator shall provide an accounting of the Settlement Escrow account. Either of the Parties may dispute that accounting with the Court within twenty-one (21) days of the date the report is provided.

5.7 Cy Pres Distributions. The Parties shall jointly propose to the Court, in an exercise of its continuing discretion, that if any money remains in the Settlement Escrow account 235 (two hundred and thirty-five) days after the Effective Date, the remaining funds shall be paid to Community Legal Services of Mid-Florida as *cy pres* recipient. No funds shall revert to Defendant.

6. Practice Change Consideration

In addition to the financial consideration set forth in Section 5 of this Settlement Agreement, Avis further agrees as a condition of this settlement to undertake the following practice changes:

6.1 Plaintiff's counsel has reviewed Avis's current forms and agrees that same are compliant with the FCRA. Avis agrees not to materially change the language of same for a period

of two years from the Effective Date of this Agreement absent material changes in Avis' legal obligations with respect to the use of consumer reports for employment purposes;

6.2 Avis to agree not to re-implement automated rejection emails via its PeopleScout recruiting system, for applicants whose employment application may be rejected for background check-related reasons;

6.3 Plaintiff agrees that at the final approval hearing in this matter, Avis may request that a consent order be entered regarding terms 6.1 and 6.2, above. The submitted consent order may request that any alleged breaches thereof not be deemed material breaches of this Agreement and that any Settlement Class Member must notify Avis of an alleged consent order breach before filing any claim related thereto.

7. Dismissal of the Action

The Class Representative, on behalf of himself and the Settlement Class Members consents to the dismissal of this Action with prejudice. The Parties hereby stipulate to the entry of the Final Judgment in a form substantially the same as Exhibit B following Final Approval of the Settlement Agreement by the Court.

8. Notices

Any communication, verification, or notice sent by any Party in connection with this Settlement Agreement shall be effected by personal delivery, regular first class mail, facsimile and/or overnight courier as follows:

To Plaintiff:

James A. Francis
Francis & Mailman, P.C.
Land Title Building, 19th Floor
100 South Broad Street
Philadelphia, PA 19110

To Defendant:

William J. Simmons
Littler Mendelson, P.C.
Three Parkway
1601 Cherry Street, Suite 1400
Philadelphia, PA 19102

9. Miscellaneous

9.1 Entire Agreement. This Settlement Agreement along with the attached exhibits contains the entire agreement between the Parties and supersedes all prior understandings, agreements, or writings regarding the subject matter of this Settlement Agreement.

9.2 No Liability. This Settlement Agreement does not constitute, is not intended to constitute, and will not under any circumstances be deemed to constitute, an admission by either party as to the merits, validity, or accuracy, or lack thereof, of any of the allegations or claims in this Action. This Settlement Agreement does not constitute a waiver of any defenses or affirmative defenses that Defendants or their successors may be entitled to assert in any future litigation, including the applicable statute of limitations.

9.3 Invalidity on Modification or Disapproval. In the event any court disapproves or sets aside this Settlement Agreement or any material part hereof for any reason, or holds that it will not enter or give effect to the Final Judgment without material modification, or holds that the entry of the Final Judgment or any material part thereof should be overturned or modified in any material way, then:

(A) If all Parties do not agree jointly to appeal such ruling, this Settlement Agreement will become null and void, and this Action will continue, and the Parties stipulate to joint motions (i) that any and all orders entered pursuant to this Settlement Agreement be vacated, and (ii) that any and all dismissals pursuant to this Agreement will be vacated; or

(B) if the Parties do agree to jointly appeal such ruling and if the Final Judgment or its equivalent in all material respects is not in effect after the termination of all proceedings arising out of such appeal, this Settlement

Agreement will become null and void, and this Action will continue, and the Parties stipulate to joint motions (i) that any and all orders entered pursuant to this Agreement be vacated, including, without limitation, any order modifying the class certification order or permitting amendment of the complaint to conform the complaint to the class definition set out in section 3.1, and (ii) that any and all dismissals pursuant to this Agreement will be vacated.

9.4 Amendment. This Settlement Agreement may be amended or modified only by a written instrument signed by all Parties or their successors in interest or their duly authorized representatives.

9.5 Taxes. Claimants, the Class Representative, and Class Counsel shall be responsible for paying any and all federal, state, and local taxes due on any payments made to them pursuant to the Settlement Agreement.

9.6 Representation of Opt-Outs. Class Counsel agree that this Settlement Agreement is fair, reasonable, and in the best interest of the Settlement Class Members. Based upon unique circumstances here, Class Counsel agrees that Settlement Class Members who seek to opt-out should be represented by counsel who do not agree that the Settlement Agreement is fair, reasonable, and in the best interest of the Settlement Class Members. Accordingly, Class Counsel shall, if contacted, refer any such opt-outs to the applicable state bar association or other referral organization for appropriate counsel in any subsequent litigation against Defendants.

10. Representations and Warranties

10.1 No Additional Persons with Financial Interest. The Class Representative and Class Counsel represent and warrant that the term “Class Counsel” as defined in section 1.3 hereof

includes all persons (natural or legal) having any interest in any award of attorneys' fees or costs in connection with the Actions.

10.2 Parties Authorized to Enter into Settlement Agreement. The Class Representative and Avis represent and warrant that he, she, or it is fully authorized to enter into this Settlement Agreement and to carry out the obligations provided for herein. Each person executing this Settlement Agreement on behalf of a Party covenants, warrants and represents that he is and has been fully authorized to do so by such Party. Each Party hereto further represents and warrants that he, she, or it intends to be bound fully by the terms of this Settlement Agreement.

10.3 No Attempt by Parties to Object. The Class Representative, Class Counsel and Avis each represent and warrant that they have not made, nor will they make, any attempt to (a) void this Settlement Agreement in any way, or (b) solicit, encourage, or assist in any fashion any effort by any person (natural or legal) to object to the settlement under this Settlement Agreement.

10.4 Other Claims. Class Counsel represents that it is unaware of any other individuals who may have any claims against the Released Parties. Class Counsel warrants that, if prior to the date all parties to this Agreement have affixed their signatures hereto, another "copycat" lawsuit against Released Parties is initiated, Class Counsel will undertake reasonable efforts to contact counsel for the plaintiff(s) in said lawsuit and limit objectors to this Agreement. Class Representative warrants that she will not assist others in presenting claims against Released Parties with respect to the claims raised in the Complaint in this matter, absent subpoena or court order.

10.5 Signatures. The Parties and their counsel may sign separate copies of this Settlement Agreement, which together will constitute one agreement. Each person executing this

Settlement Agreement warrants that such person has the full authority to do so. In addition, signature by facsimile will constitute sufficient execution of this Settlement Agreement.

10.6 Best Efforts. The Parties agree that the terms of the Settlement Agreement reflect a good-faith settlement of disputed claims. Class Counsel and Avis consider the settlement effected by this Settlement Agreement to be fair and reasonable and will use their best efforts to seek approval of the Settlement Agreement by the Court, including amendment of the complaint to incorporate the definitions of the Settlement Class, if necessary, and in responding to any objectors, intervenors or other persons or entities seeking to preclude the Final Approval of this Settlement Agreement. This obligation is subject to Avis's rights to terminate the Settlement Agreement as provided herein.

10.7 Time Periods. The time periods and dates described in this Settlement Agreement with respect to the giving of notices and hearings are subject to Court approval and modification by the Court or by written stipulation of the Counsel.

10.8 Governing Law. Except where otherwise provided for herein, this Settlement Agreement is intended to and shall be governed by the laws of the State of New Jersey.

10.9 No Construction Against Drafter. This Settlement Agreement shall be deemed to have been drafted by the Parties, and any rule that a document shall be interpreted against the drafter shall not apply to this Settlement Agreement.

10.10 Agreement Binding on Successors in Interest. This Settlement Agreement shall be binding on and inure to the benefit of the respective heirs, successors, and assigns of the Parties.

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Named Plaintiff:


Angela Fuller

**Counsel for Named Plaintiff and
Settlement Class:**



James A. Francis
Francis & Mailman, P.C.
Land Title Building, 19th Floor
100 South Broad Street
Philadelphia, PA 19110

Defendants



Avis Budget Car Rental, LLC

By Name: Bryon Koepke


Title: SVP, Chief Securities Counsel

Avis Budget Group, Inc.

By Name: Bryon Koepke

Title: SVP, Chief Securities Counsel

Counsel for Defendants Avis Budget Car
Rental, LLC and Avis Budget Group, Inc.



William J. Simmons
Littler Mendelson, P.C.
Three Parkway
1601 Cherry Street, Suite 1400
Philadelphia, PA 19102

3/15/17